



Protect your exports with a Bond Guarantee

Foreign customers may demand that you provide a guarantee that you will deliver the goods or services as agreed. Sometimes a customer makes an unfair call on the bond. A Bond Guarantee insures you against the risk of having to pay the guarantee amount. For example, if your customer unfairly claims that you have defaulted on delivery and calls the bond.

A Bond Guarantee also protects you against loss if the customer calls the bond because political uncertainty arises in the country. For example, if the authorities prevent you from supplying the goods or if an international embargo is placed on trade with the country. If something goes wrong, we will pay compensation to you.

What are the advantages of a Bond Guarantee?

Helps you provide guarantees

A Bond Guarantee helps you provide a bid bond, advance payment bond or performance bonds without running the risk of losing everything.

No reason to be nervous

A Bond Guarantee allows you to accept orders from markets that you would otherwise be unwilling to venture into. Although you do not know the customer, your risk is limited.

Compensation for loss

You will be compensated for any loss you suffer if your customer makes an unfair call on the bond issued by you.

Backed by the Danish government

Should your foreign customer make an unfair call on the bond, the demand for payment will be backed by the Danish government. That makes a difference when recovering claims, if any.

What does a Bond Guarantee cover?

Application

When you issue a bond as a guarantee

Cover

Your loss due to unfair calling of a bond

Percentage of cover (of your loss) up to

90 %

Amount up to

Unlimited

Credit period

According to your agreement with your customer

What are the steps in the process?

Clarification

Offer

Guarantee

Need

You need to issue a bond that guarantees you deliver the goods.

1

Offer

If we are willing to cover the transaction, we make an offer including cover, terms and premium.

Acceptance

You accept the offer and ask us to issue a Bond Guarantee.

Yes!

We issue a Bond Guarantee and charge a premium. You can provide the bond and produce the order.

Contact

You fill in an application on our website and send it to us.

2

4

5

6

Risk assessment

We conduct a credit assessment of your customer and the project. We evaluate your customer's creditworthiness, environmental issues, your deliveries etc.

3

YES!

Three practical questions

How much?

EKF charges a premium for issuing a Bond Guarantee.

We calculate the premium on the basis of

- > your buyer's creditworthiness
- > the political situation in the buyer's country
- > credit period

What does it require?

You have to be a Danish exporter.

We have to accept the risk on your buyer.

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 us for an immediate application or more information on Bond Guarantees.

Visit www.ekf.dk to read about success stories, terms and requirements.