The World is Your Marketplace
Protecting Your Exports

Ensure your speakers are turned on
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Ensure that your speaker volume is turned up

Submit questions through the Q&A widget

A copy of the slides will be emailed after the event
INTRODUCING OUR SPEAKERS

Ryan Nelthropp
Chairman of the Board

Michael K. Jackson
Business Development Specialist;
Minority & Women Owned
Business Outreach Group
OPENING REMARKS

Ryan Nelthropp
Chairman of the Board

THE CHAMBER
St. Croix Chamber of Commerce
OUR HISTORY

Since 1924, the St. Croix Chamber of Commerce has welcomed members from large corporations to small mom-and-pop businesses and individuals.

Volunteer Board of Directors

Virtual Office

Website with Online Resources

Board of Directors

- Ryan Nelthropp, Chair
- John Lewis, Vice Chair
- Diane Butler, Former Chair
- Deepak Bansal, Treasurer
- Amy Parker DeSorbo, Events
- Leon Hughes, Secretary
- Emily Weston, Membership
- Abigail Atwell
- O’Neal Canton
- Mcgarvey “Darren” Henry
- Anastacia Rivers
- Akeel St Jean
- Nancy Torres
- James M. Oliver, Honorary
WHAT WE DO

NETWORKING
- Monthly Business After Hours events
- Ribbon Cutting Ceremonies for new businesses
- Annual Meeting
- Awards Gala

ADVOCACY
- Government Relations & Legislative Testimony
- Published Position Papers
- SBA/SBDC Partnership
- Scholarships

PROMOTION
- Online Business Directory
- Chamber Member Discounts
- Newsletter
- Social Media
Membership is open to all businesses and individuals that maintain a voluntary annual dues investment.

- Being active in your local chamber is an effective business strategy.
- Customers are 80% more likely to purchase goods and services from Chamber Members.
- Customers see Chamber Members as trustworthy businesses that care about their customers.

For Membership Levels and to Join go to stxchamber.org/join-the-chamber
MANUFACTURING INCENTIVES IN THE USVI

Island Branding

- Adult Beverages – Rum, Vodka and Beer
- Health & Beauty Products
- Clothing

For details visit: usvieda.org

Enterprise Zone Commission (EZC)
- 90% reduction in corporate income tax
- 90% reduction in personal income tax
- 100% exemption on gross receipt tax
- 100% exemption on business property tax

Economic Development Commission (EDC)
- 90% reduction in corporate income tax
- 90% reduction in personal income tax
- 100% exemption on gross receipt tax
- 100% exemption on business property tax
- 100% exemption on excise tax payments
- Reduction in the customs duty from the standard 6% to 1%
- Tax reduction on royalty income from software developed in the USVI & sold to non-U.S. customers
- Availability of rental space at below market rates in the St. Croix and St. Thomas Industrial Parks
Refresh Your Cocktails

Next Up:
Michael K. Jackson, EXIM Bank
WHO IS EXIM?

EXIM is an independent agency of the U.S. Government

Mission:
Create and sustain jobs by increasing U.S. export sales

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

95% Of Sales Opportunities Are Outside of the US
Why Do Only 1% of Companies Export?

Fear of the Unknown ..... *RISK!*
QUESTIONS EXPORTERS ARE ASKING

- Should I enter that new market?
- When and will I get paid?
- How will I get cash to make the product?
- I made the big sale, but will my buyer be able to obtain financing?
In FY 2019, EXIM authorized $8.2 billion of loan guarantees, export credit insurance, and direct loans in support of an estimated $9 billion of U.S. export sales.

U.S. export sales backed by EXIM in FY 2019 supported an estimated 34,000 U.S. jobs.
In FY 2019, EXIM’s small business authorizations totaled nearly exceed in $2.3 billion, representing 27.5 percent of total authorizations the agency’s charter requirement of 25 percent. Transactions that directly benefited small business exporters were more than 89 percent of total transactions.

