



FINANCIAL SUPPORT FOR U.S. SERVICES EXPORTS

Services exports comprise one-third of U.S. total exports. With America becoming more of a services-oriented economy, this sector is becoming an important source of value added growth and job creation.

EXIM Bank provides support for U.S. companies selling services internationally. Past EXIM support for services includes engineering and consulting, information technology and telecommunications, and services related to oil and gas, and mining.

The Bank can finance services in conjunction with sales of U.S.-made products (such as equipment) as well as free-standing services such as architectural and engineering services, and those performed by freight forwarders.

REDUCING RISKS AND UNLEASHING OPPORTUNITIES

EXIM Bank's export credit insurance provides your business with the confidence necessary to enter new markets, gain new customers and boost sales. This simple tool has significant benefits:

- **Limits Your Nonpayment Risk** for many commercial and political reasons. It covers up to 95 percent of your sales invoice. You can protect export sales to a single buyer or multiple buyers.
- **Allows You to Extend Credit** to your qualified foreign buyers. It can improve the cash flow of your customers by replacing methods such as cash-in-advance and letters of credit.
- **Provides You with Access to Financing.** EXIM's insurance also enhances the quality of your firm's balance sheet. Your foreign receivables become insured by the U.S. government, allowing your company to borrow against these receivables.

POLICY OPTIONS

EXIM offers support for services performed by a U.S.-based personnel, invoiced to and paid by a foreign entity. EXIM offers several short-term insurance policies:

- **Express Insurance** is best for SBA-defined small businesses with less than \$7,500,000 in export credit sales and less than 10 foreign clients.
- **Small Business Multi-Buyer Insurance** is for SBA-defined small businesses with less than \$7,500,000 in export credit sales and provides coverage for all foreign clients.
- **Standard Multi-Buyer Insurance** is best for firms with experience in international markets and provides coverage for all foreign clients. This tool provides firms with the flexibility to make credit decisions without prior approval from EXIM.
- **Single-Buyer** policies allow firms to insure single or multiple shipments to just one customer.

ELIGIBILITY

To be eligible for EXIM support:

- There must be a contract or purchase order;
- The service providers must be legal U.S. workers (as evidenced by an I-9);

ELIGIBILITY (continued)

- The U.S. entity must own any foreign-developed licenses for at least a year;
- Insurance policy services endorsements must exclude contract cancellation/frustration risks; and
- In the event that a buyer has defaulted for more than 90 days and/or a buyer has terminated the contract, the exporter must discontinue services.

In addition, small businesses must have more than 51 percent U.S. content based on direct and indirect costs for either:

- Each service listed on a separate invoice, showing all items with more than 51 percent U.S. content; **or**
- One invoice that shows the aggregate content of all services are more than 51 percent with an accompanying content report. Otherwise, only the U.S. content is eligible for coverage.

Non-Small Businesses must have:

- More than 50 percent U.S. content based on direct costs for each service listed in a single invoice.

Note: EXIM Bank can provide support for recurring royalty fees and overseas franchise fees on a case-by-case basis.

SUCCESS STORY

Team Askin Technologies, Inc. (TATI) Fairfax, Virginia

Team Askin Technologies, Inc. is a minority, woman-owned company with 45 employees that provides software and consulting services, including regulatory information management systems and aviation regulatory expertise.

The company used EXIM's working capital guarantee to post an expensive performance bond requirement. TATI also used EXIM's single-buyer export credit insurance policy to mitigate the risk of nonpayment from their customer in Saudi Arabia. EXIM insurance has supported \$24.2 million of TATI's possessive exports from 2013 to 2016.



NEXT STEP: EXIM's experienced regional directors and partners are ready to help your company win sales. They will answer your questions and expedite the application process.

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



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Reducing Risk. Unleashing Opportunity.

EXIM
EXPORT-IMPORT BANK
OF THE UNITED STATES

