Trade Financing Solutions

Increasing Your Export Sales

Trade Financing Solutions

Export-Import Bank of the United States
Who We Are — What We Do

- Ex-Im Bank is an independent agency of the United States
  - Established in 1934
  - Headquartered in Washington, DC
  - 6 sales offices
  - Approximately 400 employees

- Mission: Support U.S. exports in order to create and sustain U.S. jobs
Increase Your Export Sales

- Minimize risk
- Level the playing field
- Supplement commercial financing
We Can Assist You!

Your Needs

<table>
<thead>
<tr>
<th>Solutions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventory Financing</td>
<td>Working Capital Guarantee</td>
</tr>
<tr>
<td>Short-Term Accounts Receivable Financing</td>
<td>Working Capital Guarantee or Export Credit Insurance</td>
</tr>
<tr>
<td>Medium-Term Financing</td>
<td>Export Credit Insurance, Guarantees or Direct Loans</td>
</tr>
<tr>
<td>Long-Term Financing</td>
<td>Guarantees or Direct Loans</td>
</tr>
</tbody>
</table>

We Can Assist You!
Our Working Capital Guarantee

- Small- and medium-size U.S. companies
- Provides a guarantee to lenders for export-related working capital
- No minimum or maximum amount
- Fully collateralized
Differences Between SBA and Ex-Im Bank Working Capital GTY.

- Ex-Im does not have dollar value limitation.
- Ex-Im has delegated lenders that can immediately commit transaction.
- Ex-Im does not require the debtor to be a small business.
- SBA does not have U.S. content or Military restrictions.
- SBA has lower fees.
Our Short-Term Insurance

- Allows exporter to offer short-term credit directly to international buyers
- Provides policies that protect the U.S. exporter against foreign buyer default
  - Commercial Risks
  - Political Risks
- Insured receivables can be financed through assignment of policy to lender
Key differences between Ex-Im Bank and Private Insurers.

- Private insurers are profit motivated Ex-Im’s mission is to support U.S. Exporters.
- Ex-Im requires at least 51% U.S. content, private insurers have no content restrictions.
- Ex-Im is geared towards small exporters or very large transactions private insurers generally gear themselves toward medium or large businesses.
- Ex-Im coverage is available in excess of 150 countries including countries in Sub Saharan Africa, Eastern Europe, and the Middle East. Coverage of private insurers varies.
Key Differences Continued

- Underwriting policies vary
- Pricing - Often the private sector may be cheaper in better markets more expensive in poorer markets if they provide cover.
- Minimum premiums Ex-Im does not have minimum premium on exporter multi-buyer policies private sector generally does.
- Insurance brokers can assist you in getting various quotes, and evaluating and comparing the quotes. At no cost to you
Our Medium-Term Financing

- Generally used for buyer financing of capital equipment:
  - 1 to 5 year repayment, exceptionally 7 years and < $10 million
  - 15% Advance payment, 85% financed amount
  - Guarantees
  - Insurance
  - Direct loans

Export–Import Bank of the United States
Our Long-Term Financing

Generally used for buyer financing of very large items (aircraft) and project finance:

- Amounts over $10 million and > 7 years

- 15% Advance payment: 85% financed amount
  - Guarantees
  - Direct Loans
Medium and long term coverage

- After 15% advance payment
- 85% Financed amount is covered 100% for both principal and interest.
- Interest rates are generally market rates but are not capped.
Just a Few Restrictions

- Military Exports (exceptions apply)
- Foreign Content
- Restricted Countries (political or economic)
- Economic Impact
- Shipping
- Creditworthiness and Additionality
- Environmental
Military Restrictions

- No Defense Articles or Services
- Three Exceptions
  - Humanitarian purposes
  - Drug interdiction
  - Dual use items
Foreign Content Restrictions

- Ex-Im Bank is committed to support the export sale of goods and services of U.S. origin.
- Bank rules will vary according to product (generally short-term financing follows a more flexible approach).
Coverage in Over 150 Countries

- Ex-Im Bank conducts business in many countries throughout the world.
- Restrictions may apply for political or economic conditions.
- First step, check the Country Limitation Schedule (CLS) on the web.
- X means support is not available.
For More Information

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