



## Micro Business and Individual Unit (JFC-Micro)

*Promoting Economic Prosperity By Supporting Small and Medium Enterprises (SMEs)*

### Features of JFC-Micro business loans

**JFC-Micro is one of the units of Japan Finance Corporation (JFC) for financing Small and Medium Enterprises (SMEs).**

- 1 JFC-Micro business loans are available to SMEs in almost all industries.
- 2 Corporations/Individuals who are starting their own businesses are eligible for JFC-Micro business loans.
- 3 JFC-Micro has some loans that do not require a guarantor or collateral, and some loans that do not require a third-party guarantor or collateral.
- 4 JFC-Micro offers long-term loans at fixed interest rates.

### Nationwide network of JFC-Micro

**JFC-Micro stands next to you.**

- 1 There are about 4.20 million SMEs in Japan, of which approximately 1.03 million are JFC-Micro business loan customers. A great number of SMEs utilize JFC-Micro business loans.
- 2 JFC-Micro provides useful information on business management, based on many years of experience in the field of SME finance.
- 3 JFC-Micro provides consultation services at 152 branch offices all over Japan and KOKUKIN Business Support Plazas in Tokyo, Nagoya, and Osaka.
- 4 JFC-Micro provides one-stop service to business start-ups by collaborating and networking with support institutions in each area.

# JFC MICRO BUSINESS AND INDIVIDUAL UNIT (JFC-Micro) BUSINESS LOANS

Type of loan	Available for	Maximum amount	Repayment period	Collateral or guarantor(s)	
<b>General Loans</b>					
<b>General Loans</b>	Corporations/Individuals who are running businesses are eligible (Available to all SMEs in almost all industries)	¥48 million	Working fund 5 years or less Equipment fund 10 years or less	<b>NO COLLATERAL OR GUARANTOR</b>	
		(Specified equipment fund) ¥72 million	Equipment fund 20 years or less		
<b>Safety-net Loans</b>					
Business environment change fund	Corporations/Individuals whose businesses are suffering due to declining sales or the like	¥48 million	Working fund 5 years or less Equipment fund 15 years or less		
Financing environment change fund	Corporations/Individuals who have financial difficulties due to the failure of a main financial institution or the like	(Extra amount) ¥40 million	Working fund 5 years or less Equipment fund 15 years or less		
Bankruptcy measure fund	Corporations/Individuals who have run into several difficulties caused by the bankruptcy of trading partners, etc.	(Extra amount) ¥30 million	Working fund 5 years or less		
<b>Special Loans</b>					
<b>New Business Nurturing Loans</b>					
Business start-ups fund	Corporations/Individuals who are starting or have started their own businesses within about five years	¥72 million (Working fund : up to ¥48 million)	Equipment fund 15 years or less Working fund 5 years or less		
Women, youth and senior entrepreneurs fund	Women/People aged under 30/People aged 55 and over who are starting or have started their own businesses within about five years				
Fresh start ("Challenge Again") assistance fund	Corporations/Individuals who meet certain requirements (e.g. if they have records of closing down their businesses) and who are starting or have started their own businesses again within about five years	¥20 million	Working fund 5 years or less		
New business activity promotion fund	Corporations/Individuals who are starting a second business (e.g. business diversification, business change)	¥72 million (Working fund : up to ¥48 million)	Working fund 5 years or less		
<b>Business Vitality Strengthening Loans</b>					
Business vitality strengthening fund	Corporations/Individuals who are running restaurants, wholesale, retail, or service businesses, and who are building new shops, expanding existing shops, or purchasing equipment and machinery	¥72 million (Working fund : up to ¥48 million)	Equipment fund 20 years or less Working fund 5 years or less		
Information Technology (IT) fund	Corporations/Individuals who are investing in information technology		Equipment fund 15 years or less Working fund 5 years or less		
Regional vitalization & employment promotion fund	<ul style="list-style-type: none"> <li>Corporations/Individuals who are running the business related to social contributions or carry on their businesses following governor-approved corporate location plans</li> <li>Corporations/Individuals who are making capital investments and then to hire more employees</li> </ul>	¥15 million	Equipment fund 10 years or less		
Financial improvement support fund	Corporations/Individuals whose business conditions meet certain requirements and who are expected to increase profit through an expansion of production capacity, etc.	¥15 million	Equipment fund 10 years or less		
<b>Environment &amp; Energy Measure Loans</b>					
Environment & energy measure fund	<ul style="list-style-type: none"> <li>Corporations/Individuals who are purchasing energy-saving equipment or equipment using non-fossil energy sources</li> <li>Corporations/Individuals who are promoting the improvement of environment measures</li> </ul>	¥72 million (Working fund : up to ¥48 million)	Equipment fund 15 years or less Working fund 5 years or less		
<b>Business Revitalization Loans</b>					
Business reconstruction & business succession support fund	<ul style="list-style-type: none"> <li>Corporations/Individuals who are restructuring their businesses while receiving support from SME Revitalization Support Councils or legal authorization by the Civil Rehabilitation Law for restructuring plan, etc.</li> <li>Corporations/Individuals who are succeeding businesses</li> </ul>	¥72 million (Working fund : up to ¥48 million)	Equipment fund 15 years or less Working fund 5 years or less		
Loans for Modernization of Grocery Retailers	Corporations/Individuals who are running retail or manufacturing businesses for food products or retail businesses of flowers and plants, and who are building new shops, expanding existing shops, purchasing equipment and machinery, or joining franchise chains, etc.	¥72 million (Working fund : up to ¥48 million)	Equipment fund 13 years or less (in principle) Working fund 5 years or less (in principle)		
<b>Environmental Health Business Loans</b>					
Regular Loans	Corporations/Individuals who are running environmental health businesses: restaurants, barbershops, beauty parlors, ryokan (Japanese inns), laundries, etc.	Equipment fund: ¥72 million ~¥400 million (depending on industry)	13 years or less (depending on purpose or industry)		
Loans for Business Promotion	Corporations/Individuals who are running environmental health businesses, and who are the members of the Environmental Health Trade Association with certified promotion plans	Equipment fund: ¥150 million ~¥720 million (depending on industry)	18 years or less (depending on purpose)		
		Working fund: ¥57 million	5 years or less		

