



GUARANTEE SCHEMES FOR NEW LOANS

State-guaranteed loans for companies affected by coronavirus / covid-19.

For SME's (less than 250 employees)

Vækstfonden can guarantee new loans and operating credit facilities for small and medium-sized enterprises that experience or expect to experience a minimum loss of 30 per cent as a result of the COVID-19 outbreak.

- The guarantee covers 70 per cent of any losses on the part of the bank, leasing company, etc.
- The same company can be guaranteed several times – however, Vækstfonden cannot guarantee loans to cover loss of revenue in the same period more than once.
- The guarantee can have a maturity of up to 7 years and is written down linearly on an annual basis.
- The price consists of a commitment fee of DKK 2,500 and an annual fee of 1 per cent of the guarantee sum.
- The scheme is provisionally valid until 30 September 2020.

For large companies (more than 250 companies)

Vækstfonden can guarantee loans or credit for large companies from a bank to cover losses or anticipated losses in revenue of at least 30 per cent as a result of the COVID-19 outbreak.

- The same company can be guaranteed several times – however, Vækstfonden cannot guarantee loans to cover loss of revenue in the same period more than once.
- The guarantee covers 70 per cent of the bank's losses.
- The guarantee can have a maturity of up to 6 years and is, as a starting point, written down linearly over the term on an annual basis. It is however possible to create a COVID-19 guarantee with a maturity of up to 6 months, and as a standing guarantee for up to 24 months.

The scheme will be administered by Vækstfonden (the Danish state's investment fund).

The scheme can support lending to small and medium-sized enterprises for up to DKK 25 billion.

Sources:

- <https://vf.dk/en/products-for-partners/covid-19-guarantee-for-smes/>
- <https://vf.dk/en/products-for-partners/covid-19-guarantee-for-large-companies/>