



Reducing Risk. Unleashing Opportunity.

EXIM Bank Export Credit Solutions for Exporters and US-based Service Providers

ASA Annual Conference – July 11, 2017



TOP 10 STATES: AIRCRAFT PARTS, 2014-2017

2017 ranks	Aircraft parts	YTD 2017 (Jan-April)	2016	2015	2014
	All US States	\$ 1,915,648,629	\$ 6,219,115,609	\$ 5,934,946,826	\$ 5,810,814,568
1	California	\$ 366,726,933	\$ 1,291,460,094	\$ 1,219,308,465	\$ 1,434,374,123
2	North Carolina	\$ 198,339,724	\$ 1,021,140,704	\$ 537,131,516	\$ 148,680,877
3	New Jersey	\$ 169,607,577	\$ 522,316,619	\$ 570,918,963	\$ 523,846,398
4	New York	\$ 160,714,528	\$ 468,608,472	\$ 421,213,549	\$ 497,306,905
5	Texas	\$ 157,132,412	\$ 455,362,716	\$ 503,858,550	\$ 475,711,169
6	Florida	\$ 104,744,091	\$ 228,410,857	\$ 341,902,817	\$ 285,469,029
7	Maryland	\$ 102,119,492	\$ 325,891,163	\$ 313,372,778	\$ 182,572,263
8	Georgia	\$ 88,787,662	\$ 292,495,357	\$ 247,484,345	\$ 330,469,622
9	Dist. Columbia	\$ 76,301,972	\$ 178,751,888	\$ 138,596,195	\$ 169,267,684
10	Virginia	\$ 59,576,917	\$ 141,536,369	\$ 168,446,838	\$ 184,722,365

Source: www.UStradenumbers.com

AVIATION EXPORTS IN FLORIDA: 2010-2016

	2016	2015	2014	2013	2012	2011	2010
Main aircraft category, with non-engine parts	5,419,870,717	4,746,110,647	4,797,867,331	4,769,105,463	5,332,760,485	4,614,676,077	4,099,470,823
Aircraft engines, parts	861,575,814	764,032,956	667,281,470	661,959,128	659,466,021	732,289,271	643,436,600
Aircraft, secondary	362,572,246	27,403,249	119,509,695	2,241,478	4,850,605	11,075,314	19,143,142
Aircraft parts	228,410,857	341,902,817	285,469,029	371,294,411	288,259,409	247,012,928	194,153,186
TOTALS US\$	6,872,429,634	5,879,449,669	5,870,127,525	5,804,600,480	6,285,336,520	5,605,053,590	4,956,203,751

Source: www.UStradenumbers.com

Who We Are – What We Do

- EXIM Bank is an independent agency of the U.S. Government
- Established in 1934
- Headquartered in Washington, D.C.
- Mission: support American jobs by facilitating the export of U.S. goods and services

EXIM: Fiscal Year 2016

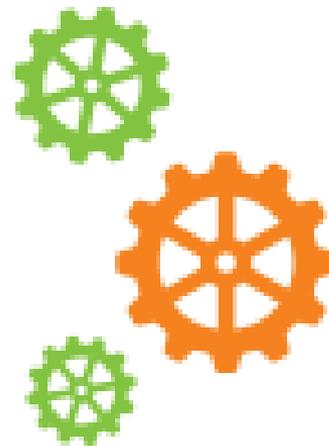
- EXIM supported more than \$2.5 billion of exports from U.S. small businesses (authorizations as of 08/31/2016)
- Nearly 91.5% of transactions directly supported U.S. small businesses (Manufacturing & Service companies)
- **No company - nor deal - is too small!**

4 Ways EXIM Financial Products Support You:

- **Offer competitive credit terms** to your foreign buyers
- **Reduce your risk** in case of foreign buyer non-payment
- **Obtain pre-export working capital loans** to support the export of U.S. made goods and services
- **Arrange term financing** at U.S. interest rates for your foreign buyers for sales of U.S. made capital equipment with repayment terms between 1-5 years

EXIM Supports the Following Service Industries:

- Architecture
- Construction
- Consultants
- Legal
- IT/Telecomm
- Engineering
- Advanced Manufacturing
- Franchises
- Oil/Gas
- Mining



