



EXIM Bank
Supporting Exports and Jobs

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Growing Your Business Globally - October 26, 2017

Reducing Risk. Unleashing Opportunity.



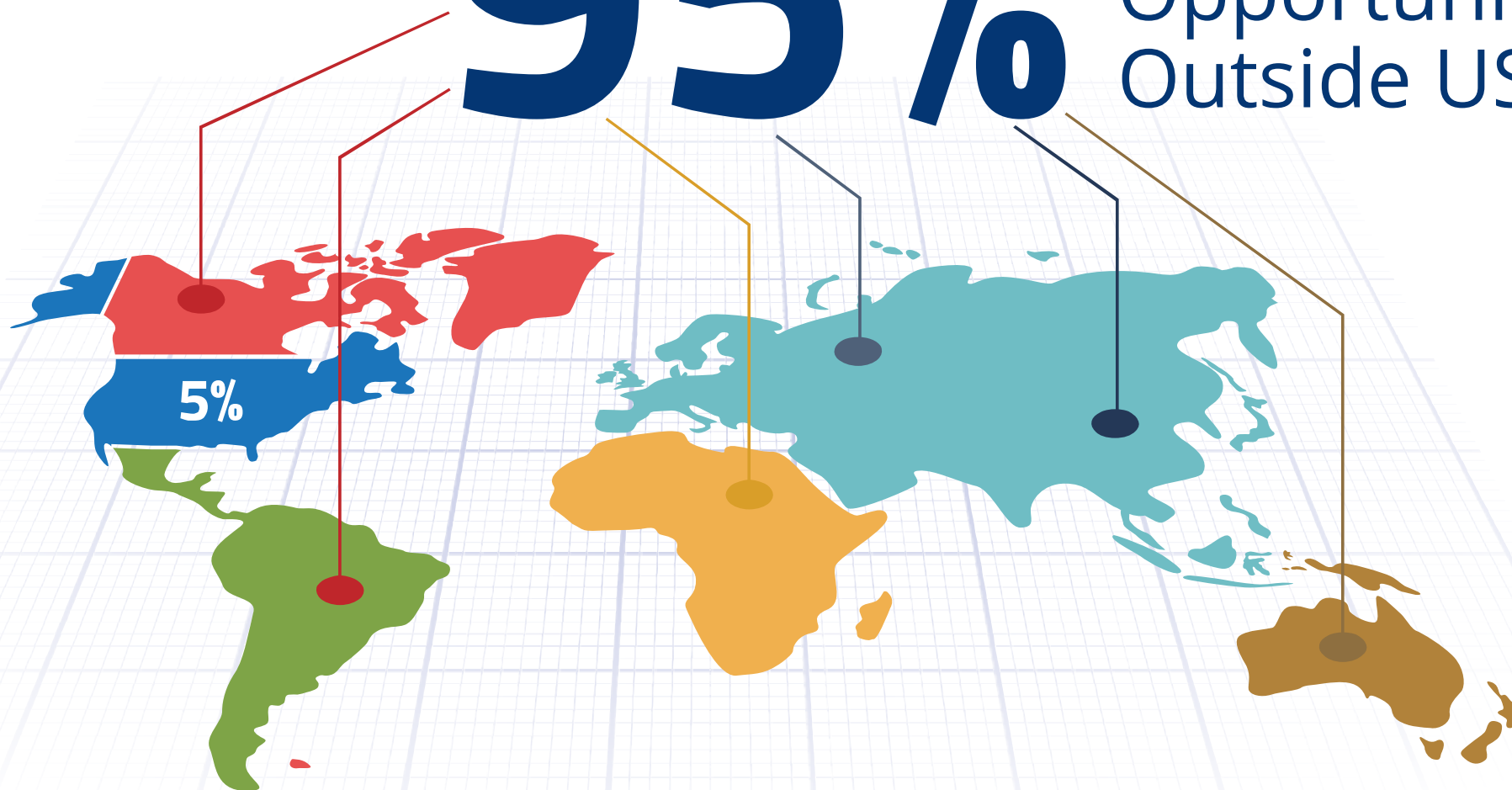
EXPORTS HAVE LED THE ECONOMIC RECOVERY