Type of loan	Available for	Maximum amount	Repayment period	Collateral or guarantor(s)
<b>Managerial Improvement Loans</b>				
<b>Managerial Improvement Loans (MARUKEI Loans) (No collateral or guarantor)</b>	Corporations/Individuals who have received managerial advice and recommendations from the head of local Chambers/Societies of Commerce and Industry, etc.	¥15 million	Working fund 7 years or less Equipment fund 10 years or less	No collateral or guarantor
	Corporations/Individuals who run environmental health businesses, and who have received a recommendation from the head of the local Environmental Health Trade Associations, etc.			

## Loans Not Requiring Third-party Guarantors or Collateral

In general, CEOs must act as guarantors for their respective corporations (no collateral), and no collateral or guarantor is required for individual proprietors.

Available for	Maximum amount	Repayment period
The following requirements must be met: (1) Tax returns have been filed for two or more years. (2) Income and other taxes are paid in full in principle.	¥48 million	Working fund 5 years or less Equipment fund 10 years or less

## New Start-up Loan Program (No collateral or guarantor)

Available for	Maximum amount	Repayment period
Corporations/Individuals who are starting their own businesses or have not yet filed the second term's tax returns since establishment	¥10 million	Working fund 5 years or less Equipment fund 7 years or less

Notes: 1. Corporation/Individuals who are starting their own businesses or have not yet filed the first tax returns must cover at least one-third of the total start-up costs by themselves. The start-up costs do not include funding for non-business purposes.  
2. Corporations/Individuals who meet certain requirements (e.g. creation of employment, work experience, and so on) are eligible.  
3. This program is not available for some kinds of loans. Please feel free to consult a branch office for further information.

## Challenge Support Loan Program (No collateral or guarantor)

Available for	Maximum amount	Repayment period
Corporations/Individuals who tackle revitalizing local economy and meet a certain condition	¥20 million (Up to ¥10 million for those who have not yet filed the second term's tax returns)	10 years (bullet payment) (7 years for those who have not yet filed the second term's tax returns)

Notes: 1. Interest rate of this loan is 5.3% (annually).  
2. About "a certain condition," please feel free to ask a branch office.

## The Great East Japan Earthquake Recovery Special Loan

This loan is available for corporation/individuals affected by the Great East Japan Earthquake.

Available for	Maximum amount	Repayment period
Corporations/Individuals affected directly by the disaster or nuclear power station incident.	¥60 million (Extra amount)	Equipment fund: 20 years or less Working fund: 15 years or less
Corporations/Individuals affected indirectly by the disaster or nuclear power station incident.		Equipment fund: 15 years or less Working fund: 15 years or less
Other corporations/individuals affected by the disaster due to harmful rumors or the like.	¥48 million (Extra amount)*	Equipment fund: 15 years or less Working fund: 8 years or less

\*Including loan amount of Business environment change fund (Extra amount shall be ¥57 million (working fund only) for corporations/individuals who are running environmental health business and who are the members of the Environmental Health Trade Association with certified promotion plans.)

Note: Please feel free to ask a branch office for further information.

