

# Micro-loans from the SME Fund

## *Fast granting of small loans of up to EUR 25,000*

### *Who is eligible for support?*

#### **Financing for start-ups**

- └ Founders of small or medium-sized commercial businesses
- └ Founders of freelance businesses
- └ Commercial or freelance businesses that have been on the market for no more than 5 years

and are establishing or have an operating facility in Berlin

#### **Financing for growth**

- └ Small and medium-sized enterprises (SMEs) in the commercial industries
- └ Freelance professionals

with an operating facility in Berlin

### *What is supported?*

- └ Co-financing for investments and the related working capital as part of the following measures:
- └ Start-ups and consolidation projects
- └ Company takeovers, however, not between first-degree family members
- └ Relocations
- └ Expansion projects
- └ Funds for new projects
- └ Advance financing for specific projects

The project to be financed must be carried out at a Berlin-based operating facility.

Debt rescheduling and/or follow-up financing of projects already underway or completed, as well as financing for business rescue projects are generally ruled out.

### *What kind of support is available?*

On behalf of the senate department in charge, IBB provides support as micro-loans of up to EUR 25,000.

### *Terms and conditions*

- └ The latest interest rates can be found in the overview of terms and conditions at: [www.ibb.de/mikrokredit](http://www.ibb.de/mikrokredit).
- └ The loans are usually limited to a term of six years, including one year redemption free.
- └ No handling fees or standby interest charged.
- └ Repayments are generally made on a quarterly basis.

## Other important details

- When it comes to financing for start-ups, questions will be asked regarding the measures planned to achieve turnover as well as success factors, such as letters of intent, first orders, co-operations concluded.
- In as far as available, your annual accounts, as well as the latest company figures, will be used to examine your application and to assess future capital service capability.
- Financing will generally be rejected if negative indicators are found regarding the founder/shareholder or company (negative Schufa entries not removed, tax debts payable, judicial dunning proceedings, the making of an affidavit due to payment arrears, ongoing company insolvency or private insolvency proceedings).
- It is possible to combine a loan from the SME fund with business development measures by the federal government, the federal state and the European Union.

## How to apply

Applications must be submitted prior to commencing the project (e.g. conclusion of a purchase agreement, etc.) because debt re-scheduling and refinancing are not possible.

- Please use our application form which also contains a list of all the documents that must be submitted. If your application does not contain the fully completed and signed application form, the fully completed and signed voluntary disclosure form and your CV, we will return your application without any further examination for formal reasons. Application documents can be found at: [www.ibb.de/mikrokredit](http://www.ibb.de/mikrokredit).
- Alternatively, you can submit your application online to Investitionsbank Berlin using the electronic application available at: [www.ibb.de/kundenportal](http://www.ibb.de/kundenportal).
- In the case of existing companies and company takeovers, the application must also contain the latest commercial analysis or the monthly result statement and, if applicable, the annual accounts or income statements for the past two years.
- Once IBB has received your application, you will be sent confirmation of receipt. As soon as all the documents are complete, they will be examined.
- If your project is considered to have good prospects for success, we will usually invite you to come to IBB for a meeting. After the meeting, you will be notified of the loan decision within a few working days.

Please contact us at the earliest possible date. Our customer centre will be pleased to answer detailed questions regarding the programme and assist you with your application.

Please note: Applications are accepted in German only.

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