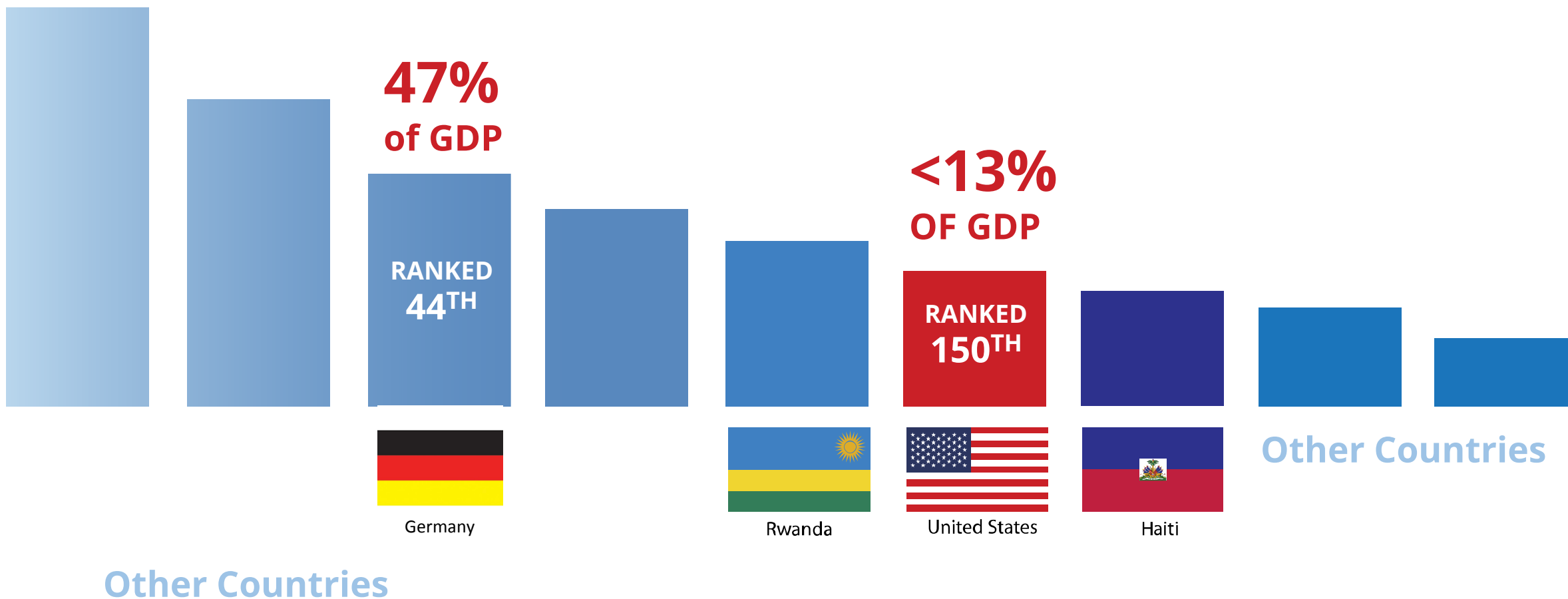
GLOBAL POPULATION



95% of Sales Opportunities Outside US



ONLY 1% of U.S. COMPANIES EXPORT



Source: The World Bank 2015 data





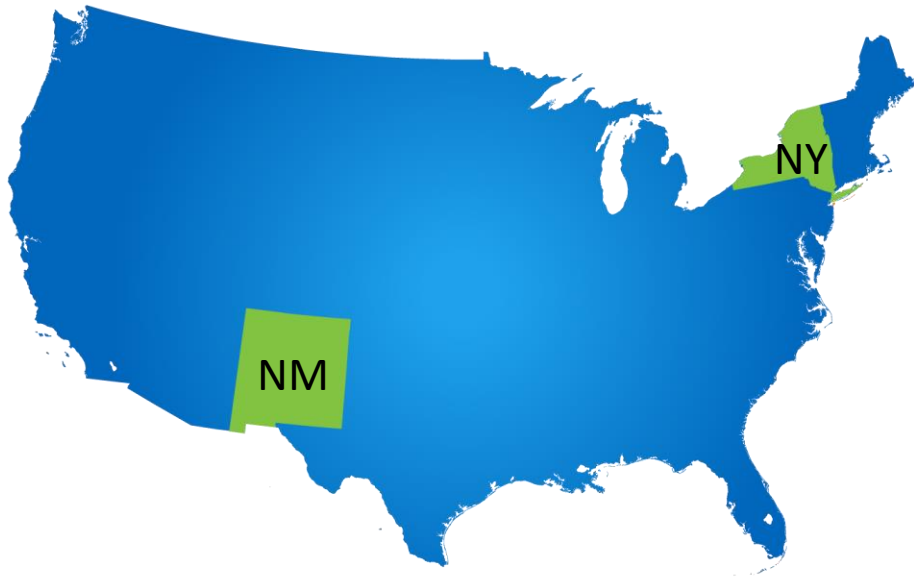
EXIM REDUCES RISK AND UNLEASHES OPPORTUNITY!



