



Supply Chain Finance Guarantee Program

Increasing Capital for U.S. Businesses

The Ex-Im Bank Supply Chain Finance Guarantee, offered to lenders, benefits U.S. exporters and their suppliers through accounts receivable financing. It is designed to inject liquidity in the marketplace and provide suppliers, particularly small businesses, with access to capital faster and at a lower cost.

Suppliers can sell their accounts receivable to a lender to obtain early payment of invoices at a discounted rate. This helps them obtain cash quickly (often at lower rates that reflect the credit of the buyer) and increase liquidity to fulfill new orders. Exporters have the option to extend payment terms and obtain a working capital benefit without imposing undue financial hardship on their suppliers.

The Ex-Im Bank guarantee, which bears the full faith and credit of the United States, is provided directly to the lender. Ex-Im Bank provides a 90% guarantee of an eligible invoice while the lender bears 10% risk. This arrangement allows the lender to efficiently maintain their relationships directly with the exporters and suppliers without Ex-Im Bank involvement.

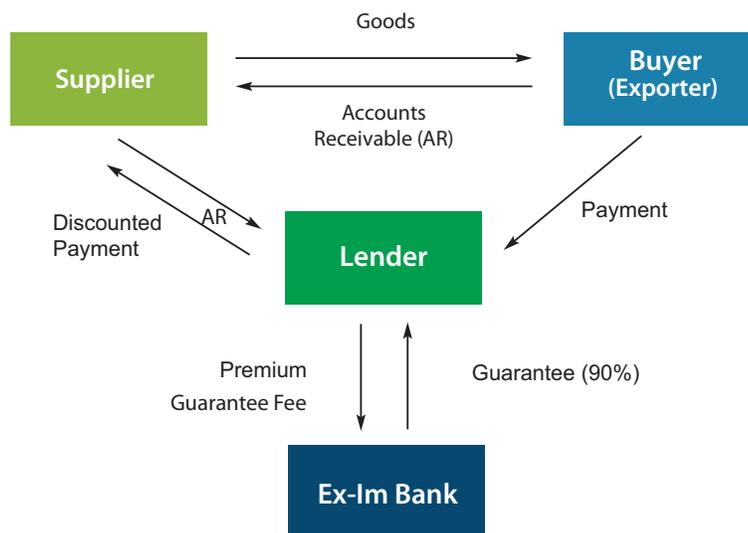
Benefits to the Small Business Supplier:

- Converts accounts receivable into cash and improves liquidity position
- Obtains better rate based on the credit rating of the exporter

Benefits to the Exporter:

- Allows flexibility in extending the terms for accounts payable
- Provides an additional source of working capital funding—which is not treated as debt on their balance sheet

How it Works:



*This program is designed for exporters but could also apply to a foreign buyer and their U.S. based suppliers.

(over)

How it Works: (Continued)

- Lender and Ex-Im Bank establish this guarantee.
- Ex-Im Bank works with the existing supply chain finance platform of the lender.
- Exporter receives invoices from suppliers.
- Exporter sends a list of approved invoices to the lender electronically.
- Lender validates the list to verify the invoices that are eligible for discount and payment.
- Supplier selects the invoices for accelerated payment.
- All discounted invoices are paid by the lender to the supplier via ACH.

Exporter Eligibility:

- Must be a U.S.-domiciled company that exports U.S. goods and services.
- Exported products must meet Ex-Im Bank's Supply Chain Finance content policy requirements.

Supplier Eligibility:

- Company must be U.S.-domiciled and supply goods/services to eligible U.S. exporters.
- At least 50% of the invoices' value must be from suppliers that meet the SBA small business definition: see <http://www.sba.gov/content/table-small-business-size-standards>.

Lender Eligibility:

- Lender must have an existing supply chain finance platform which is subject to Ex-Im Bank due diligence and approval.

Next Step:

If interested, contact Thomas Cummings, Regional Director at 212.809.2652.

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