



When the global economy opens up new business opportunities, the **Export-Import Bank** makes them real.

The Export-Import Bank of the United States supports the purchase of U.S. exports by creditworthy international customers who cannot obtain credit through traditional sources. Financing in emerging markets is often scarce, and without access to credit, international buyers may not be able to purchase from U.S. suppliers. Ex-Im Bank offers trade financing solutions to international buyers, and turns business opportunities into real transactions.

As an independent United States government agency with nearly 70 years of experience, Ex-Im Bank has continually provided financing for buyers of U.S. products and services, taking risks that the private sector is unable or unwilling to accept.



MEDIUM- AND LONG-TERM FINANCING

Providing loan guarantees, insurance, and direct loans

Ex-Im Bank supports the export of U.S. capital goods and related services by guaranteeing or insuring loans to international buyers. With the *loan guarantee*, the buyer is required to make a down payment of at least 15% (of the net contract value), and the remaining portion is covered by an Ex-Im Bank unconditional guarantee. This guarantee covers principal and accrued interest and is available for medium- (up to 5 years) and long- (up to 10 years) term repayment, subject to transaction size. The interest rate charged is usually a floating rate, negotiated between the buyer and the lender. Guarantees are available for new, used and refurbished equipment. Ex-Im Bank also offers *medium-term insurance* with similar eligibility requirements.

In some cases, Ex-Im Bank will extend a *direct loan* to an international buyer. The down payment requirements are the same as those for the loan guarantee, but direct loans have a fixed interest rate, based on the U.S. Treasury rate. For long-term guarantees and direct loans, if the goods are to be shipped by sea, they must be on a U.S. vessel, although waivers are possible.

Ex-Im Bank is able to cover eligible project costs, such as ancillary services (banking, financial, legal, and engineering fees) and local costs (incurred in the buyer's country). Loans guaranteed or insured by Ex-Im Bank may be denominated in select foreign currencies.



QUALIFICATION CRITERIA

Outlining eligibility requirements

Ex-Im Bank does not compete with private sector financing. In fact, there must be a clear indication the transaction would not be possible without Ex-Im Bank support.

Borrower: Sovereign and sub-sovereign governments, public sector entities, and private buyers are eligible. If the borrower does not meet Ex-Im Bank credit standards, it will need a guarantor. This can be a company, sovereign or sub-sovereign entity, local lender, or individual that meets our credit standards and would ultimately be responsible for repayment of the loan if the borrower is unable to pay.

Products and Services: Items must be shipped from the United States to the international buyer. Ex-Im Bank finances the lesser of 85% of the U.S. contract price or 100% of the U.S. content. Projects must meet Ex-Im Bank's environmental standards. Defense articles and services, with a few exceptions, are not eligible. Support is also available for buyers of aircraft and transportation equipment through asset-based lending or leasing structures. Ex-Im Bank may be prohibited from doing business in some countries and under certain terms (refer to the Country Limitation Schedule at www.exim.gov).

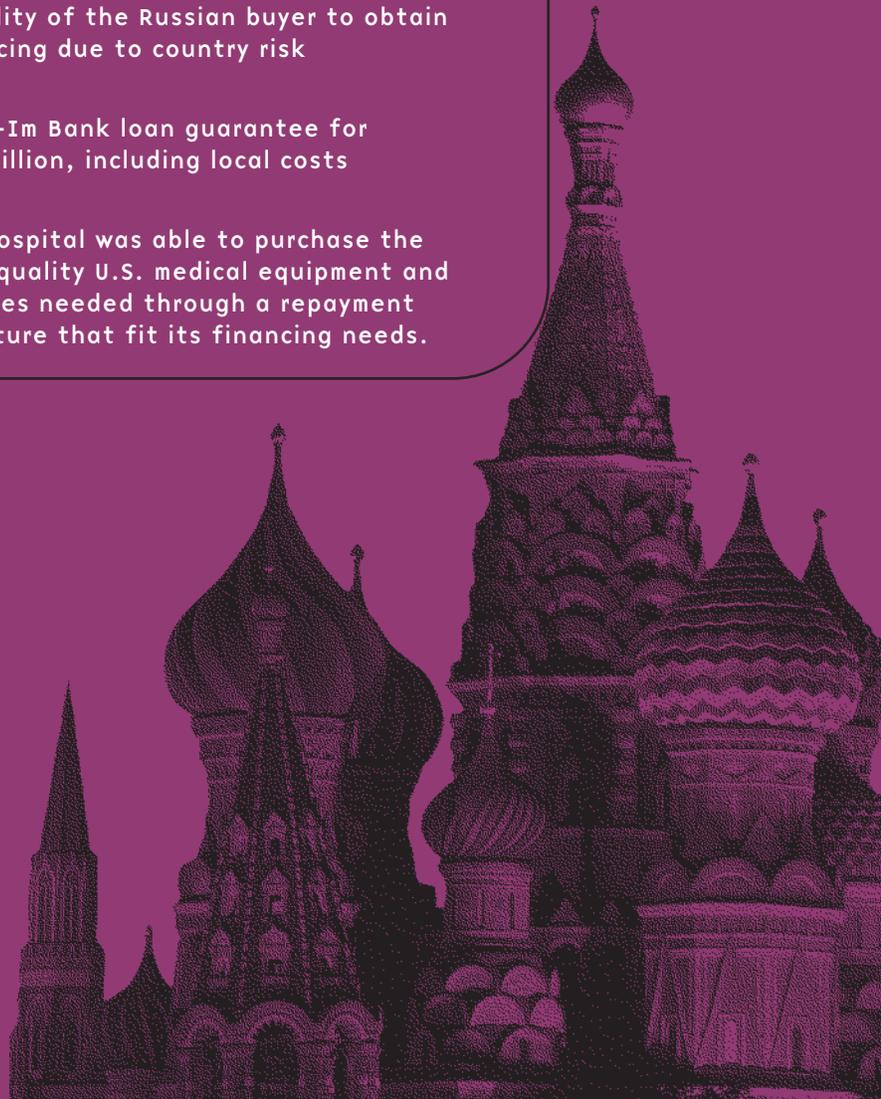
Ex-Im Bank also offers guarantees and loans for overseas projects, such as infrastructure projects (e.g., power, mining, oil and gas), in which project cash flows are used for repayment of the financing. For more information, please contact the Project and Structured Finance Group at 202.565.3690.



