Early Warning System

# EBRD-50865

## VUB Covered Bonds

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### Quick Facts

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| **Countries** | Slovakia |
| **Financial Institutions** | European Bank for Reconstruction and Development (EBRD) |
| **Status** | Approved |
| **Bank Risk Rating** | U |
| **Voting Date** | 2019-03-13 |
| **Borrower** | VSEOBECNA UVEROVA BANKA (VUB) |
| **Sectors** | Finance |
| **Investment Type(s)** | Loan |
| **Investment Amount (USD)** | $ 186.99 million |
| **Loan Amount (USD)** | $ 186.99 million |
| **Project Cost (USD)** | $ 934.93 million |

## Project Description

According to EBRD website, the project aims to support the Issuer to access medium- to long-term funding by using a covered bond instrument collateralised by a pool of residential mortgage loans. It will (i) help VUB to set the basis for the repetitive issuances of larger size covered bonds in the future, (ii) support further increase in diversification of the funding sources via stable financing instruments, (iii) address asset-liability maturity mismatches, and (iv) contribute to building up a critical mass of outstanding covered bonds in Slovakia by supporting the largest covered bond issuance in the country, and potentially attracting a wider investor base.

### Investment Description

- European Bank for Reconstruction and Development (EBRD)

### Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- Vseobecná úverová banka, a.s. (Financial Intermediary)

### Private Actors Description

VUB is the second largest universal bank in Slovakia with 19% market share by total assets and the second largest player in the mortgage loans market, with 22% market share.

### Contact Information

Treasury and ALM department
bonds@vub.sk
www.vub.sk

### ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent. You can contact the PCM at pcm@ebrd.com or you can submit a complaint online using an online form, http://www.ebrd.com/eform/pcm/complaint_form?language=en. You can learn more about the PCM and how to file a complaint at http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html.