



Line of Credit Guarantor Program for IAF Loan Capital

To date, IAF has disbursed over \$2.5 million to skilled immigrants who need help with the costs of obtaining the accreditation/training they need to be able to work in their field in Canada. Funds for loan capital have come from donations (IAF is a registered charity); from the interest on loans and principal paid back (the principal is kept in the fund, as is interest paid back that is not needed to cover loan losses (approximately 2.5% of disbursed funds)); and from lines of credit established for that specific purpose.

Lines of Credit with HSBC Bank Canada and Royal Bank

In an initiative unique to IAF, lines of credit have been established with HSBC Bank Canada (\$850,000) and Royal Bank (\$500,000) solely for the purpose of having access to loan capital. Security for the lines of credit is provided by community leaders who sign personal guarantees or provide letters of credit for \$50,000 or \$100,000. IAF draws on the line of credit when funds are needed to make disbursements to approved loan recipients.

Supporting IAF's line of credit program is a way to support IAF's work "through your balance sheet rather than your cheque book." Becoming a guarantor or providing a letter of credit does require that some paperwork be completed, but the process is relatively simple and won't require an inordinate amount of your time.

IAF is currently looking for guarantors for its recently established line of credit with RBC.

To learn more, please contact Dianne Fehr, IAF Executive Director, by phone at 403 228 9981 X222 or by email at dianne@iafcanada.org.