**CLINICAL CITY HOSPITAL NO. 31
MOSCOW, RUSSIA**

SUCCESS STORY

Product & Exporter	Medical equipment, materials, and engineering services provided by Tekser USA, Inc. (Dover, Delaware)
Guarantor	Russian Ministry of Finance through Vnesheconombank
Challenge	Inability of the Russian buyer to obtain financing due to country risk
Solution	An Ex-Im Bank loan guarantee for \$43 million, including local costs
Result	The hospital was able to purchase the high-quality U.S. medical equipment and services needed through a repayment structure that fit its financing needs.





SPECIAL INITIATIVES

Offering increased flexibility for specialized needs

Ex-Im Bank works closely with foreign export credit counterparts to establish *co-financing* arrangements. Under this structure, Ex-Im Bank guarantees the U.S. portion of a transaction, while the foreign export credit agency supports its respective portion. The result is a single, streamlined financing product, giving the exporter greater coverage with a simplified process.

Ex-Im Bank's *sub-sovereign* initiative allows a local or regional government to serve as a borrower or guarantor for the purchase of U.S. goods and services. Eligible sub-sovereigns must be rated by an internationally recognized credit rating organization and meet Ex-Im Bank's credit criteria.



**SEMIRARA COAL CORPORATION
MANILA, PHILIPPINES**

SUCCESS STORY

PRODUCT & EXPORTER	Coal washing equipment, manufactured by TDT INC. (Prosperity, West Virginia), removes excess material from coal to make it to burn cleaner.
Challenge	Inability of the Semirara Coal Corporation to capitalize on business opportunities and obtain the financial backing it needed
Solution	An Ex-Im Bank medium-term loan guarantee for \$295,000
Result	With Ex-Im Bank support, the Filipino company was able to access financing and develop a relationship with the small U.S. supplier.





HOW TO APPLY AND WHAT IT COSTS

Detailing the application process

A *Letter of Interest* (LI) is submitted to Ex-Im Bank, often before a sales contract has been awarded. It is a non-binding indication of Ex-Im Bank's terms for the specific transaction. The LI is processed within seven working days and is valid for six months (but can be renewed). If a contract has already been awarded, the applicant should submit a *Final Commitment Application*, available at www.exim.gov.

Applications are submitted by either the lender or the international buyer. Since commercial lenders are usually more familiar with the application process, their involvement often expedites the process.

The *application fee* is \$100 for a Letter of Interest. The *commitment fee* is 0.125% for a guarantee or 0.5% for a direct loan. An *exposure fee* is calculated based upon several variables, including country and credit risk. An exposure fee calculator is available at www.exim.gov. Note: If a Preliminary Commitment Application is submitted (exceptional cases), 1/10 of 1% of the financed amount is charged.



BARIVEN, S.A.
A SUBSIDIARY OF PETROLEOS DE VENEZUELA, S.A.

SUCCESS STORY

Product	Oil exploration, production, and refining
Challenge	Wanted to purchase equipment and services from multiple U.S. suppliers simultaneously
Solution	Ex-Im Bank loan guarantees under a \$200 million Credit Guarantee Facility
Result	Bariven, S.A., is now able to buy products and services from several different U.S. suppliers under one financing package.





SHORT-TERM FINANCING

Extending credit to international buyers

In addition to medium-term insurance, Ex-Im Bank also provides U.S. exporters and lenders with a variety of short-term (generally up to 180 days) *export credit insurance* policies, allowing them to extend credit terms to international buyers with minimal risk. This is often more cost effective than bank financing or letters of credit. Short-term export credit insurance is generally used for transactions involving non-capital goods and services, while medium-term insurance is generally used for machinery and equipment. The exporter or lender must submit the applications. For more information, please contact the Business Development Group at 202.565.EXIM [3946].

REGIONAL OFFICES

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