



EXIM

Increase Sales and Reduce Risk in International Business with the U.S. Government

Who We Are

EXIM is a U.S. federal government agency



Established in 1934



Headquartered in Washington,
D.C.



12 Regional Offices nationwide

Our Mission: Facilitate U.S. jobs
by supporting the growth of U.S. exports

- Fills gaps and complements private-sector financing
- Levels the playing field for U.S. companies competing for global sales

How Can EXIM Products Assist You?

You Need:

Funds to fulfill orders

Extension of credit
Risk protection
Access to capital

Foreign Buyer Financing

Our Solution:



Working Capital Loan
Guarantee



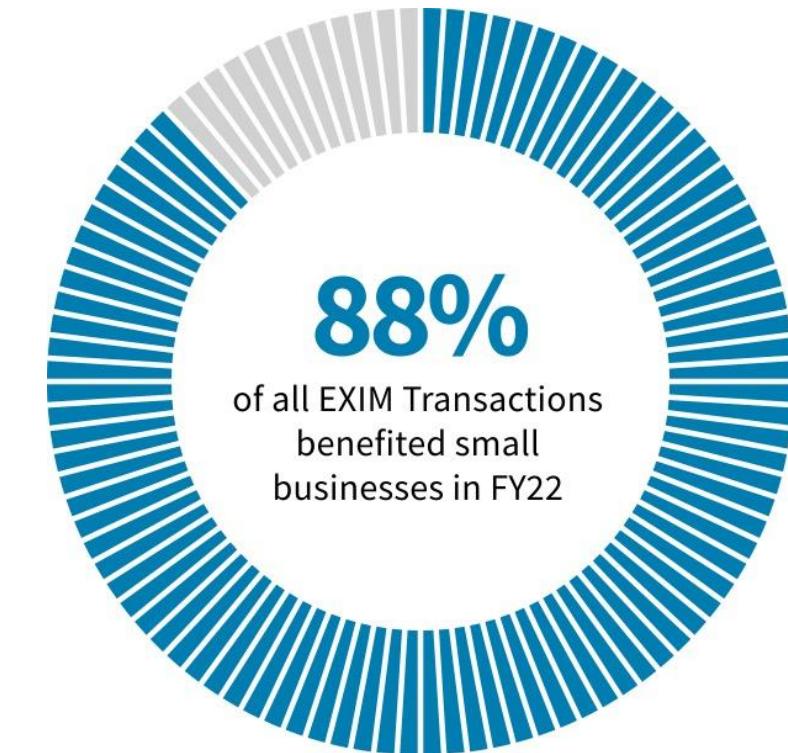
Export Receivables Insurance



Medium and Long Term
Insurance and Loan
Guarantee

WE ARE
**Small Business
Focused**

- **88%** of transactions supported small businesses
- **54%** of those transactions were < \$500,000
- **\$1.5 billion** in total authorizations



WHAT IS

Working Capital Loan Guarantee?

*Working Capital
Loan Guarantee
is...*

*Working Capital
Loan Guarantee
enables you to...*



A guarantee to a commercial lender that makes a loan to an exporter to purchase or manufacture U.S. goods for export



Exporters to unlock cash flow to fulfill sales orders and take on new business abroad.

Exporters can borrow more with the same collateral, secure performance and bid bonds necessary to win projects, and increase their global competitiveness.



Working Capital Loan Guarantee

Empowers exporters to unlock cash flow to fulfill sales orders and take on new business abroad

- Provides a **90% guarantee** of repayment (principal and interest) on loans to exporters (**95% may be approved** on a case-by-case basis, and for an additional fee)
- May be set up as a “Transaction-specific” or a “Revolving” line of credit
- No minimum or maximum amounts
- Loan supports advances made against export-related and potentially export-related inventory (including WIP) and foreign receivables:
 - Up to 75% advance rate on inventory, and up to 90% on foreign receivables
- Some buyer approval authority may be given to exporter



Medium-Term Financing

Generally used for **foreign buyer financing** of capital equipment

- 85% financed, 15% cash down payment by the buyer (may be financed by lender)
- Repayment up to 5 years, exceptionally 7 years
- Amounts of \$10 million or less
- **Long-term financing for projects**

