EXIM
EXPORT-IMPORT BANK
OF THE UNITED STATES

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THE SIMPLE WAY TO MIMIMIZE RISK

Your international buyer wants open account credit terms. How does your company manage the risk of nonpayment by your foreign buyer?

An Express Insurance policy covers receivables generated by foreign sales. This type of short-term Export Credit Insurance policy features a streamlined application and an expedited approval process for companies new to exporting. The policy covers accounts receivable created by selling to an international buyer on open account credit terms. With a policy in place, your company can offer open account credit terms to win new customers and increase sales to existing buyers, while mitigating the risk of nonpayment. In addition, lenders will often accept them as collateral, expanding your borrowing base and improving cash flow.

YOUR BUSINESS CAN:

Increase Sales

Every small business wants to be more competitive. Providing open account credit terms is very appealing to foreign buyers and can be the difference between winning and losing a deal. Offering open account credit terms also eliminates the delivery delays associated with letters of credit or sending cash in advance, and existing customers will often increase the size of their orders when given time to pay.

Mitigate Risk

The challenge for exporters, particularly small businesses, is clear. Selling to international buyers on open account credit terms can be risky. If the buyers don't pay, there is very little recourse for a U.S.-based company and the financial hit can be significant. Express Insurance covers the foreign receivables generated by sales to international customers, mitigating the risk of nonpayment and empowering small business exporters to take on new customers and sell in new markets.

Access Cash

When your business needs cash to fulfill export orders or pay for operations you often look to your local lender. Lenders are more likely to include foreign receivables and inventory in your borrowing base when those receivables are insured, giving you access to additional financing and improving cash flow.

What does Express Insurance Cover?

Commercial Risk Coverage:

- Insolvency
- Bankruptcy
- Protracted Default

Political Risk Coverage:

- War, Revolution, Insurrection
- Currency Transfer Risk
- Cancellation of an Import or Export License