

## Instructions for applying for guarantee compensation for loans granted to communities

Guarantee compensation can be applied for from the State Treasury with a written, free-form application.

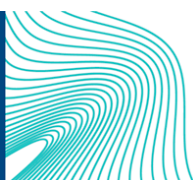
- The compensation can be paid once the loss has been determined after the declaration of the debtor's insolvency and the sale of the assets used as collateral, when the funds obtained from the collateral are not sufficient for covering the outstanding government guarantee loan.
  - After the sale of the collateral, the debtor's insolvency is estimated separately. The insolvency may be determined based on bankruptcy or insolvency during enforcement, a reduction in receivables during corporate reorganisation proceedings, or other similar grounds that, in individual cases, can be used to demonstrate the loss of the receivable. If the applicant wishes to invoke other grounds for demonstrating the insolvency of the debtor, the applicant must state reasons for this approach.
  - Depending on the applicable law, the conditions for compensation may vary on a case-by-case basis.
- The application for compensation must be submitted without delay after the loss has been determined.

The application must include at least the following information:

1. The applicant's contact information/process address, along with their account number;
2. Basic details of the debtor;
  - name, business ID, address, phone number;
  - loan number and loan amount at a) the moment of withdrawal b) the moment of liquidation c) the moment of submission of the application;
  - the total outstanding interest and interest on late payment at the moment of liquidation;
  - the amount of other loans at the moment of liquidation.
3. A report explaining the reasons for the loan default;
4. A report of the recovery measures the lender has taken;
5. The measures taken against the possible guarantor;
6. The lender's calculation of the credit losses arising from the loan guaranteed by the government and the compensation amount applied for on the basis of the government guarantee.

Attachments to the application:

1. A report of the debtor's insolvency;
  - A certificate of impediment for lack of means issued by the enforcement authority;
  - If the debtor has been placed under corporate reorganisation, the confirmed reorganisation programme and the confirmation decision must be submitted to the State Treasury;



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- If the debtor has been declared bankrupt, the following must be submitted to the State Treasury:
  - the debtor description and a list of estates, if the applicable law requires the loss to be irrevocable. In the event of a full-scale bankruptcy, the court decision confirming the disbursement list and the itemised settlement must be submitted. If the bankruptcy lapses, a court decision on the lapse of the bankruptcy must be submitted.
  - a court decision on the declaration of bankruptcy, if the applicable law does not require the loss to be irrevocable.
- 7. A copy of the loan application;
- 8. A copy of the financing decision;
- 9. The documents used to assess solvency at the time of granting the loan, such as a Rating alfa report and solvency analysis;
- 10. A copy of the debtor's financial statements at the time of granting the loan;
- 11. A report of the debtor's liabilities and credit information when they applied for the loan;
- 12. Copies of the certificate of encumbrance and the certificate of title of the assets used as collateral;
- 13. A copy of the collateral asset's appraisal document at the time of liquidation;
- 14. A copy of the loan's collateral documents;
- 15. A report detailing how the purchase price has been disbursed and how much of the loan granter's receivables still remain.
  - A disbursement list of the purchase price in a sale by court order, or other report in a voluntary sale.

If necessary, the State Treasury may request additional information from the applicant during the processing of the guarantee compensation application.

The application for guarantee compensation can be submitted to the State Treasury by email at:

korkotuki(at)valtiokonttori.fi

or via the Secure Message service at <https://turvaviest.valtiokonttori.fi>

When using the Secure Message service, select "Korkotuet" as the recipient. It is not recommended to send any personal data via unsecured email.

The application can also be submitted by post:

State Treasury  
Loans and Guarantees  
Communities Finance  
PO Box 14  
00054 STATE TREASURY