



Export Finance Programs

- **Export Express for Export Development**
- **International Trade Loan for Expanding Exporter Capacity**
- **Export Working Capital to Fulfill Export Orders**

Export Express Program

Capital for Export Development

- **Up to \$500,000 in Financing**
- **Your business can use Export Express for:**
 - Export development: participate in foreign trade shows, translation services, secure patents and trademarks
 - Financing export orders: buy inventory, pay staff wages, offer credit terms to foreign buyers
 - Freeing-up cash: issue standby letters of credit that serve as bid bonds, performance bonds, and advance payment guarantees
 - Purchasing fixed assets: acquire equipment or real estate to support international sales

International Trade Loan Program

Capital for Expanding Exporter Capacity

- **Up to \$5 Million in Financing**
- **Your business can use the International Trade Loan for:**
 - Purchasing fixed assets: acquire machinery or equipment to expand production in order to meet foreign demand
 - Retooling: fund expenses necessary to meet foreign product standards or licensing
 - Permanent working capital
 - Acquiring a bigger facility: for real estate needed as a result of expanding export sales

Export Working Capital Program (EWCP)

Capital to Fulfill Export Orders





- Up to \$5 Million in Financing
- Support a single transaction, multiple contracts, or revolving sales over the year
- **Your business can use EWCP for:**
 - Financing export orders:
 - Inventory, materials, labor, other production costs
 - Foreign accounts receivable and offering sales terms
 - Insurance and freight costs
 - Bank fees related to the transactions
 - Freeing-up cash:
 - Issue standby letters of credit for bid, performance, or advance payment bonds or guarantees

Maximize the Borrowing Base

	<u>Amount</u>	<u>% Advance</u>	<u>Collateral</u>	<u>% Advance</u>	<u>Collateral</u>
<u>Exportable Inventory</u>					
		<u>W/O Government Guaranty</u>		<u>With Government Guaranty</u>	
Raw Materials	\$200,000	40%	\$80,000	75%	\$150,000
Work-in-Progress	\$200,000	0%	\$0	75%	\$150,000
Finished Goods	\$600,000	50%	\$300,000	75%	\$450,000
Subtotal	<u>\$1,000,000</u>		<u>\$380,000</u>		<u>\$750,000</u>
<u>Foreign A/R</u>					
Open Account	\$400,000	0%	\$0	90%	\$360,000
L/C backed A/R	\$600,000	70%	\$420,000	90%	\$540,000
Subtotal	<u>\$1,000,000</u>		<u>\$420,000</u>		<u>\$900,000</u>
Total Borrowing Base	<u>\$2,000,000</u>		<u>\$800,000</u>		<u>\$1,650,000</u>

Line Increases from \$800,000 to \$1,650,000 (+106%)

Assistance in Response to the Coronavirus

	<p>Paycheck Protection Program This loan program provides loan forgiveness for retaining employees by temporarily expanding the traditional SBA 7(a) loan program.</p>	<p>SBA.gov/PaycheckProtection Program closed on August 8. Contact your <u>lender</u> For information on forgiveness.</p>
	<p>EIDL Loan This loan provides up to \$10,000 of economic relief to businesses that are currently experiencing temporary difficulties.</p>	<p>SBA.gov/funding-programs/loans/coronavirus-relief-options/economic-injury-disaster-loan Apply online at: SBA.gov/Disaster</p>
	<p>SBA Express Bridge Loans Enables small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly.</p>	<p>SBA.gov/funding-programs/loans/coronavirus-relief-options/sba-express-bridge-loans Apply through current SBA Express lender</p>
	<p>SBA Debt Relief The SBA is providing a financial reprieve to small businesses during the COVID-19 pandemic.</p>	<p>SBA.gov/funding-programs/loans/coronavirus-relief-options/sba-debt-relief</p>

Grants to Reach International Buyers



The **State Trade Expansion Program** or STEP provides grants to U.S. states/territories to help small businesses to go international.

Your small businesses may qualify for a grant and/or training to:



- Cover expenses to:
 - Participate in virtual trade missions
 - International Partner Search Plus Virtual Introductions
 - Website optimization for global sales
 - Obtain services to support foreign market entry including market research and initial market check to determine opportunities
 - Training workshops (e.g. ExporTech)
- Translate websites to attract foreign buyers
- Design marketing media and more



USMCA: Small Business Tools



USMCA recognizes the importance of the agreement working for U.S. small businesses:

The Small and Medium Sized Enterprise Chapter

- Each country now provides information sharing online platforms on USMCA.
- Creates a small business dialogue to hear from SMEs.
- Forms a committee to ensure small business concerns are being considered.

Practical Tools to Help You Use USMCA

- Explore www.sba.gov/tradetools for resources and tools for trading with Mexico and Canada and other small business export destinations.
- Access all three official USMCA information sharing sites through www.trade.gov/usmca.
- Find U.S. rules and contact the USMCA Center at CBP, <https://www.cbp.gov/trade/priority-issues/trade-agreements/free-trade-agreements/USMCA>.
- The FTA Tariff Tool can help determine your products tariff rate and rule of origin, <https://beta.trade.gov/fta>.
- Visit <https://www.sba.gov/local-assistance> for business counseling, market research and export plan reviews or contact SBA's International Trade Ombudsman Hotline toll-free (855) 722-4877 and international@sba.gov.



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