

Secure financing for export sales

International markets can represent both tremendous opportunities and special challenges for U.S. exporters. A primary obstacle is the inability to secure financing—the risks associated with international sales can prevent lenders from providing the working capital needed to fulfill export orders.

Business benefits

A Working Capital Loan Guarantee from the Export-Import Bank of the United States (EXIM) gives BOK Financial the confidence to provide U.S. exporters with the financing to take on new business abroad. EXIM works with a U.S. company's lender to provide a loan guarantee that backs the exporter's debt. With this guarantee in place, the lender can extend a working capital loan to improve the company's cash flow.

LARGER BORROWING BASE AND ADVANCE RATES

A Working Capital Loan Guarantee allows U.S. businesses to borrow against assets that lenders would otherwise be unwilling to include as collateral, such as foreign accounts receivable and export-related inventory. In addition, the advance rates (the percentage of the collateral value a lender is willing to extend for a loan) are higher, giving the company a larger borrowing base and more access to the funds they require.

SUPPORTS STANDBY LETTERS OF CREDIT

An EXIM Working Capital Loan Guarantee enables exporters to get a loan from their lender to support export-related performance bonding needs at 25% collateralization in the borrowing base, giving the U.S. exporter an advantage over the competition.

	Raw materials	In-progress inventory	Finished goods
Value	\$200,000	\$200,000	\$300,000
Borrowing base Standard	\$40,000	\$0	\$150,000
Advance rate Standard	20%	0%	50%
Borrowing base With guarantee	\$150,000	\$150,000	\$225,000
Advance rate With guarantee	75%	75%	75%

HOW DOES IT WORK?

Step 1

You have potential sales but need cash to fulfill the order.

Step 2

You apply for a working capital loan, but your lender cannot approve it because your collateral is export related.

Step 3

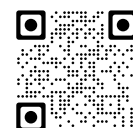
BOK Financial processes your working capital loan under established EXIM criteria.

Step 4

BOK Financial loans you the money.

Step 5

You use the funds to fulfill your export sale.



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