EXIM authorized $440.6 million for minority- and women-owned businesses in FY 2019.
OUR FINANCING MAKES THE DIFFERENCE

- Minimize risk
- Level the playing field
- Supplement commercial financing
WE SUPPORT A VARIETY OF INDUSTRIES

- Manufacturing
- Construction Equipment
- Medical Equipment
- Mining
- Power-generation
- Aircraft & Avionics
- Services
- Renewable Energy
- Agribusiness
- Wholesale/Retail
- Oil & Gas
EXIM BANK FINANCING COVERS THE SPECTRUM

- Working Capital Guarantees
- Pre-Export Financing
- Insurance Guarantees
- Direct Loans
- Post-Export Financing
HOW CAN EXIM PRODUCTS ASSIST YOU?

- Funds to Fulfill Orders
- Risk Protection
- Extension of Credit
- Access to capital
- Buyer Financing
- Working Capital Guarantee
- Receivables Insurance
- Medium- and Long-Term Insurance and Loan Guarantee
Provides lenders with a 90% guarantee to extend short-term loans allowing exporters to purchase inventory, pay for labor, overhead, etc.

› Advance rates are larger than lenders typically offer:
  • Up to 90% against export accounts receivable
  • Up to 75% against exportable inventory (including work-in-process)

› Also covers standby of credit
EXPORT CREDIT INSURANCE

- **Protects against buyer nonpayment**
  - Shields U.S. exporters from commercial and political risks

- **Expands sales and develops new markets**
  - Allows exporters to offer “open account” credit terms
  - Eliminates the need for buyers to pay in advance thereby improving cash flow

- **Boosts borrowing base**
  - Increases exporters borrowing base with their lenders by assigning EXIM insured receivables as collateral
### PRICING: EXPRESS CREDIT INSURANCE

<table>
<thead>
<tr>
<th>Term / Type of Foreign Buyer</th>
<th>Class I: Sovereign</th>
<th>Class II: Bank</th>
<th>Class III: Private</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sight Letters of Credit</td>
<td>$0.04</td>
<td>$0.04</td>
<td>N/A</td>
</tr>
<tr>
<td>S/DD/P; CAD</td>
<td>$0.07</td>
<td>$0.09</td>
<td>$0.24</td>
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<tr>
<td>1-60 Days</td>
<td>$0.19</td>
<td>$0.24</td>
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<tr>
<td>61-120 Days</td>
<td>$0.32</td>
<td>$0.39</td>
<td>$1.06</td>
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<tr>
<td>121-180 Days</td>
<td>$0.41</td>
<td>$0.50</td>
<td>$1.35</td>
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<tr>
<td>181-270 Days</td>
<td>$0.51</td>
<td>$0.63</td>
<td>$1.70</td>
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<tr>
<td>271-360 Days</td>
<td>$0.62</td>
<td>$0.77</td>
<td>$2.08</td>
</tr>
</tbody>
</table>
No Military or Defense-related products or obligors (exceptions apply)

U.S. Content (Standard-Term: 50+%; Medium-Term: 85% U.S.)

Restricted Countries (Country Limitation Schedule)

Economic impact

Shipping

Additionality
Export routinely but your growth in foreign sales is limited because of risks of non-payment.

Have a foreign buyer that wants credit terms.

Are losing export opportunities because you will only accept a Letter of Credit (L/C) or cash pre-pay.

Are encountering cash flow problems due to increased foreign sales.

Have a buyer that needs several years to pay for capital equipment.
INSTRUCTIONAL RESOURCES AND ASSISTANCE

- Insurance Brokers
- Regional Export Promotion Program (REPP) Members
- Delegated Lenders
  - www.exim.gov/tools-for-exporters
- U.S. Export Assistance Centers (USDOC and SBA)
  - www.export.gov
Questions and Answers

Submit your questions through the Q&A Box
Closing Remarks

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