



Secure payments with an Operating Lease Guarantee

Do you miss out on business opportunities because your customers prefer to lease rather than to own your product?

An Operating Lease Guarantee allows you to offer your foreign customer the option of leasing your equipment. This can help you differentiate yourself from your competitors and be a crucial sales argument when discussing possible new orders with your customer.

If, contrary to expectations, your customer does not pay lease instalments as agreed, EKF will cover your loss. It sets your mind at ease and allows you to enter into an agreement regarding leasing with peace of mind without worrying about a possible loss.

What are the advantages of an Operating Lease Guarantee?

A flexible solution for your customer

This allows you to offer your customer a flexible leasing solution. For instance, when your customer only needs your asset for a limited period or if ownership of the asset does not add value to your customer's business.

Between you and your customer

There is no third party involved in the transaction. It is only between you and your customer.

An effective competitive parameter

You can use a leasing solution actively to promote sales. Being able to offer your customer a leasing solution brings you one step ahead of your competitors when you are able to offer your customer a leasing solution.

Limited payment risk

For you as an exporter, the risk of non-payment by the buyer is limited as EKF covers the main share of the risk.

What does an Operating Lease Guarantee cover?

Application

When you provide a leasing solution to your customer

Cover

Your loss if your customer does not pay as agreed

Guarantee percentage (of your loss) up to

90 %

Amount up to

Unlimited

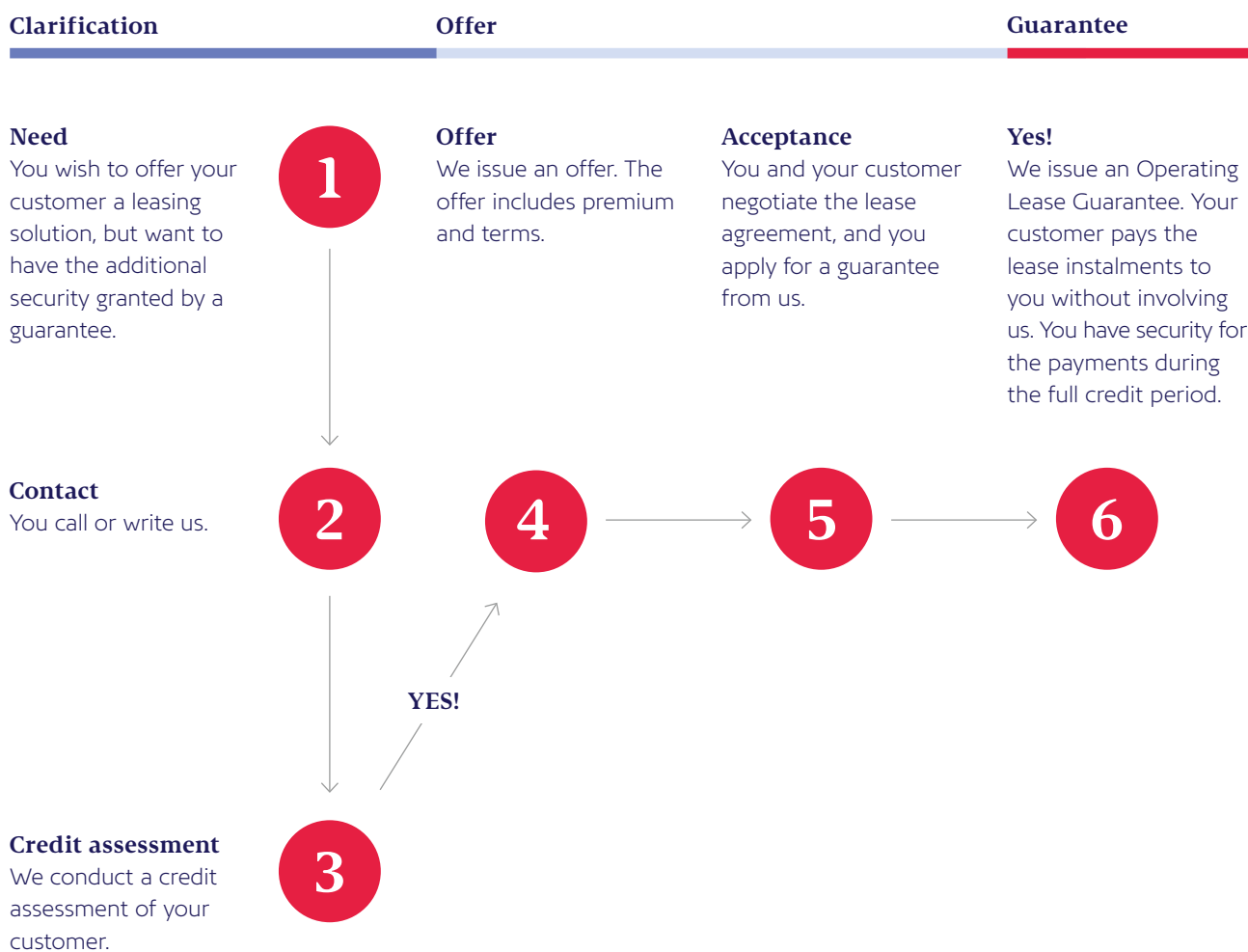
Credit period up to

180 days

Requirement

Down payment of at least 15 %

What are the steps in the process?



Three practical questions

How much?

You pay a premium to EKF for issuing a guarantee.

The premium is calculated on the basis of:

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

The premium ranges from 0.5 % to 4.25 % p.a.

What is not covered by the guarantee?

- › The residual value of the asset
- › Return of the asset

What does it require?

You are a Danish exporter with a foreign customer. Your customer must be creditworthy.

You know the rules and regulations regarding VAT and leasing in the country where your customer is established.

The leasing period covers minimum six months.

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 one of our advisors for more information about an Operating Lease Guarantee.

Obtain a credit approval of your customer from EKF and use it as an extra selling point, when you discuss possible new orders with your customer.

If a specific business transaction is in progress, you can obtain a credit report on your customer and submit it to EKF.

If the value of the order exceeds DKK five million, you need to obtain the customer's annual accounts covering the last three years for credit screening purposes.