Solution 1: Export Credit Insurance

Risk Protection:

Protect against non-payment by foreign buyers due to commercial risks and political risks

Sales Tool:

Offer competitive terms to foreign buyers (generally up to 180 days, some products may qualify for 360 day terms)

Financing Aid:

Enable additional Financing. Insured foreign receivables may be added to your borrowing base by assignment of policy proceeds (claim payments) to a lender

Risks Covered

Commercial Risk:

- Insolvency
- Bankruptcy
- Protracted Default



Political Risk:

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

Short Term Export Credit Insurance Policies for Small Business*

Express Insurance:

95% cover, no deductible, pay-as-you-go, EXIM Bank obtains and reviews all credit info on buyers, maximum of 20 buyers

Small Business Multi-Buyer:

95% cover, no deductible, pay-as-you-go, some buyer approval authority may be given to exporter

Single-Buyer:

90% cover, no deductible

** Learn More about the SBA Definition of a Small Business - www.sba.gov/sites/default/files/files/Size_Standards_Table.pdf*

Example: Small Business Express Insurance Rates

- Rates are charged by the length of the credit term you extend and the buyer type:
 - Sell to a private sector buyer on terms up to 60 days open account
 - Premium cost is \$0.65 per \$100 of the gross invoice value...
 - **...on a \$25,000 sale, that's only \$162.50 in premium!**
- AND... if you use insurance with a working capital guarantee you get a 25% rate reduction on your premiums!

How Export Credit Insurance Works



Solution 2: Working Capital Loan Guarantee

- Assists small and mid-size companies in obtaining working capital to produce or purchase U.S. goods and services for export
- Provides a 90% guarantee of repayment to a lender (principal and interest) on loans to exporters
- No minimum or maximum amounts
- Loan supports advances made against export-related inventory (including WIP) and foreign receivables
- Line of Credit may also be used to collateralize a stand-by letter of credit to be used as a performance bond (25% collateralization required)

Eligibility Criteria



Exporters Must:

- Be in business – in active operation – for at least three years (unless otherwise noted)
- Have DUNS number and financial statements or tax returns
- 50+% U.S. content including labor, but excluding mark-up (cost basis)

Where are you exporting?

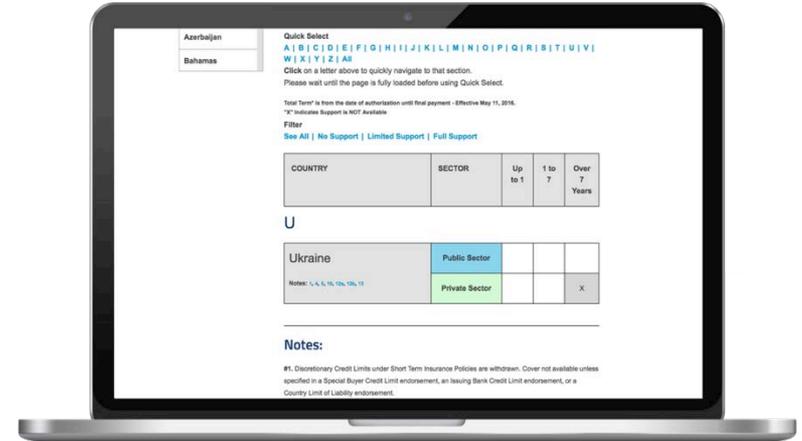
- Canada
- Central & South America
- Europe
- Asia (including Australia & New Zealand)
- Middle East
- Africa

EXIM Bank is open in **over 180 countries** worldwide – always check our most recent Country Limitation Schedule:

<http://www.exim.gov/tools-for-exporters/country-limitation-schedule>

Restricted Countries

- EXIM Bank conducts business in many countries throughout the world
- Restrictions may apply for political (US sanctions) or economic conditions
- Check the Country Limitation Schedule (CLS) – "X" means support is not available



www.exim.gov/tools-for-exporters/country-limitation-schedule

Just a Few Restrictions



- No Military or Defense-related products or obligors (exceptions apply)
- U.S. Content (ST: 50+%; MT: 85% U.S.)
- Restricted Countries (CLS)
- Economic Impact
- Shipping
- Additionality

Questions?

**One-on-One meetings are
available
after the presentation!**

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