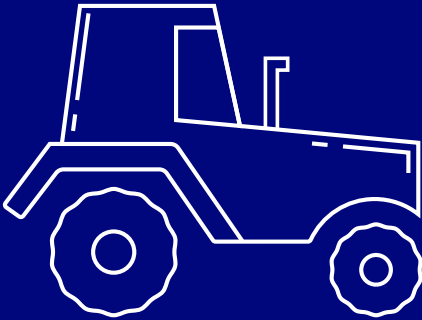


Agri



# Farming and Agri Business Package



**Bank of  
Ireland**

# Supporting your farm and agri business

At Bank of Ireland, we're committed to supporting farmers and agri business.

We want to enable you to sustainably grow and develop your business into the future.

We understand that running a farm or agri business comes with unique challenges and opportunities both in the short and longer term. That's why our flexible and competitive lending options are tailored specifically to meet your needs – designed and supported by people who know your business. We want to help.

We believe in building a lasting relationship with you. Our one-to-one approach helps us fully understand you and your business.

# Competitive solutions designed around you

Below you'll find details about our Agri package.

From day-to-day banking designed to help free up your time, to flexible borrowing solutions that put you in control. Our range of products include:

- ▶ Business Current Account
- ▶ 365 online banking
- ▶ Flexible Finance options
- ▶ Advice and support
- ▶ Business Online (BOL)

Terms and Conditions apply to all of our products. For details of applicable fees and charges, please refer to our Schedule of Fees and Charges for Business Customers, available at [bankofireland.com](https://www.bankofireland.com).

## Day-to-Day Banking

Our range of products, services and online channels have been designed to make banking more convenient – giving you more time to focus on managing your business. As a Bank of Ireland customer you'll benefit from a range of practical financial solutions for your business.

### **Business Current Account**

Our Business Current Account provides you with a competitive, hassle-free way to make and receive payments, manage cash flow and keep control of your business' finances. It's easy to understand and straight forward to use.

## 365 online

We know that the farming and agri business workcycle isn't typically nine-to-five, but with 365 online you can rely on convenient online banking at a time and place that suits you.

- ▶ Keep up to date on your account information by viewing balances, transactions and statements
- ▶ Conveniently make immediate or future dated payments to any company or individual
- ▶ Pay salaries or suppliers.

Call **0818 365 365** or log onto **365online.com** for more details.

## Flexible borrowing solutions to help your business

Our flexible range of borrowing solutions have been designed to deliver funding when you need it most.

Our convenient and competitive range of Overdrafts, Loans, Asset Finance and Business Credit Cards can help you take advantage of new opportunities. So when you want to grow or develop your business, we can help make it happen.

Lending criteria, terms and conditions apply. For details of applicable fees and charges, please refer to our Schedule of Fees and Charges for Business Customers, available at **bankofireland.com**.

# Agri and Business Lending

We offer various types of farm and agri business loans. So whether you're looking to purchase stock, buy land, invest in new farm buildings, machinery, equipment, technology or otherwise grow your business, we offer competitive rates to help make this happen.

## Features and Benefits

- ▶ Flexible repayment terms
- ▶ We can tailor loans to suit your cash flow
- ▶ Borrow from €1,000 to €120,000<sup>1</sup>
- ▶ Unsecured business loan rate of 6.48% or Secured business loan rate of 5.48%
- ▶ No arrangement fee
- ▶ Loan terms of up to 7 years for unsecured lending up to €120,000

## Overdrafts

We understand the seasonal nature of farming and agri business. Like many businesses, from time to time, you will experience peaks and troughs in your cash flow. If you need to make a purchase or pay a bill – our Business Overdraft gives you the flexibility you need.

An overdraft facility fee of €50 is applicable to all new and existing facilities. This fee is charged annually on approval of a new facility.