Why Do Only 1% of Companies Export?

Fear of the Unknown RISK!

TAKING THE FEAR OUT OF EXPORTING



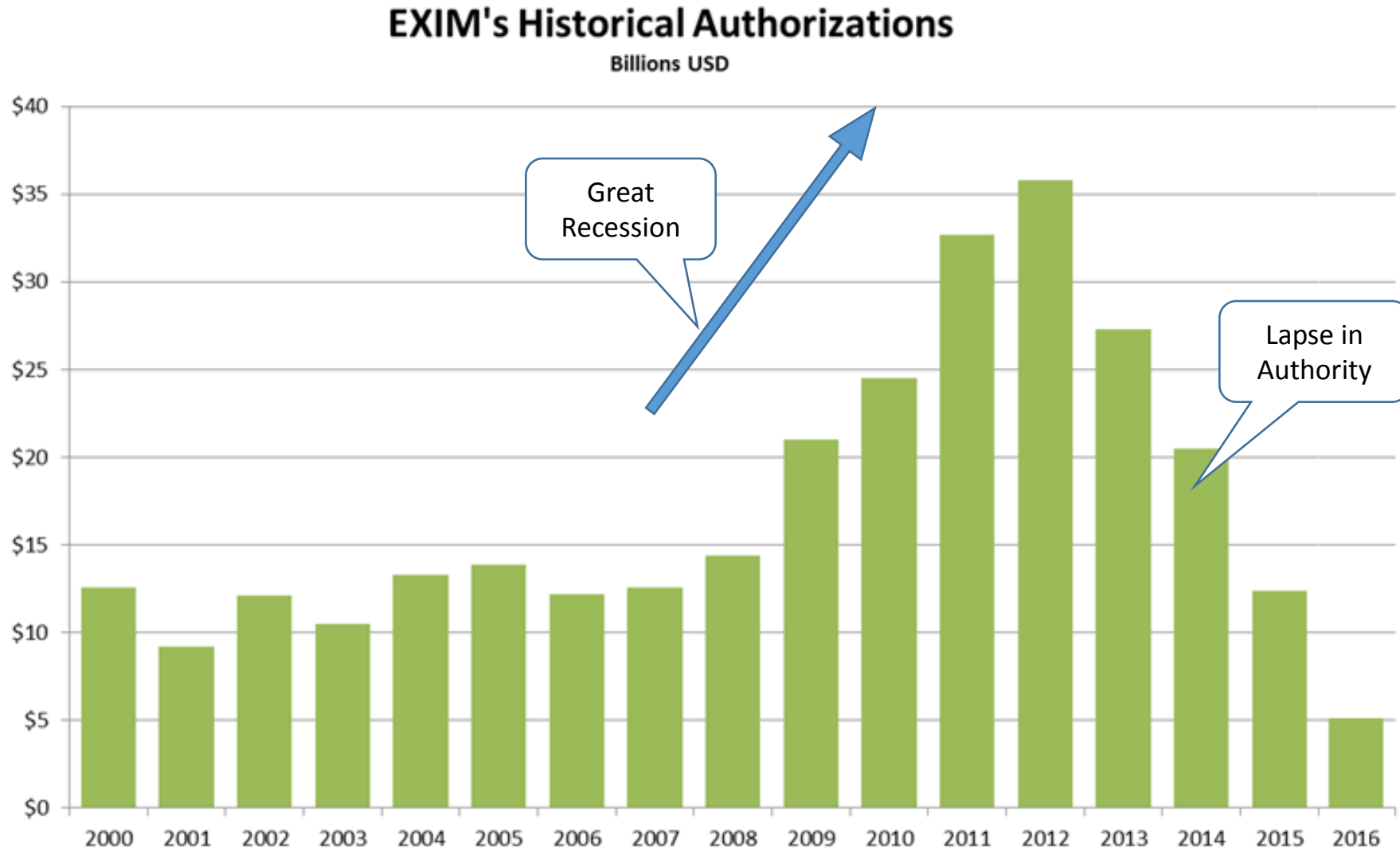
EXPORT-IMPORT BANK OF THE U.S. (EXIM)