Notes:

- Applicants may be able to set a deferred period of repayment. Please feel free to ask a branch office.
- For General Loans and Loans for Modernization of Grocery Retailers, applicants may have extra repayment period. Please feel free to consult a branch office.
- The specified equipment fund is for corporations/individuals who are changing their product lines or type of business.
- The Loan Program for Entities Adopting "Accounting Guideline for Small and Medium-sized Entities" (annually 0.2% shall be deducted from the interest rate of each type of loan), the Social environment handling facility maintenance fund (Environment & Energy Measure Loans), Environment Measure Loans, Business Stabilization Loans, and Loans for Promotion of Health and Welfare are also available.
- As for Safety-net Loans, similar programs are available for members of the Environmental Health Trade Association with certified promotion plans (Excluding the Bankruptcy measure fund).
- As for the Environmental Health Business Loans, corporations/individuals whose business category was turned around to laundry agencies and who meet certain requirements are also available (Maximum amount of General Loans and Loans for Business Promotion: ¥48 million).
- The applied interest rate differs according to the use of loans, repayment period, or condition of collateral/guarantors, etc. Please feel free to ask a branch office.

## Procedure for Utilizing JFC-Micro Business Loans

Since all procedures are conducted in Japanese, it is necessary for you to be able to read, write, and understand Japanese and communicate with JFC-Micro staff in Japanese. Otherwise, you are required to be accompanied by family members or staff engaged in the business who understand Japanese.

### Consultation/ Application

- JFC-Micro's staff answers your inquiries about loans and applications by telephone (in Japanese). Feel free to call 0120-154-505\*.  
\*If you cannot reach this number, please call Business Loan Call Center (03) 3345-4649, KOKUKIN Business Support Plaza in Nagoya (052)563-4649, or in Osaka (06)6315-4649.
- JFC-Micro's website\*\* also provides information about the loan procedure.  
[<http://www.jfc.go.jp/k/pfce/indexe.html>]  
\*\*You can download forms such as the Application Form, Outline of the Business, and Business Plan Sheet through the same website (in Japanese).
- You can get further information if you bring documents such as tax return with financial statements for the past two years or a business plan, when you visit our branch office for consultation.
- The documents you need to submit with an Application Form are as follows:  
(You can also apply for a loan by the mail or through the website (only in Japanese). When you apply through the website, you will be requested to submit the following documents at a later date.)

Individual proprietors	Corporations
<ul style="list-style-type: none"> <li>■ Tax returns for the past two years (if you are filing returns)</li> </ul>	<ul style="list-style-type: none"> <li>■ Corporate register</li> <li>■ Tax returns with financial statements for the past two years (Including accounts in detail)</li> <li>■ Recent trial balance (If 6 months or more have passed since the last fiscal term, or if the first tax return has not been filed yet since establishment)</li> </ul>
<ul style="list-style-type: none"> <li>■ Estimates (if applying for equipment fund)</li> </ul>	
<ul style="list-style-type: none"> <li>■ Outline of your business (if applying for JFC-Micro business loans for the first time)</li> </ul>	
<ul style="list-style-type: none"> <li>■ Business plan If you are starting or have recently started your business and do not have financial statements, your business plan is required. A Business Plan Sheet is available at branch offices and our website (or you can write one yourself).</li> </ul>	

### Interview

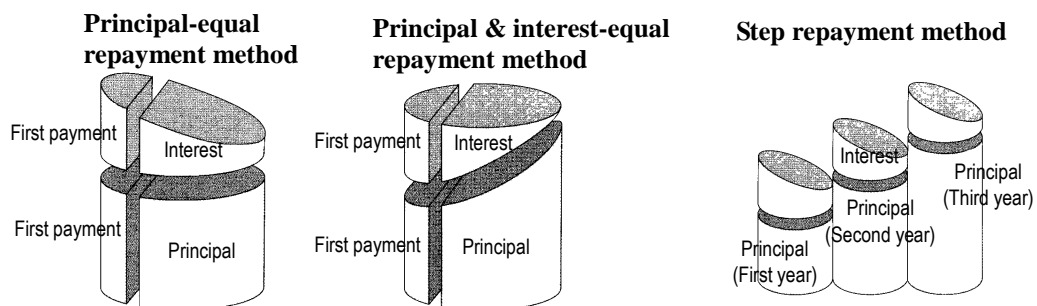
- At the interview, you will be asked about your business, how you plan to use the funds, etc. In addition, you will be required to prepare documents relevant to business conditions, assets, liabilities and so on.
- A credit analyst may visit your shop or factory.

### Lending

- Contract documents will be mailed after the application is approved.
- After the contract, the loan will be transferred to the designated bank account.

### Repayment

- Repayment is made in monthly installments in principle.
- Three repayment methods are available: *Principal-equal*, in which the amount of the principal remains the same for each payment; *Principal & interest-equal*, in which the amount of the principal and interest added together remains the same for each payment; and *Step*, in which the amount of the principal paid increases in steps.



