



UNIQUE SITUATION COVERAGE

Noteworthy Endorsements
& Special Policy Conditions
for Export Credit Insurance

NOTEWORTHY ENDORSEMENTS

There are standard endorsements to EXIM's Single and Multi-Buyer Credit Insurance policies, but also some which are less utilized. These less utilized endorsements, which are profiled below, can either enhance or reduce baseline coverage under these two policies.



All endorsements and special conditions require review and approval from an EXIM underwriter prior to taking effect.

01

Additional Named Insured Endorsement (G0001)

A U.S. company, other than the first named insured, is identified in a policy endorsement. This entity would have the same rights and responsibilities to coverage as an entity named as the first insured in the policy declarations.

Usage Scenario:

This endorsement enables EXIM to offer coverage to, for example, a U.S. exporter's related entity in Belgium. When invoicing international customers, the Belgium company is selling U.S. products too, and thus is covered.

02

Warehouse Endorsement (G0037)

The term warehouse means a place, owned or leased by the insured, for the storage of products to which the insured has retained title. Typically, the insured has shipped outside of the United States to its agent, branch or subsidiary for subsequent sale, provided that the sale from the warehouse occurs no later than XX of days from the date of shipment from the United States.

Usage Scenario:

EXIM understands that some U.S. exporters have to meet the demands of its foreign customers receiving product more quickly than shipping from its U.S. location. This could mean that the U.S. entity may sell product on to final customers through foreign warehouse locations. This endorsement identifies, documents, and allows coverage to stand when the shipment of goods may travel through a foreign warehouse.

03

Foreign Currency Endorsement (G0007)

The purpose of this endorsement is to include the currency of the buyer's country, provided that the buyer's country is eligible for coverage as noted in EXIM's Country Limitation Schedule on the date of shipment. EXIM policies automatically provide coverage for invoicing in U.S. dollars, Canadian dollars, Japanese yen, Swiss francs, United Kingdom pounds sterling, and the European Union euro.

Usage Scenario:

At the request of a foreign buyer or based on a U.S. exporter's preferences, the invoice will be expressed in local currency instead of U.S. dollars. EXIM will consider endorsing the foreign buyer's local currency to a policy in the event the U.S. exporter has a claim and needs to be paid in the invoice currency.

04

Drop Shipments to Countries Other Than the Buyer's Country (#7006)

This endorsement states that shipments under an EXIM foreign buyer credit limit approval may be made to a country or countries that are not the same as the country where the U.S. exporter is invoicing its buyer.

Usage Scenario:

There are circumstances where a project or end-user varies from the location that a foreign buyer is sending a U.S. exporter purchase orders (POs) and invoices from. Therefore, EXIM has the ability to add a special condition to foreign buyer approvals, allowing a U.S. exporter to ship to a country other than the bill-to country.

05

Invoicing Branches or Divisions of Buyer (#7048)

For transactions under an EXIM foreign buyer credit limit approval, the policyholder may invoice branch(es) or division(s) of the foreign buyer through endorsement.

Usage Scenario:

This special condition still enables a U.S. exporter to receive the same coverage it would receive if it was invoicing the main office of its foreign buyer. EXIM knows that in some instances, the U.S. exporter is asked to invoice another location of the same foreign buyer entity and has the ability to accommodate this request.

06

Political Risk Only Coverage (#7004)

EXIM is able to provide coverage should a U.S. exporter's foreign buyer become unable to obtain the invoice currency (e.g. USD), experience a cancellation or non-renewal of any license, or have an imposition of a law or regulation that prevents the insured's export or the buyer's import of the product. Coverage under this special policy condition also includes war, insurrection, expropriation, confiscation, or other arbitrary action in their country on or before their invoice due date with the foreign buyer.

Usage Scenario:

This coverage is purchased by U.S. exporters selling to their subsidiaries overseas (since commercial coverage would otherwise be unavailable) or is sometimes purchased for countries where EXIM only offers this type of invoice coverage on a foreign buyer.

07

Products Delivered to the Buyer in the United States (#7126)

Products being sold by the U.S. exporter may be delivered to the foreign buyer, or an authorized representative of the buyer, at a location in the United States, subject to the conditions set forth within this endorsement.

Usage Scenario:

For Canada, Mexico, and other countries, it may be customary for the foreign buyer to request that the exporter ship to Miami, Laredo, Nogales, etc. whereby the foreign buyer or its representative takes possession and actually controls the export and delivery to the foreign location. This endorsement outlines the details to still keep coverage under the insurance policy intact should the sale of the products include a U.S. delivery point.



WHAT'S NEXT?

EXIM is here to support you on your exporting journey. We offer a wide range of financing tools for your company's unique needs, as well as free consultations, educational material, exporter resources, and more. You can:



Talk to an Expert

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

grow.exim.gov/consultationrequest



Learn Exporting Basics

This free eBook, The Basic Guide to Exporting, will teach you everything you need to get started:

grow.exim.gov/export-guide



Protect Your Business from Risk

Avoid the danger of buyer nonpayment with Export Credit Insurance:

grow.exim.gov/eci-guide



Unlock Your Business's Cash Flow

Learn how EXIM works with your lender so you can compete internationally:

grow.exim.gov/wclg-guide



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