

EXPORT CREDIT INSURANCE FOR U.S. EXPORTERS

Reducing Risk. Unleashing Opportunity.

EXIM's Export Credit Insurance reduces the risk of buyer nonpayment and provides financing tools that unleash opportunity for increased export sales.



Limits Nonpayment Risk

EXIM's Export Credit Insurance limits the risk of U.S. exporters not receiving payment for its goods or services for many commercial and political reasons. This product can replace methods such as cash-in-advance and letters of credit. American businesses can count on EXIM to protect export sales to a single buyer or multiple buyers.



Extends Credit to Buyers

The insurance allows U.S. exporters to provide advantageous credit terms to qualified foreign buyers. Such financing may help a company expand into new markets and increase sales to existing ones.



Provides Access to Working Capital

Export Credit Insurance enhances the quality of a company's balance sheet by transforming foreign accounts receivable into receivables that are insured by the U.S. government. With this insurance in place, lenders are more likely to advance U.S. exporters a loan against these receivables, thus increasing its working capital cash flow.



Key Qualifications

- » The exporter's products must be shipped from the U.S. and have at least 51 percent U.S. content (excluding mark-up).
- » EXIM cannot support exports of most military/defense products and services or purchases made by military buyers.
- » EXIM may close or restrict support of exports to certain countries at any time. View the Country Limitation Schedule (CLS) at [exim.gov](https://www.exim.gov) under the tab "Tools for Exporters."
- » All applications for Export Credit Insurance are subject to EXIM's objective credit criteria (see Credit Standards at [exim.gov](https://www.exim.gov) under the tab "Tools for Exporters"). Exporters may receive free assistance completing their applications from insurance brokers registered with EXIM.
- » EXIM is committed to supporting exports with favorable terms when they have environmental benefits and do not adversely impact the U.S. economy.



exim.gov

Success Stories

Learn how other small businesses have benefited from EXIM's products at:
exim.gov/about/success-stories

Payment Terms

- » **Up to 180 Days:** Non-capital goods, components, raw materials, spare parts, and most services.
- » **Up to 360 Days:** Capital goods, consumer durables, and bulk agricultural commodities.

Exporter-Held Policies

- » **Single-Buyer Policy:** Provides credit protection for shipments to one specific buyer. Premium rates are based on tenor (i.e., time until invoice is due), type of buyer, and the buyer's country.
- » **Multi-Buyer Policy:** Allows businesses to insure a portfolio of eligible international buyers to whom they extend "open account" credit terms. EXIM provides a 25 percent discount to small businesses that have an EXIM or SBA working capital loan.
- » **Small Business Policy:** EXIM Bank offers enhanced coverage including a no first-loss deductible and a simplified premium schedule. It also provides an attractive financing feature that allows a company's lender to advance on the insured receivables with limited risk. Exporters with international credit management experience may receive "discretionary authority" under the policy to qualify and approve buyers for coverage without EXIM review, based on good payment experience or favorable credit information.

Lender Policies

EXIM also offers insurance policies for financial institutions that support exporters' sales:

- » **Bank Letter of Credit:** Protects U.S.-based banks against losses (i.e., the failure of a foreign issuing bank to make payments or reimbursements) on irrevocable letters of credit opened to finance U.S. exports. Coverage ranges from 95 percent to 100 percent.
- » **Financial Institution Buyer Credit:** Protects lenders that finance international buyers of U.S. goods and services for periods of less than one year. Coverage is 90 percent of commercial risks and 100 percent of political risks for private sector buyers.

NEXT STEP: Contact EXIM's export finance managers to answer your questions and expedite your EXIM application.

800.565.3946 [EXIM]
exim.gov/what-we-do



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