Notes: 1. The application procedures and required documents may differ depending on the loans, such as MARUKEI Loans (Managerial Improvement Loans) and Environmental Health Business Loans.  
2. You can consult with the Chamber/Society of Commerce and Industry, the Environmental Health Trade Association about loans, etc.  
3. Credit analysis may result in your application being turned down.

- Japan Finance Corporation (JFC) is a comprehensive policy-based financial institution wholly owned by the Japanese government, which was established in October 1, 2008, through the integration of National Life Finance Corporation (NLFC), Agriculture, Forestry and Fisheries Finance Corporation (AFC), Japan Finance Corporation for Small and Medium Enterprise (JASME), and Japan Bank for International Cooperation (JBIC) (International Financial Operations).
- JFC-Micro has succeeded NLFC's operations.
- JFC-Micro provides the following loans in addition to business loans.

### Educational Loans

<b>Available for</b>	Individuals* who need education-related funding to cover expenses for their children or for themselves and meet requirement (1) or (2) as follows: (1) Family's Annual Income** (Upper limit)	<p>*Relatives, etc. can apply for the loans. ** "Annual Income" includes spouse's earnings, etc. Individuals whose annual income for this year seems to meet requirements(1) or (2), they may be able to apply for the loans. ***This means the number of children whom the loan applicant feeds. It does not matter how old they are or whether they are students or not. Please contact the Educational Loan Call Center in the case of four or more.</p>						
	<table border="1"> <thead> <tr> <th>Number of Children***</th> <th>Company employees/Self-employed individuals</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>¥7.9 million / ¥5.9 million</td> </tr> <tr> <td>2</td> <td>¥8.9 million / ¥6.8 million</td> </tr> <tr> <td>3</td> <td>¥9.9 million / ¥7.7 million</td> </tr> </tbody> </table>		Number of Children***	Company employees/Self-employed individuals	1	¥7.9 million / ¥5.9 million	2	¥8.9 million / ¥6.8 million
Number of Children***	Company employees/Self-employed individuals							
1	¥7.9 million / ¥5.9 million							
2	¥8.9 million / ¥6.8 million							
3	¥9.9 million / ¥7.7 million							
	(2) Individuals whose family's income is ¥9.9 million (¥7.7 million for self-employed individuals) or less and meet one of the conditions below. -having been employed (self-employed) for less than three years -living in the current address for less than one year -annual repayment/annual income > 30% -applicants or spouse of applicants who are living away from their families on job assignments -having relatives who considered "Person Requiring Long-term Care" or "Person Requiring Support" and covering their costs of care -having relatives who utilize high cost medical treatment system or public subsidy system for medical expenses to cover intractable diseases, etc. and paying for their medical expenses							
<b>Maximum amount</b>	Up to <b>¥3 million</b> per student (multiple loans can be used within the maximum loan amount.)							
<b>Repayment period</b>	Up to <b>15 years</b> (Up to 18 years for households with children of traffic victims, single-mother households)							
<b>Use of funds</b>	For education-related expenses when entering school, or while a student (Only for education-related expenses needed within one year.)							

### Loans Secured by Government Pensions or Mutual Pensions, etc.

<b>Available for</b>	Individuals who have received government pensions or mutual pensions
<b>Maximum amount</b>	Up to <b>¥2.5 million</b> , equivalent to the amount of the pension received for three years Note: Additional applications can be made within the maximum loan amount.
<b>Use of funds</b>	For businesses or houses, etc.

#### Attention!

There are cases of fraudulent moneylenders unrelated to JFC, pretending that they are affiliated with JFC. Please be very careful about direct mail or telephone calls by such fraudulent moneylenders.

### Loan Representatives (in Japanese)

- **Website** <http://www.jfc.go.jp/>
  - A wide range of information about JFC-Micro is offered.
  - JFC-Micro distributes email services providing information on supporting business start-ups and management, and information regarding interest rate, etc.
  - You can also apply for a loan from the website.
- **Business Loan Call Center** **Tel. 0120-154-505\***  
\* If you cannot reach this number, please call at (03) 3345-4649, KOKUKIN Business Support Plaza in Nagoya (052) 563-4649, or in Osaka (06) 6315-4649.
- **Business Matching Site** <http://match.k.jfc.go.jp/>  
The Business Matching Site provides JFC-Micro customers with the service for establishing nationwide business opportunities (free). JFC-Micro's customers who utilize JFC-Micro's business loan can register on the website. In some cases, you may not be able to use the service because of your transaction record with JFC-Micro.
- **Educational Loan Call Center** **Tel. 0570-008656\*\***  
Service hours: From 9:00 to 21:00 on weekdays, from 9:00 to 17:00 on Saturdays (excluding Sundays and national holidays)  
Staff members specializing in Educational Loans will answer your questions.  
Local call rate will be charged from anywhere in Japan.  
\*\* Please call us at 03 (5321)-8656 if you cannot reach this number.