

CREDENDO SUPPORTS EXPORTERS IN **FINANCING THE GROWTH OF THEIR BUSINESS INTERNATIONALLY** BY HELPING THEM OBTAIN LOANS FROM THEIR BANKS.

What is a financial guarantee for bank loans?

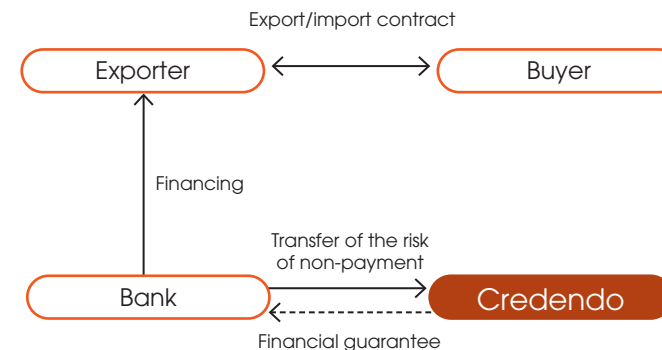
A financial guarantee is the participation by Credendo in a loan granted by a bank to a Belgian exporter. This may be a line of credit required for issuing bank guarantees, a working capital facility, or even an investment loan.

What does Credendo offer exporters and banks?

Credendo makes it possible for exporters to access financing granted by banks, without additional cost.

A bank assumes a risk of non-payment of amounts payable by an exporter on its line of credit. By participating in the line of credit through the granting of a financial guarantee to the bank, Credendo shares the risk of non-payment with the bank. Because of its AA rating, Credendo provides greater security for the bank when it grants credit to an exporter. If the loan is not repaid, Credendo will indemnify the bank on the basis of the amount of the unpaid claim.

Structure of a financial guarantee for bank loans



What is the maximum percentage covered by Credendo?

The Credendo financial guarantee covers the bank up to a percentage generally set at 50% of the line of credit. The bank is therefore still responsible for covering a portion of the risk (50%).

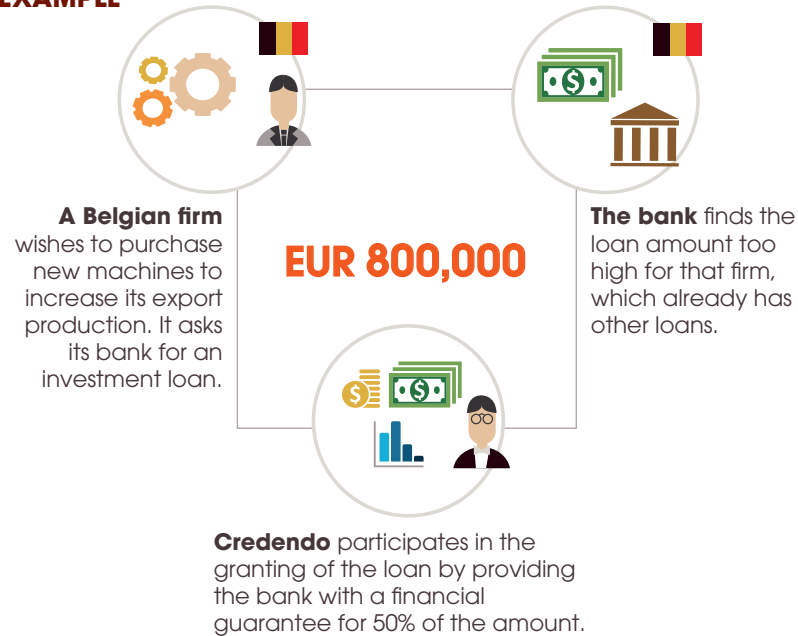
Who can obtain this guarantee?

Any Belgian or foreign bank can obtain a Credendo financial guarantee for a loan granted to a Belgian company developing its business internationally.

How much does a financial guarantee for bank loans cost?

Credendo shares the remuneration that the bank receives from the exporter. The Credendo financial guarantee does not entail any additional cost for the exporter.

EXAMPLE









Further information

E solutions@credendo.com
T +32 2 788 87 76
www.credendo.com

Credendo refers to Credendo – Export Credit Agency, the official Belgian export credit agency, created in 1939. It is covered by the Belgian State guarantee and has an AA rating from S&P Global.

TIMELINE

- **1. Contact with the bank and with Credendo**
The Belgian exporter contacts its bank in order to take out a loan. If there are problems with obtaining this loan, it can approach Credendo.
- **2. Request for financial guarantee from Credendo**
The bank asks Credendo to share the risk on the loan that it would like to grant to the exporter.
- **3. Promise of participation**
Following analysis, Credendo makes a decision and confirms its participation to the bank in a promise valid for six months.
- **4. Signing of contractual documents**
The bank signs its participation certificate with Credendo.
- **5. Repayment of the loan**
The exporter repays the entire loan to its bank.
- **6. Indemnification**
If the loan is not repaid, Credendo will indemnify the bank.