



Indiana
A State that Works®



EXPORT-IMPORT BANK
OF THE UNITED STATES



**INDIANA
CHAMBER**
LEADING BUSINESS | ADVANCING INDIANA

WE HAVE THE Tools Your Indiana-Based Business Needs to Compete Globally



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WELCOME TO THE INTERACTIVE WEBINAR



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INTRODUCING OUR SPEAKERS



Brock Hesler

Vice President, Membership &
Foundation Relations



Andrea Richter-Garry

Vice President of
International Engagement



Roger Howard

International Trade
Coordinator



Michael Howard

Managing Director,
Central Region





Indiana

A State that Works

INDIANA ECONOMIC
DEVELOPMENT CORPORATION



CORE PURPOSE

To create an opportunity for all Hoosiers to earn a good living and prosper in a diverse economic environment that encourages growth, creates and retains the jobs of today, and attracts and invests in the jobs of tomorrow.





2020 IEDC

Next Level
Business

RANKINGS & ACCOLADES

#1 in the Midwest & #5 Nationally for Business

CHIEF EXECUTIVE

#1 for Government Efficiency

U.S. NEWS & WORLD REPORT

#1 in the Midwest for Entrepreneur Friendliness

SBE COUNCIL

#1 Airport in North America

AIRPORTS COUNCIL INTERNATIONAL 2010-2018

#1 for Infrastructure

CNBC

#2 for Long-Term Fiscal Stability

U.S. NEWS & WORLD REPORT

#3 Most Affordable State

U.S. NEWS & WORLD REPORT

#4 for Cost of Doing Business

CNBC

INTERNATIONAL L ENGAGEMENT

Strengthening relationships
with key partners and
forging new opportunities at
home and abroad.



- HOSTED
- TRAVELED
- TRAVELED + HOSTED
- ★ MOUs

INDIANA STATE TRADE & EXPORT PROMOTION PROGRAM



Indiana
A State that Works



POWERED BY



U.S. Small Business
Administration

Funded in part through a
grant with the U.S. Small
Business Administration

2020 IEDC

IN-STEP
Program

IN-STEP PROGRAM OVERVIEW

- ▶ The Indiana State Trade & Export Promotion (IN-STEP) program assists Indiana small businesses in developing and expanding export opportunities, opening up new markets for Hoosier-made goods around the world.
- ▶ The program launched with the support of a two-year grant from the U.S. Small Business Administration and state matching funds, providing up to \$660,000 for small businesses.
- ▶ IN-STEP offers eligible companies reimbursements of costs associated with export-related activities like participating in international trade missions, foreign trade shows, website globalization, translation services, and export educational programs, as well as other export services provided by the U.S. Department of Commerce.



2020 IEDC

IN-STEP
Program

IN-STEP PROGRAM ELIGIBILITY CRITERIA

To be eligible for reimbursements of export-related costs under the IN-STEP program, Indiana small businesses must:

- ▶ **Be in operation for at least a year**
- ▶ **Be new to exporting or market expansion**
- ▶ **Be a client of the Indiana Small Business Development Center**
- ▶ **Be in accordance with SBA size standards** which categorize small businesses based on measures like industry, number of employees and annual receipts
- ▶ **Produce goods in the U.S. or produce goods composed of at least 51% U.S. material**

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IN-STEP
Program

IN-STEP EXPORT ACTIVITIES: EXPORT ACTIVITIES

Indiana small businesses have the option to choose up to three of the following eligible export-related activities, one from Option 1, one from Option 2, and/or one from Option 3. Choosing one service or mixing and matching services is allowable.

Option 1 activities include:

- ▶ International trade shows
- ▶ International trade mission
- ▶ Website globalization and customization

Option 2 activities include:

- ▶ U.S. Department of Commerce services
- ▶ Export training
- ▶ Export research tool subscription

Option 3 activities include:

- ▶ Compliance testing or certification
- ▶ Translation services

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IN-STEP
Program

IN-STEP EXPORT ACTIVITIES: REIMBURSEMENTS

Total reimbursements under IN-STEP cover up to 50% of small businesses' export costs not to exceed \$12,500. Companies will be required to pay for all export-related activities up front and then receive reimbursement funds once the export activity is completed.