- **Official Export Credit Agency of the United States** established in 1934.
- **Mission** – Supporting American jobs by facilitating the export of U.S. goods and services.
- **Self-sustaining** – no cost to the taxpayer. Actually generated profit of \$7+ billion for taxpayers!
- **Activities** – EXIM provides financial support to fill the gaps where the private sector is unable or unwilling to support.
- **How? - Loans, Guarantees and Insurance**



AUTHORIZATIONS INCREASED DURING THE RECESSION



GLOBAL COMPETITION






2015 – were 85 other ECAs

2017 – now 97 other ECAs ... and growing



EXIM SUPPORTS EXPORTERS



-  Direct Loans and Lender Loan Guarantees to foreign buyers of U.S. capital goods and services
-  Working Capital to U.S. exporters
-  Receivables Insurance to U.S. exporters

▶ LOAN GUARANTEES



▶ Used to finance foreign buyers purchasing U.S. capital equipment, typically with 85% financed and a 15% cash down-payment.

- EXIM provides a **100% guarantee** of the amount financed
- **Medium-Term:**
 - Repayment terms up to 5 years
 - Amounts of \$10 million or less
- **Long-Term:**
 - Repayment terms over 5 years
 - Amounts over \$10 million

FUNDS ON A SMALLER SCALE



Unleashing Opportunity.



Exporter's Challenge

"I made the big international sale but now I need funds to operate my business while waiting for payments to come in?"

EXIM's Solution

Working Capital Guarantee



SMALL BUSINESS



- › About **90%** of EXIM Bank transactions supported small business exports.
- › No company or transaction is too small.
- › EXIM has supported sales of just a few thousand dollars

WORKING CAPITAL GUARANTEE



Provides lenders with a **90%** guarantee to extend short-term loans allowing exporters to purchase inventory, pay for labor, overhead, etc.

- › Advance rates are larger than lenders typically offer:
 - › up to 90% against export accounts receivable; and
 - › up to 75% against exportable inventory (including work-in-process)
- › Also covers standby letters of credit

EXIM Accounts Receivables Insurance

WHO'S NOT WORRIED ABOUT GETTING PAID?





EXPORT CREDIT INSURANCE - BENEFITS



➤ **Protects against buyer nonpayment**

- Shields U.S. exporters from commercial and political risks

➤ **Expands sales and develops new markets**

- Allows exporters to offer “open account” credit terms
- Eliminates the need for buyers to pay in advance thereby improving cash flow

➤ **Boosts borrowing base**

- Increases exporters borrowing base with their lenders by assigning EXIM insured receivables as collateral

INSURANCE CUSTOMERS IN MULTIPLE INDUSTRIES

Lumber

Aerospace Parts

Cleaners and Sanitizers

Steel Tubing

Traffic Safety Devices

Plastic Nettings

Vitamins

BOARD OF DIRECTORS UPDATE

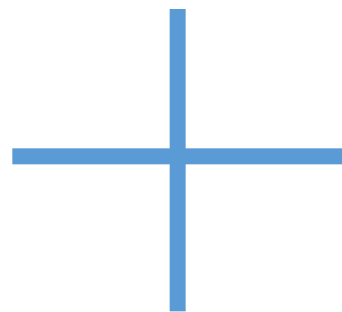


- Board of Directors has the authority to approve all transactions and set EXIM Bank policies
- Charter authorizes Board to delegate certain approval authority to staff and commercial banks – generally **\$10 million cap** on transactions



➤ AWB PLAYS A VITAL ROLE – for Exporters and EXIM too

- A key resource for trade finance information
- Valuable partners for EXIM



LOCAL CONTACT



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