Working Capital Loan Guarantee

		Working Capital Facility <i>Without</i> EXIM Bank		Working Capital <i>With</i> EXIM Bank		
Collateral (<i>Inventory</i>)		Amount	Advance Rate	Borrowing Base	Advance Rate	Borrowing Base
Export Inventory	Raw Materials	\$200,000	20%	\$40,000	75%	\$150,000
	WIP	\$200,000	0%	0	75%	\$150,000
	Finished Goods	\$600,000	50%	\$300,000	75%	\$450,000
Export/Foreign Accounts Receivable	Open Account/Foreign Account Receivable	\$400,000	0%	0	90%	\$360,000
	L/C Backed A/R	\$600,000	70%	\$420,000	90%	\$540,000
Total Borrowing Base			\$760,000		vs.	\$1,650,000

WHAT IS **Export Credit Insurance?**

*Export Credit
Insurance is...*



**An insurance policy covering receivables generated from
export sales that protects against nonpayment by
international buyers**

*Export Credit
Insurance
enables you
to...*



**Be competitive with open account credit terms
Use insured receivables from export sales as collateral
to obtain working capital**

Export Credit Insurance

Benefits:

- **Sales Tool**

Allows exporter to offer competitive credit terms to international buyers, generally up to 180 days, some products may qualify for 360-day terms

- **Risk Protection**

Protects against buyer nonpayment due to commercial and political risks

- **Financing Aid**

Obtain financing – insured export receivables may be added to your borrowing base by assignment of policy proceeds (claim payments) to a lender



EXPORTER-HELD

Policy Types

Multi-Buyer:

95% Coverage

Express (Small Business):

95% Coverage

(Limited portfolio; up to 10 buyers)

Single Buyer

90% Coverage

(One policy per buyer – country risk)

Portfolio Coverage

(1) Standard (2) Small Business (3) Select
Risk

Complimentary
Credit Reports

Buyer
1

Buyer
2

Buyer
...

Buyer
1

Buyer
2

Buyer
3

Buyer
4

Note: Bulk Agricultural Commodities can be considered for 98% coverage

A Few Restrictions

- No military or defense-related products or obligors (*exceptions apply*)
- Must ship from a U.S. port
- Open in over 180 countries



TOOLS FOR EXPORTERS

Country Limitation Schedule

- ✓ EXIM Bank conducts business in most countries throughout the world.
- ✓ Restrictions may apply based on political or economic conditions and are highlighted on the Country Limitation Schedule.
- ✓ Open in over 180 countries



Check the Country
Limitation Schedule (CLS)
at www.exim.gov.

Eligibility Criteria

- Products shipped from U.S. with more than 50% U.S. content including labor & overhead, but not mark-up.
- At least 3-year operating history, a positive net worth.
- A DUNS number with Dun & Bradstreet.
- Obtained and maintained an active SAM.gov registration, including the issuance of a Unique Entity Identifier (UEI).
- Request must be in proportion with exporter's size.

Major Financing Tools



Domestic Financing

- Financing to establish or expand domestic manufacturing facilities or infrastructure projects
- Provided at market rates and available amount scales with number of U.S. jobs supported
- Project must demonstrate that 25 percent of production or expected shipments are tied to exports
 - Small businesses, transformational export area projects, and environmentally beneficial projects eligible for lower, 15 percent export nexus threshold

ADDITIONAL U.S FEDERAL **Government** Resources



Department of Commerce

The U.S. Department of Commerce is available to help by matching American exporters with foreign buyers

- **Gold Key Matching Service**

This service arranges meetings with interested partners in international markets. The Gold Key team first identifies foreign buyers, assesses them, and provides profiles of the best matches

- **Single Company Promotion**

The DoC can organize a variety of promotional events to increase awareness of your company's products and services in a specific international market



Small Business Administration

Created in 1953, the U.S. Small Business Administration (SBA) continues to help small business owners and entrepreneurs pursue the American dream

- **Loans**

The SBA also works with lenders to guarantee loans in support of international trade

- **Grant Programs**

The SBA also has a grant program called the State Trade Expansion Program (STEP) that provides funding to state and territory governments. These STEP funds are available to help small businesses with export development



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SCHEDULE A CONSULTATION

<https://grow.exim.gov/paul-duncan>



Questions from
the audience?