Option 1 activities will receive:

- ▶ Reimbursements of 50% not to exceed \$10,000 of eligible costs

Option 2 activities will receive:

- ▶ Reimbursements of 50% not to exceed \$2,500 of eligible costs (except for export subscription tools which are capped at \$2,000)

Option 3 activities will receive:

- ▶ Reimbursements up to 50% not to exceed \$6,000 of eligible costs

2020 IEDC

IN-STEP Program

IN-STEP PROGRAM APPLICATION PROCESS

- ▶ **Confirm SBA size standards**
sba.gov/size-standards
- ▶ **Register with Indiana Small Business Development Center** isbdc.org
- ▶ **Apply through IN-STEP application portal** iedc.in.gov/programs/in-step

APPLY TODAY FOR IN-STEP



Indiana
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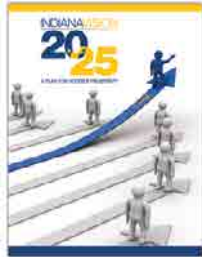
Indiana Chamber Mission:

To cultivate a world-class environment which provides economic opportunity and prosperity for the people of Indiana and their enterprises.



Indiana Chamber Advocacy

Indiana Vision 2025, member policy committees guide our efforts



Indiana Vision 2025 Key Drivers	
Outstanding Talent	Superior Infrastructure
Attractive Business Climate	Dynamic and Creative Culture

2021 Priorities: COVID liability protections, work share, attract remote workers, broadband, energy policy, BPP tax

IMPACT: \$2,445 in savings per employee in last 5 years

Indiana Chamber and EXIM

- The Indiana Chamber lobbied Indiana's Congressional delegation to support reauthorization of EXIM on behalf of Indiana business.
- EXIM is an asset to many businesses large and small across Indiana, supporting a total export value of \$1 billion in just the last seven years for 81 businesses, including 63 small businesses.



Other Indiana Chamber Benefits/Initiatives

- **Additional membership benefits**
 - Compliance/Information – Seminars, helplines, research
 - Savings – Anthem, Ivy Tech, Salary.com
 - Visibility
- **Institute for Workforce Excellence**
 - Resources and programs to help build your talent pipeline
- **Affiliate Organizations**
 - Indiana Chamber Foundation, Wellness Council of Indiana, Indiana InternNet
- **Road to Recovery resources**
 - Webinar series and resources to help businesses respond to the pandemic

CONTACT INFO

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International Trade Coordinator

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p 317.766.1416





Unleash the Opportunity
of Exporting

WHO WE ARE – WHAT WE DO

Mission: Support American jobs by facilitating the export of U.S. goods and services

EXIM Bank is a U.S. federal government agency

- Headquartered in Washington, D.C.
- Established in 1934
- 12 Regional Offices nationwide
- Support for all U.S.-based companies who export



WHY EXIM U.S.



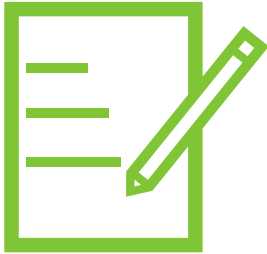
**Increase
competitiveness**



Minimize risk



**Provide access
to capital**



Paperwork

Up to \$500k



Pricing

3 components
or portfolio



Timing

How good is the
information – put yourself
in an underwriter's slippers

COMPLETING THE DEAL

- › Banking, cash flow eligibility of FARs
- › Claims documents, INCO terms, who does what and when
- › A bad deal is a bad deal, let's concentrate on good deals with creditworthy buyers (CLS)



YOUR COMPETITION ABROAD HAS SIMILAR SUPPORT!



Over 100 ECAs globally supporting their exporters compete:

ECA	COUNTRY
Efic	Australia
OeKB	Austria
EDC	Canada
Coface	France
EulerHermes	Germany

ECA	COUNTRY
Sace	Italy
JBIC	Japan
KEIC, Keximbank	S. Korea
ECGD	UK

OUR PRODUCTS COVER THE SPECTRUM



*Pre-Export
Financing*

*Post-Export
Financing*



**1. Working Capital
Guarantee**

**2. Insurance
3. Guarantees
4. Direct Loans**

SALES TERMS AS A SPECTRUM OF RISK



Seller Risk Low



Seller Risk High

Sale Terms

- › Cash in Advance
- › Letter of Credit (L/C)
- › Cash Against Documents
- › Open Account

Buyer Risk High



Buyer Risk Low

EXPORT CREDIT INSURANCE



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

- Risk Protection
- Sales Tool
- Financing Aid





RISKS COVERED



Commercial Risk:

- › Insolvency
- › Bankruptcy
- › Protracted Default

Political Risk:

