



Reducing Risk. Unleashing Opportunity.



Know Before You Go Tools to Close Deals

Here are some things you should know before heading out on your trade mission. Financing and sales tools to help you close the deal!

The Export-Import Bank of the United States (EXIM Bank) is an independent agency of the U.S. federal government and the official export credit agency of the United States. We assume the credit and country risks that you are unable or unwilling to accept. EXIM offers:

- ✓ Working capital loan and guarantees to your lender which makes a loan to you so you can purchase or manufacture U.S. goods and services for export;
- ✓ Credit insurance which protects you against nonpayment by your foreign buyers so you can extend open account terms instead of requiring cash in advance or costly letters of credit;
- ✓ And support for U.S. banks which offer direct buyer financing to your foreign buyers of capital equipment.

WORKING CAPITAL LOAN GUARANTEES

Enables small-and-medium sized companies to obtain loans to purchase or produce U.S. goods or provide a service for export.

BENEFITS:

- Makes funds available to fulfill export sales orders
- May be revolving or transaction-specific
- Allows exporter's inventory (including work in process!) and accounts receivables as collateral

EXPORT CREDIT INSURANCE

Protects you against nonpayment by foreign buyers due to commercial and political reasons. Available for short-term sales (credit terms up to 180 days, 360 days for capital equipment) and medium-term sales (repayment terms generally ranging between 1-5 years)

BENEFITS:

- Provide credit terms to foreign buyers to increase sales
- Eliminate most risk of nonpayment by your foreign buyers
- Increase borrowing capacity with your lender and increase cash flow by pledging insured receivables as additional collateral

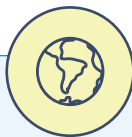
Policies are available to cover an entire export portfolio
OR
single or multiple shipments to just one buyer

A special short-term, multi-buyer policy is available for small businesses* providing 95% coverage against nonpayment by foreign buyers with no deductible. The "pay-as-you-go" format, where you pay premium only on WHAT you ship, WHEN you ship - assures that there are no lost premium dollars!

DID YOU KNOW?

EXIM Bank is open in over 180 countries,
To view the Country Limitation Schedule, go to:

www.exim.gov/tools-for-exporters/country-limitation-schedule





BUYER FINANCING

Provides your buyers of capital goods and related services with extended credit terms (generally 1-5 years) for principal and interest, and protects you (or your lender) against the risks of buyer nonpayment due to commercial and political reasons. Conceptually, buyer financing protection is available in one of two ways:

- 1 Directly to you, the exporter, by using our medium-term insurance policy to protect yourself against nonpayment by the buyer. This requires you to extend the credit directly to your buyer and carry the receivable for the full credit term. As an alternative, if you do not wish to carry the receivable.
- 2 A lender will assess your buyer's creditworthiness and if approved, they will cash you out. The lender creates a promissory note between themselves and your buyer, and uses EXIM Bank's insurance or guarantee product to mitigate their risk.

BENEFITS:

- Assumes risk which exporters and lenders will not take, enabling them to make loans to foreign buyers to purchase U.S. capital equipment and related services
- Enables foreign buyers to access financing at attractive U.S. interest rates

CREDIT INFORMATION REQUIREMENTS ELIGIBLE COUNTRIES

EXIM Bank publishes credit standards for both short-term and medium-term transactions which specify the credit information we need to assess your buyer's creditworthiness. The amount of information varies with the dollar amount of the sale and the high credit amount the buyer needs.

As a general rule, it's always prudent to obtain a credit report and several U.S. trade references, and ask your buyer if financial statements will be available if requested. Contact the EXIM Bank Regional Office near you for copies of the credit standards, or visit our website and download these documents.

QUESTIONS?

The EXIM Bank team is here to assist you in any way we can. Call us with any questions you have. **Monday – Friday 8:00 am – 5:00 pm**

 **1 (800) 565 3946**

or

Request a Consultation on EXIM Products and Services

* A "small business" is defined as one which qualifies as such under the SBA definition. To qualify for Ex-Im Bank's small business multibuyer policy, you must meet this definition AND have less than \$7,500,000 in export credit sales.

* U.S. Content Requirements: To qualify for *short-term coverage*, each product must be at least 50-plus% U.S. content, including labor but excluding mark-up. For *medium-term transactions of capital equipment*, the aggregate of all products in the sales contract must be at least 85% U.S. content for EXIM Bank to support the entire transaction. No transaction is too large or too small. On average, over 90% of our transactions directly benefit U.S. small businesses.



TRIP TIP

If you will be meeting with potential customers to whom you have never sold, consider bringing (or creating!) an international buyer credit application for them to complete and send to you. At the very least, ask for the information EXIM Bank needs to assess the buyer's creditworthiness. Include this with the product literature you leave behind, and mention that if they pass your credit standards, credit terms may be available with their first order!

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EXIM
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OF THE UNITED STATES