Export Financing Solutions

Executive Summary

Trade Financing Solutions

Export-Import Bank of the United States

Who We Are, What We Do

- Ex-Im Bank is an independent agency of the United States Government
  - Established in 1934
  - Headquartered in Washington, DC
  - 6 regional offices
- Mission: Support U.S. exports in order to create and sustain U.S. jobs

Our Financing Makes the Difference

- Meeting foreign competition
- Supplementing commercial financing
- Absorbing non-payment risk

Our Financing Covers the Spectrum

Pre-export Financing:

WORKING CAPITAL GUARANTEE

Post-Export Financing:

INSURANCE
GUARANTEES
DIRECT LOANS

Short-Term Insurance

- Coverage Parameters:
  - Up to 180 days, exceptionally 1 year
  - Commercial and Political Risks
- Lender Policies:
  - Bank Letter of Credit
  - Financial Institution Buyer Credit
  - Financial Institution Supplier Credit
- Exporter Policies:
  - Multi-Buyer or Single-Buyer

Medium-Term Financing

- Generally used for buyer financing of capital equipment:
  - 85% financed, 15% cash down payment
  - Repayment up to 5 years, exceptionally 7 years
  - Amounts of $10 million or less

- Financing can be accomplished through the following Ex-Im products:
  - Lender guarantee
  - Insurance
  - Direct Loans

Long-Term Financing

- Generally used for buyer financing of very large items (aircraft) and project finance:
  - Over 5 year repayment or over $10 million
  - 15% down payment, 85% financed amount
- Financing can be accomplished through the following Ex-Im Bank products:
  - Lender guarantee
  - Direct Loans

Some Restrictions

Military Exports **(exceptions apply)**

Foreign Content

Economic Impact

Shipping

Additionality

Foreign Content Policy

- Ex-Im Bank is committed to support the export of goods and services of U.S. origin
  - Policy varies according to product
  - Generally, short-term products have a more flexible policy
- Ex-Im Bank recently relaxed its foreign content reporting requirements for long-term financing

Foreign Content Policy for MT and LT Financing

- Ex-Im Bank will support the following amounts:
  - If the contract has no more than 15% foreign content, we will support 85% of the contract price
  - Otherwise, we will limit our support to the U.S. content
  - Note: The contract value and foreign content must exclude amounts not shipped from the U.S.