

> Using the Working Capital Loan Guarantee:

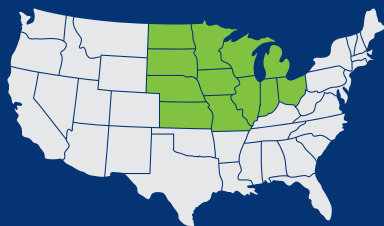
STREAMLINE YOUR WORKING CAPITAL POST-ACQUISITION

Through EXIM's Working Capital Guarantee Program (WCGP), U.S. exporters can obtain financing from participating lenders when traditional commercial financing is not available, or when the borrowing needs are greater than the lenders' credit standards will allow. This affords exporters a variety of benefits.

Before EXIM

Hypothetical Scenario:

ACME Subsystems, Inc. manufactures and sells advanced assembly line equipment and systems used by world-class manufacturers. It has access to a large, syndicated, asset-based credit program with its primary bank as the agent.



 Based In:
Midwest United States

How It Works:

1

Given the current economic environment, with consolidations ramping up, the bank wanted to be ready for any upcoming permitted merger or acquisition event at ACME.

2

The bank, using an EXIM Working Capital Guarantee (WCG), created a **\$25 million credit allowance** for permitted indebtedness into the covenants/parameters of the credit agreement.

3

When a great opportunity to acquire a complimentary business presented itself, the deal team was able to understand what the opening borrowing base availability would be under the EXIM Working Capital Guarantee by quickly identifying in the combined balance sheet the export-related:

- > Accounts receivable
- > Finished goods
- > Work-in-process and raw materials

4

Supportive to the overall financing, the EXIM Working Capital Guarantee was structured as a sub-facility to the overall 5-year, asset-based lending, revolving credit facility.



Results

The deal closed in record time and ACME Subsystems was able to execute a successful business acquisition.

The key to the transaction was the fact that EXIM could move as fast as the asset-based lending deal team in considering the customization that was necessary to fit the EXIM Working Capital Guarantee component into the overall deal structure.

EXIM EXPORT-IMPORT BANK OF THE UNITED STATES

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grow.exim.gov/mark-klein

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