## Bank of Ireland Agri Farm Finance Options

Product	Purpose	Max Term (yrs)
Term Loan	Land purchase	20
	Farm Buildings / Development	15
	Breeding Stock	7
	Machinery & Equipment	5
Stocking Loan	Non-Breeding Stock / Input Costs	1 to 2
Business Overdraft	Working Capital	1

<sup>1</sup>Over 18 years and existing Bank of Ireland current account customers only. Lending criteria, Terms and Conditions apply. Maximum credit of €120,000 available for online applications.

# Managing Volatility with AgriFlex

At Bank Of Ireland we recognise the challenges of fluctuating product prices, adverse weather patterns and ever changing input costs. Our term loans have an AgriFlex Interest-only option that allows farmers periods of interest only on their borrowings when product prices are relatively low, input costs are relatively high or when other exceptional unplanned events occur such as weather events, or herd or human health issues that impact on farm cashflow. This helps to ease cash flow and support farmers during periods of difficulty.

The following example outlines how Interest only can work for a farm business for an initial 6 month period, extendable upon review in line with farm cash flow requirements.

## Fall in milk prices

John has a 100 cow herd producing 500,000 litres annually. Three years ago, John borrowed €188,000 over 10 years at a variable interest rate of 5% to fund a new milking parlour and upgrade farm roadways. Monthly repayments were agreed at €1,994.

If we assume an average milk price for the last 3 years of €0.34 /litre and if milk price falls by 25% to an average of €0.26 / litre for a 6 month period, John's income will decrease by €20,000\*.

With the Agriflex option, John can be approved to convert his monthly repayments to interest only for a period of six months. This reduces repayments by €1,406 to €588 per month- a reduction of €8,436 over the 6 months. By the end of the 6 month interest only period, milk price has increased to €0.30 / litre and in line with John's increased cashflow, his repayments (capital and interest) recommence at €1,994 per month with the loan period extended by 6 months. This flexibility allows John to preserve his farm cash flow during a time of unexpectedly low milk prices.\*\*

\*The 12 month milk production cycle assumed in this example will vary from case to case depending on seasonality of production.

Milk price: **34 c/l**  
Monthly repayment: **€1,994**

When milk price  
drops



Agriflex activated

Milk price: **26 c/l**  
Monthly repayment: **€588**

After 6 months



Revert to normal  
payments

Milk price: **30 c/l**  
Monthly repayment: **€1,994**

## In Summary

By using the Agriflex option, John was able to reduce his monthly loan repayments by €1,406 per month for six months, a total reduction of €8,436. This flexibility allows John to preserve his farm cash flow during a time of unexpectedly low milk prices.

The Agriflex interest only option repayments can be applied for in a number of scenarios. For further details please contact your local branch or Agri Development Manager.

Customers can avail of the Agri-flex option multiple times subject to Terms and Conditions . The interest only period should amount to no more than 12 months over every 60 months of the loan term.

\*\*Please note that the overall cost of credit and loan repayment term will increase by €2,628.27 and 6 months respectively as a result of John availing of this option. The total cost of credit is: €53,912.07 Calculation: €1994 - €588 = €1,406.7 X 6 months = €8,436.

# Asset Finance

## Hire Purchase

Hire Purchase allows you to grow your business without putting additional pressure on cash flow. It's among the best ways to acquire new and upgraded equipment, plant and vehicles without tying up working capital.

## Leasing

Effective cash flow management is one of the key challenges for farms and businesses today. Leasing allows your business to obtain the use of selected plant, equipment or vehicles over an agreed term in exchange for a fixed rental. It is suitable for farms and businesses who need to preserve credit lines for current expenditure or capital investment.

For more information call **1890 291 929**.





# Talk to one of our team

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## **Contact us today**



[bankofireland.com](https://bankofireland.com)

1890 365 222

**WARNING: The cost of your monthly repayments may increase.**

**Warning: If you do not meet the repayments on your credit facility agreement, your account will go into arrears. This may affect your credit rating, which may limit your ability to access credit in the future.**