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EXIM specialists are ready and waiting in your area to give you a free consultation:

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This is a descriptive summary to be used only as a general introductory reference tool. The complete terms & conditions of the policy are set forth in the policy text, applications, and endorsements.

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Short-Term Multi-Buyer Export Credit Insurance:

INSURE YOUR ENTIRE EXPORT PORTFOLIO

Exporters of U.S. goods and services can reduce risks of selling on credit terms by insuring their export accounts receivable with EXIM's Short-Term Multi-Buyer Export Credit Insurance. The policy can help increase international sales by extending competitive credit terms while minimizing risks, and is valuable as:

- ✔ A risk mitigation tool that insures receivables against nonpayment by foreign buyers
- ✔ A marketing tool that extends competitive credit terms to foreign buyers
- ✔ A financing aid to arrange attractive financing with the exporter's lender by using insured foreign receivables as additional collateral

PROTECTING YOUR BUSINESS

EXIM's Export Credit Insurance policies cover losses due to commercial reasons (such as bankruptcy and protracted default) and political events (such as war, revolution, seizure of goods, revocation of import license, and foreign exchange inconvertibility).

EXIM coverage is 95 percent for commercial or political losses. A first-loss deductible is applied per the policy period until the applicable amount is met. Coverage for approved, bulk agricultural commodities is 98 percent, and coverage for sovereign obligors is 100 percent.

For an additional premium, the exporter may request pre-shipment coverage. This is valuable in cases where goods are special ordered, or there is a long manufacturing run prior to shipment. By obtaining this extra coverage, the exporter locks in coverage conditions for a specified period of time (generally up to 180 days from contract signing). Pre-shipment coverage excludes contract cancellation risk. Endorsements for warehouse coverage and other types of specialized coverage are also available.

Approving Buyers for Coverage

EXIM offers discretionary credit authority, which allows the exporter to extend credit terms (up to specified amounts) without prior EXIM approval. Credit limits are granted in accordance with the exporter's experience, and the exporter must obtain credit information on the buyer to show its creditworthiness.

For amounts over the exporter's discretionary credit authority and in restricted countries (as noted in the [Country Limitation Schedule](#)), EXIM must pre-approve the buyer.



Coverage Parameters

1. Coverage is limited to the export of U.S. goods and services (*products must have more than 50 percent U.S. content, including labor but excluding mark-up*).
2. Coverage includes all shipments on credit terms (*such as documentary credits, unconfirmed letters of credit and open account*) to all eligible countries during the policy period, generally one year.
3. The policy may be renewed annually.
4. Repayment terms are up to 180 days, or exceptionally up to 360 days for qualifying transactions.
5. Confirmed letters of credit, cash-in-advance sales, and certain military or defense-related items are excluded from coverage.
6. Exporters can also obtain a political risk-only policy.

COSTS & PROCEDURES

Premium rates are calculated based on several factors, including length of terms offered, buyer type, spread of country risk, transaction type, and previous export experience.

Additional specifications include:

1. A one-time, refundable advance deposit at a minimum of \$500 (sometimes higher) is required to issue the policy.
2. There are no application fees or minimum annual premium.
3. Shipments to buyers may be reported anytime after the shipment is made, but no later than the 30th of the month following the month of shipment.

Overdue Invoices, Claims, and Payments

The exporter must report monthly all insured buyers past due over 60 days on amounts of \$10,000 or more for as long as the overdue situation exists, or until a claim is filed. Claims may be filed no earlier than 90 days after the due date, and no later than 8 months after the due date. Claims are paid within 60 days of receipt of all required documents (faster when filed online).

Subject to approval, policy proceeds (i.e., claim payments) may be assigned to a financial institution to arrange accounts receivable financing or add insured export accounts receivable to the borrowing base.



Exporter Qualifications

- ✓ Have at least three years of operating history
- ✓ Have a positive net worth
- ✓ Have a DUNS number from Dun & Bradstreet
- ✓ Obtain and maintain an active SAM.gov registration, including issuance of a Unique Entity Identifier (UEI)

