

- Are you thinking of applying for finance for a business investment, working capital or development, but cannot offer adequate security?
- A Finnvera Micro-guarantee may be the answer to your problems.

Micro-guarantee – as security for business loans

A Micro-guarantee is a way to help your business to get a bank loan. If you cannot offer adequate security, the bank can apply for a Finnvera guarantee as partial security for your loan. Micro-guarantees are based on an agreement between Finnvera and the banks on guarantee arrangements for credit. This makes it possible to guarantee small loans by sharing the risk with the bank concerned.

All branches of Nordea Bank Finland plc, Sampo Bank plc, Aktia Bank plc, Svenska Handelsbanken AB:s, Stadshypotek AB (publ), Branch Operation in Finland, Tapiola Bank plc, Optia Saving Bank, cooperative banks, Helsinki OP Bank Plc, and local savings and cooperative banks are covered by the agreement.

A Micro-guarantee is intended for enterprises just being set up or with less than 50 employees. We provide financing for enterprise activities in almost every sector; only actual farming, forestry and building developer's business remain outside our range of financing.

Terms and conditions of a Micro-guarantee

Finnvera's guarantee proportion can be max. 60%. However, the total sum of Micro-guarantees granted to one enterprise may not exceed EUR 85,000.

Financial instruments to be guaranteed: promisory note credits or accounts with overdraft facility.

Security: counter-securities are mutual specific securities, which will be shared between the bank and Finnvera. The securities obtained will be arranged and managed by the bank.

Fees collected on the guarantee: The guarantee commission is 1.75% p.a. on the guarantee sum. A handling fee will also be charged.

Application

Put in a loan application to your bank, which will assess your business's operating potential and the risks attached to the counter-security before granting the loan. The bank will submit an application for a Micro-guarantee to Finnvera on behalf of the enterprise.

To get a Micro-guarantee, you must have a profitable business and put up an adequate contribution to the funding yourself. The credit information on your business and those responsible for it must also be acceptable.

If the bank used by your business has not subscribed to the agreement on the Micro-guarantee, get in touch with the nearest Finnvera regional office, which will arrange for alternative funding/security.

Finnvera plc, telephone (switchboard)+358 20 460 11, telephone service +358 20 690 784, www.finnvera.fi

Regional Offices: Helsinki, Joensuu, Jyväskylä, Kajaani, Kuopio, Lahti, Lappeenranta, Mikkelä, Oulu, Pori, Rovaniemi, Seinäjoki, Tampere, Turku, Vaasa

www.enterpriseinland.fi