

Unleash the Opportunity of Exporting

Michael Howard
Managing Director, Central Region

Reducing Risk. Unleashing Opportunity.





Reducing Risk. Unleashing Opportunity.

Our Mission:

Support American jobs by facilitating the export of U.S. goods and services

Who We Are:

- › A U.S. federal government agency
- › Headquartered in Washington, D.C.
- › Established in 1934
- › With 12 Regional Export Centers

Why EXIM U.S.

- › Increase competitiveness
- › Minimize risk
- › Provide access to capital



- › Paperwork - up to \$500k
- › Pricing - 3 components or portfolio
- › Timing - how goods the information- put yourself in an underwriter's slippers

Completing the Deal



- › Banking, cash flow eligibility of FARs
- › Claims documents, INCO terms, who does what and when
- › A bad deal is a bad deal, let's concentrate on good deals with creditworthy buyers (CLS)

Foreign Export Credit Agencies



Your foreign competitors
have support!



Australia	Efic
Austria	OeKB
Canada	EDC
France	Coface
Germany	EulerHermes
Italy	Sace
Japan	JBIC
S. Korea	KEIC, Keximbank
UK	ECGD

Our Products Cover the Spectrum



Pre-Export
Financing

Post-Export
Financing



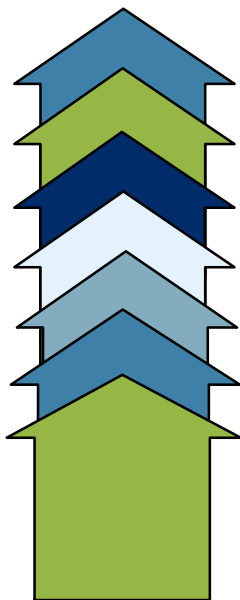
**1. Working Capital
Guarantee**

**2. Insurance
3. Guarantees
4. Direct Loans**

Sales Terms as a Spectrum of Risk



**Seller Risk
Low**



**Seller Risk
High**

Sales Terms

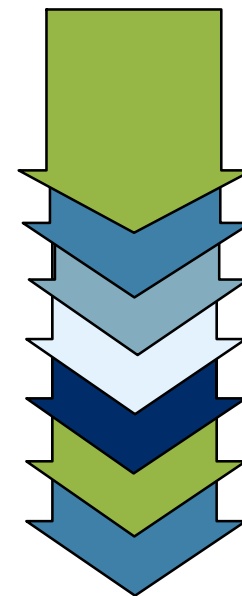
Cash in Advance

Letters of Credit (L/C)

Cash Against Documents

Open Account

**Buyer Risk
High**



**Buyer Risk
Low**

Export Credit Insurance



An insurance policy covering receivables generated from export sales that protects against nonpayment by international buyers

- Risk Protection
- Sales Tool
- Financing Aid



Risks Covered



Commercial

- › Insolvency
- › Bankruptcy
- › Protracted Default

Political

- › War, Revolution, Insurrection
- › Currency Transfer Risk
- › Cancellation of an Import or Export License

Types of Policies



Express Insurance:

- › **95% coverage**
- › Pay-as-you-go
- › No deductible
- › **EXIM obtains buyer credit info**
- › 10 buyer max
- › < 5 Yrs Credit

Multi-buyer:

- › **95% coverage**
- › Pay-as-you-go
- › Deductible
- › Some approval authority may be given to exporter

Single-Buyer:

- › **90% coverage**
- › No deductible
- › One buyer
- › Pricing = Slide 15

Single Buyer Credit Insurance



Insures a single sale or multiple sales to one buyer

- › Maximum policy period: 1 year
- › No deductible and no application fee
- › Premium based on country, type of buyer, and length of credit term extended
- › Charged on sales volume (not credit limit)
- › “Pay-After-You-Ship” premiums
- › \$500 minimum premium for “small business” – \$2,500 minimum premium for non-small business

> Single Buyer Credit Insurance



- > 90% coverage, both commercial and political risks
- > 98% for bulk agricultural transactions
- > 95% for letter of credit transaction

Single Buyer Credit Insurance Rates



<https://www.exim.gov/tools-for-exporters/exposure-fees/shorttermelclessfinancing>

Country:		MEXICO				
Exposure Fee						
ST Single Buyer Insurance (ELC & ESS)	Sight L/C	60 days	120 days	180 days	270 days	360 days
Financial Institution:	0.04%	0.24%	0.39%	0.50%	0.63%	0.77%
Non Financial Institution:	#N/A	0.93%	1.07%	1.86%	1.86%	2.08%
Pre-Presentation for Letters of Credit						
		90 days	120 days	180 days	270 days	360 days
Issuing Bank under an ELC Policy:		0.04%	0.07%	0.09%	0.13%	0.18%

This example is a nonbinding fee calculation. Actual fees for short-term ELC & ESS transactions will be determined by Ex-Im Bank upon approval of a completed application.

(Based on rates as of May 26,2020)

Eligibility

Exporters Must:

- › Be in business at least one year
- › Have DUNS number and financial statements or tax returns
- › 50+% U.S. content including labor and overhead but not markup



Country Limitation Schedule (CLS)



EXIM Bank conducts business in most countries throughout the world.

Restrictions may apply based on political or economic conditions and are highlighted on the Country Limitation Schedule.

Note #4

EXPORT-IMPORT BANK OF THE UNITED STATES COUNTRY LIMITATION SCHEDULE Total Term* - Effective April 6, 2020								
“X” INDICATES SUPPORT IS NOT AVAILABLE								
	PUBLIC SECTOR RISK				PRIVATE SECTOR RISK			
COUNTRY	Up to 1 year	1 to 7 years	Over 7 years		Up to 1 year	1 to 7 years	Over 7 years	NOTE(S)
Afghanistan	X	X	X		X	X	X	10, 13
Albania								1, 3, 4, 5
Algeria								1, 4
Andorra								
Angola						X	X	1, 3, 4, 5, 11b, 13
Anguilla								1
Antigua and Barbuda	X	X	X					4, 6a, 13
Argentina								6b
Armenia								1, 3, 4
Aruba								9
Australia								
Austria								

Just a Few Restrictions



- › No Military or Defense-related products or obligors (exceptions apply)
- › Must ship from a U.S. port
- › Open in over 180 countries

Working Capital Loan Guarantee



- Assists business in obtaining export working capital
- Provides 90% guarantee of repayment to the lender
- There is no minimum or maximum amount

COVID19 Temporary Response



Multi-Buyer and Single-Buyer Short-Term Insurance

- › Streamlined renewal processing
- › Extension of shipment reporting and premium payment deadlines (up to 30 days)
- › Extension of overdue reporting requirements (up to 30 days)
- › Claim filing extension (up to 30 days)
- › Claims documentation flexibility

Working Capital Guarantee

- › Waiver of some program requirements
- › Waiver of defaults for nonpayment of interest (up to 60 days)
- › Waiver of certain defaults and replenishment of collateral
- › Claim filing extension (up to 30 days)
- › Claims documentation flexibility



Michael Howard

Managing Director, Central Region

Phone: 312-353-8081

Email: michael.howard@exim.gov



www.exim.gov
800.565.3946 (EXIM)

Reducing Risk. Unleashing Opportunity.

