



# Sell more with a Financing Guarantee

*A Financing Guarantee allows you to offer your foreign customer long-term credit for a specific order.*

*You provide your customer with credit but sell the entire credit agreement to your bank. We provide a guarantee to the bank for the main part of the bank's risk. It means that we will pay compensation if the customer does not pay as agreed. In this way it may be attractive for the bank to provide credit to your customer. A credit notably used to place orders with you.*

*What characterises a Financing Guarantee is that the credit is documented by bills of exchange, and that we hold the documentation risk.*

---

## What are the advantages of a Financing Guarantee?

### **Financing to your customer**

You can help your buyer secure credit for placing orders with you. A Financing Guarantee ensures that your foreign customer obtains credit.

### **Use credit as a competitive parameter**

You can use a financing solution actively to promote sales. You are one step ahead of your competitors if you are able to offer an attractive financing solution.

### **Immediate payment**

You receive payment as soon as you deliver the goods even if your buyer has obtained credit and has a long payment deadline.

### **Large companies landing small orders**

A Financing Guarantee is particularly relevant for large companies who land small orders.

## What does a Financing Guarantee cover?

### **Application**

Credit directly to your customer through bills of exchange.

### **Cover**

Your bank's loss if your customer does not pay as agreed.

### **Percentage of cover (of the bank's loss) up to**

90 %

### **Amount up to**

37m

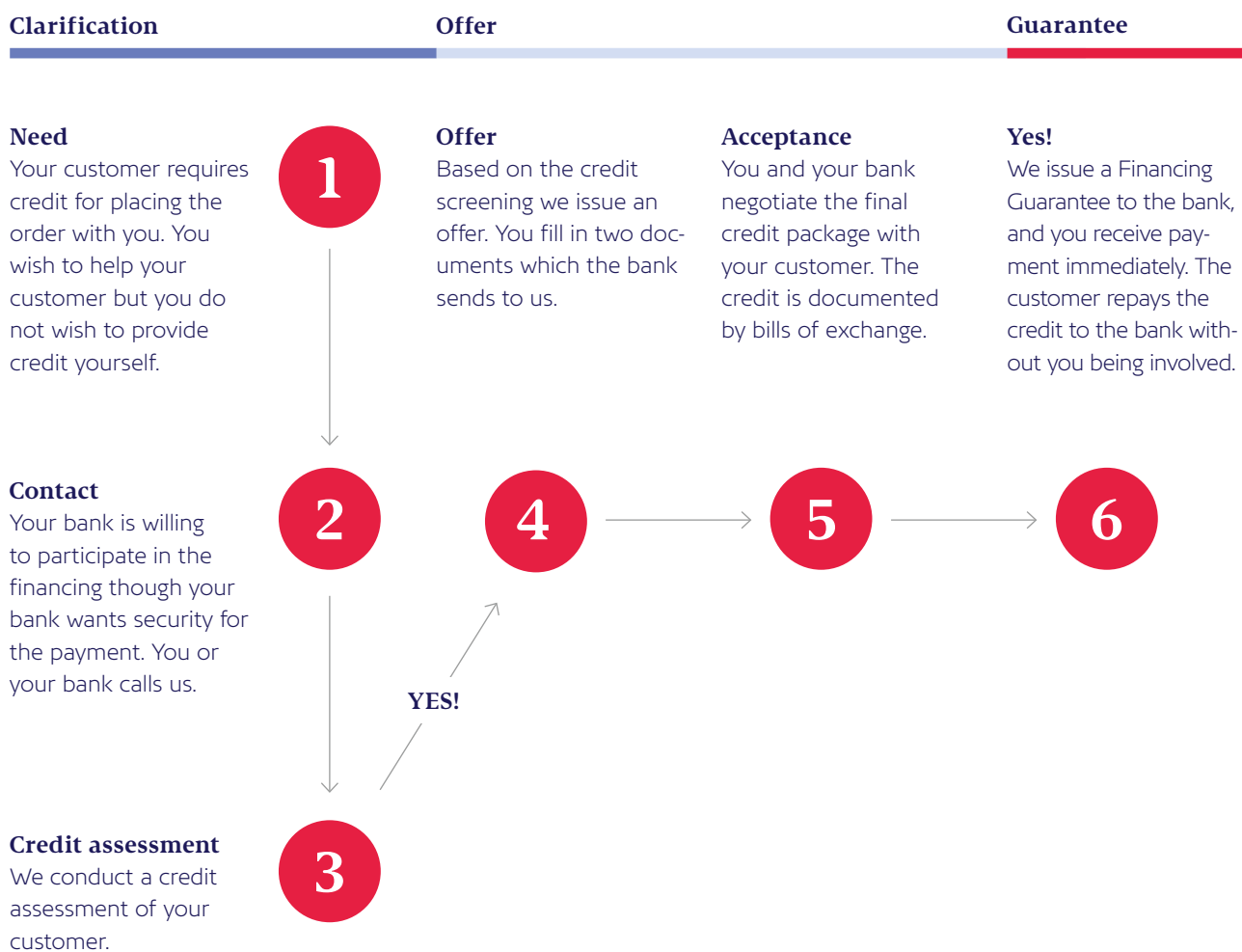
### **Credit period above**

180 days

### **Exporter's deductible**

10 %

## What are the steps in the process?



## Three practical questions

### How much?

As the exporter, there is no cost involved for you. However, we charge a premium for issuing a Financing Guarantee.

The premium depends on

- › your customer's creditworthiness
- › the political situation in your customer's country
- › the credit period.

The premium ranges from 0.5 % to 4.25 % p.a. In addition to the premium to EKF, the buyer pays loan interests and costs to the bank for the credit. All the charges will be added to the credit. Your bank will give you the total price.

### What does it require?

A foreign customer.

Your customer must be creditworthy.

Your customer's country must be approved for bills of exchange.

The credit covers a single order.

Your company must help generate economic growth in Denmark.

You have to sign a declaration stating that the process of filling the order is conducted in an environmentally and socially responsible manner.

### What can you do?

Contact your bank for an immediate application.

Contact one of our advisors.

Obtain a credit report on your customer.

If the order exceeds DKK five million, you can obtain your customer's annual accounts for the last three years.

Obtain an approval of your customer from us and use financing as an extra selling point.

Visit [www.ekf.dk](http://www.ekf.dk) for more information on success stories, requirements and terms.