

CREDIT GUARANTEE PROGRAM for MSMEs
(Support to Government Economic Recovery Measures for COVID-19 Affected Sectors)

On 27 April 2020, the PHILGUARANTEE Governing Board approved a Credit Guarantee Program to support P120-Billion in working capital loans to micro, small and medium enterprises (MSMEs) facing economic difficulties as a result of the crisis.

The Program is aimed at increasing availability of credit from the banking sector, and at the same time provide means to jumpstart the MSMEs with much needed working capital to be obtained from the banks. The guarantee program will also complement access to lending as it encourages more banks to assist MSMEs.

Also as part of its assistance measures, PHILGUARANTEE has waived its customary origination fees in consideration of the crisis.

The Program Features are as follows:

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| I. Eligible Lenders | - PHILGUARANTEE-accredited:
a. Universal Banks, Commercial Banks, Thrift Banks and Rural Banks
b. Other financial institutions (NBFIs) supervised by the Bangko Sentral ng Pilipinas |
| II. Eligible Borrowers | - MSMEs affected by the COVID-19 pandemic |
| III. Loan Amount per Borrower | a. Maximum of P50 Million per borrower
b. Loans of over P50 Million may be accepted on a case-to-case basis and subject to PHILGUARANTEE's regular credit guarantee program |
| IV. Guarantee Coverage | - 50% of loan principal amount |
| V. Eligible Loan | - Working Capital |
| VI. Term of Loan | - 1-5 years |
| VII. Fees* | a. Origination Fee: Waived
b. Guarantee Fee: 1% per annum of guaranteed amount |
| *Special rate for applications received by PHILGUARANTEE up to December 2020. | |
| VIII. Repayment/Collateral/Security | As may be required by the accredited lending bank and financial institution |
| IX. Application Procedure | - MSME files application and submits loan processing requirements to the accredited lending bank and financial institution.

- PHILGUARANTEE to advise approval of the guarantee coverage to the accredited bank or financial institution. |

For inquiries on the above Program, please directly email the Corporate Business Group through the following:

Mr. Celso R. Gutierrez, SVP (crgutierrez@philguarantee.gov.ph)
Ms. J. Leah M. Garcia, VP (imgarcia@philguarantee.gov.ph) – for Luzon Area
Ms. Rovi M. Peralta, VP (rmperalta@philguarantee.gov.ph) – for Visayas Area
Mr. Eduardo S. Angeles, VP (edangeles@philguarantee.gov.ph) – for Mindanao Area

Other concerns shall be coursed through the following helpdesk emails:

info@philguarantee.gov.ph (for Agriculture Business/Support Operations)
helpdesk@hgc.gov.ph (for Housing Business/Recoveries & Asset Management/Collection & Claims and AGFP-related Recoveries & Claims)

Date: **30 April 2020**



ALBERTO E. PASCUAL
President and Chief Executive Officer