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

TYPES OF POLICIES



Express Insurance:

- › 95% coverage
- › Pay-as-you-go
- › No deductible
- › **EXIM obtains buyer credit info**
- › 10 buyer max
- › < 5 Years Credit

Multi-buyer:

- › 95% coverage
- › Pay-as-you-go
- › Deductible
- › Some approval authority may be given to exporter

Single-Buyer:

- › 90% coverage
- › No deductible
- › One buyer
- › Pricing = See the “*Single Buyer Credit Insurance Rates*” Slide

SINGLE BUYER CREDIT INSURANCE



Insures a single sale or multiple sales to one buyer

- › Maximum policy period: 1 year
- › No deductible and no application fee
- › Premium based on country, type of buyer, and length of credit term extended
- › Charged on sales volume (not credit limit)
- › “Pay-After-You-Ship” premiums
- › \$500 minimum premium for “small business”– \$2,500 minimum premium for non-small business



SINGLE BUYER CREDIT INSURANCE



90% Coverage

Commercial and
political risks



98% Coverage

Bulk agricultural
transactions



95% Coverage

Letter of credit
transaction

SINGLE BUYER CREDIT INSURANCE RATES



Country		Mexico				
Exposure Fee						
ST Single Buyer Insurance (ELC &ESS)	Sight L/C	60 Days	120 Days	180 Days	270 Days	360 Days
Financial Institution	0.04%	0.24%	0.39%	0.50%	0.63%	0.77%
Non-financial Institution	#N/A	0.93%	1.07%	1.86%	1.86%	2.08%
Pre-presentation for Letters of Credit		90 Days	120 Days	180 Days	270 Days	360 Days
Issuing Bank under an ELC Policy		0.04%	0.07%	0.09%	0.13%	0.18%

This example is a nonbinding fee calculation. Actual fees for short-term ELC & ESS transactions will be determined by EXIM upon approval of a completed application.(Based on rates as of May 26,2020)

<https://www.exim.gov/tools-for-exporters/exposure-fees/shorttermelclessfinancing>

ELIGIBILITY



An Exporter Must:

- › Be in business at least one year
- › Have DUNS number and financial statements or tax returns
- › 50+% U.S. content including labor and overhead but not markup



COUNTRY LIMITATION SCHEDULE (CLS)



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. Note #4.

EXPORT-IMPORT BANK OF THE UNITED STATES COUNTRY LIMITATION SCHEDULE							
Total Term* - Effective April 6, 2020				"X" Indicates support is not available			
	PUBLIC SECTOR RISK			PRIVATE SECTOR RISK			
Country	Up to 1 Year	1 – 7 Years	Over 7 Years	Up to 1 Year	1 – 7 Years	Over 7 Years	Notes
Afghanistan	X	X	X	X	X	X	10, 13
Albania							1, 3, 4, 5
Algeria							1, 4
Andorra							
Angola					X	X	1, 3, 4, 5, 11b, 13
Anguilla							1
Antigua and Barbuda	X	X	X				4, 6a, 13
Argentina							6b

JUST 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



WORKING CAPITAL LOAN GUARANTEE



- Assists business in obtaining export working capital
- Provides 90% guarantee of repayment to the lender
- There is no minimum or maximum amount





COVID19 TEMPORARY RESPONSE



Multi-Buyer and Single-Buyer Short-Term Insurance

- › Streamlined renewal processing
- › Extension of shipment reporting and premium payment deadlines (up to 30 days)
- › Extension of overdue reporting requirements (up to 30 days)
- › Claim filing extension (up to 30 days)
- › Claims documentation flexibility

Working Capital Guarantee

- › Waiver of some program requirements
- › Waiver of defaults for nonpayment of interest (up to 60 days)
- › Waiver of certain defaults and replenishment of collateral
- › Claim filing extension (up to 30 days)
- › Claims documentation flexibility

CONTACT A REGIONAL OFFICE NEAR YOU



Eastern

- › Miami: 305-526-7436
- › New York: 212-809-2650
- › Atlanta: 404-815-1497

Central

- › Chicago: 312-353-8093
- › Houston: 281-721-0470
- › Minneapolis: 612-348-1213
- › North Texas: 214-551-4959
- › Detroit: 313-226-3067

Western

- › Orange County: 949-660-1341
- › San Diego: 858-467-7035
- › Seattle: 206-728-2264



EXPORT-IMPORT BANK
OF THE UNITED STATES



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Questions?



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