# Protect your investment with an Investment Guarantee



Investment in subsidiaries abroad may be nerve-racking in uncertain markets. If you take out an Investment Guarantee, we will cover most of your risk of loss on investments, for example if your plant is affected by civil war, expropriation or nationalisation. Or if you are unable to transfer money out of the country.

We will provide compensation for the value of the company if, for a long period of time, you are unable to use your company or bring home the proceeds.

Backed by an Investment Guarantee, you have solid cover to invest in markets you would usually avoid.

# What are the advantages of an Investment Guarantee?

# Security for your investment

EKF will pay compensation if political problems resulting in loss on your investment should arise in the country.

### Easier access to bank finance

EKF assumes the risk that political conditions make it difficult or impossible to operate a business. This means that your bank will be more motivated to offer you financing.

# Backed by the Danish government

In the event of loss, the demand for payment is backed by the Danish government. That makes a difference when claims are to be recovered.

#### Set up subsidiaries abroad

You are able to invest in subsidiaries and expand in countries with political instability – markets you would otherwise tend to avoid.

# What does an Investment Guarantee cover?

# Application

Investment abroad

# Cover

Your loss as a result of political unrest

# Percentage of cover up to

95 %

# Amount up to

Unlimited

## **Credit period**

15 years

# What are the steps in the process?

Clarification Offer Guarantee Need Offer Yes! Acceptance You do not want to We make an offer with We negotiate the final We issue an Investment assume the entire risk a premium indication conditions when the Guarantee to you. And for your investment and terms. project is in place. your investment is abroad. protected from political risk. Contact You contact EKF and send us a brief project description. YES! Risk assessment We assess the risk of the project and the country involved.

# Three practical questions

#### How much?

Our premium is determined mostly by the political conditions of the country of your subsidiary.

We rate countries on a scale from 1 to 4. Premiums are usually between 0.4 % and 1.6 % p.a., but may, in exceptional cases, be outside this scale.

You pay an annual premium.

#### What does it require?

The investment must be a natural progression of your company's expansion.

In our assessment, the risk of the respective country must be acceptable.

Your company must help generate economic growth in Denmark

## What can you do?

Visit our website at www.ekf.dk for information on requirements and

Make a brief project description.

Contact us for more information about Investment Guarantees.