

**EX-IM WEBINAR**  
**on Financial support to**  
**increase your export sales**  
**November 18, 2010**

MR. GUS GRACE: Thank you. Thank you Maura and thank all of you for joining us on this, uh, first webinar that we're conducting here at Ex-Im Bank. We're going to be talking about financial support to increase your export sales. Our goals today are really to show you how you can increase your sales with some of the export import financing. And we're going to show you how you get started and the numbers that - - in order to begin the process.

Uh, who we are. Let's talk a little about Ex-Im Bank. We've been around for a while. We are the official export credit agency, ECA, of the United States government. We've been doing this since 1934. Most major industrialized countries have what they call an ECA export credit agency. We are the official export credit agency of the United States.

We're a self-sustained agency, which means essentially that we, uh, are running at no cost to the tax payers. We are bound by the rules of Congress, and we go through the budgetary process every year, but we do receive funds from our exposure fees, interests, and facility fees.

Our mission is simple. We're here to create

and sustain jobs, uh, by increasing U.S. export sales. A lot of our policies are geared toward that, our foreign content policies. A lot of the small business loans that we're doing are really focusing on create jobs here in the United States. It's very important for us.

We like to think that our financing really makes a difference. We're here to minimize the, the risk that exporters take in exporting. We want to minimize the risk that bankers take when financing these exports. In fact, when we're doing these transactions a large portion of our, uh, authorizations are really to banks to provide guarantees to banks to keep them in the business of financing exports. We really supplement the commercial bank financing, and we don't compete with the banks. When times are difficult as it has been in the past, we will step up and provide direct loans, uh, and continue to provide guarantees for this, uh, type of activity. The idea is to strengthen the U.S. competitiveness. We want to compete against other ECAs in other countries and where that's possible, we'll provide the financing that makes the difference.

Now, small business is important to us. Congress has actually mandated that 20% of our authorization should be for small business. We have programs especially designed for small businesses, including our small business multi-buyer policy. We have a division that tracks what we're doing in small business. So that's a very, very important step for us here.

This past year 2010 we had authorizations, and these are preliminary figures, we had authorizations close to \$5 billion for a small business activity. This is, uh, up from 12% from the previous year. Again our authorizations are 22% of the total authorizations so we're well within the, uh, mandate that's submitted to us by Congress.

In terms of numbers, about 86, 85% of all transactions that we do here are really for small businesses. We handle the small transactions for exporters. A number of people think of us as Boeing's bank. In fact, we do finance a good number of aircraft, but we're always financing the, the suppliers of Boeing so we're handling the, the small businesses that go into make the, the large aircraft exports.

We like to say there's no transaction too small or too large for Ex-Im Bank. We do the project financing. We do the structured trade financing, but we're also financing the small mom and pop shops. Our challenge is to get the banks involved and get the banks willing to do the smaller deals.

We like to tell exporters that we want to take the, uh, fear out of exporting. We want to take care of the, uh, financial risk. We want exporters to export more to more countries, export more products and be able to, to feel comfortable exporting. Let Ex-Im Bank and the bankers take care of the financial risk, and we can move forward with increasing our, our exports in accordance with the national export initiative.

If your concern as an exporter about when you'll get paid and how you'll get paid. We'll talk a little further about export credit insurance, and we'll also talk about how you get cash to make this product. We've got a, we've got a Working Capital Guarantee Program that's amply suited to provide working capitals to exporters, and these are going to be guarantees

to banks so that they can provide the, the advances to these exporters.

If you've got a large sale and you're wondering whether or not your buyer will be able finance this transaction, we've got buyer financing. Those transactions - - forward usually are based upon the higher financing. If you've got a large transaction we need to make sure that we can finance your buyer in this scenario. So we'll talk a little about buyer financing as well.

We're in all kinds of industries.

Manufacturing traditionally has been, been our, our key market as the markets are shifting from manufacturing to more service oriented, uh, product, we have to remind ourself that it's very easy to talk about exporting a tractor or a trailer, but we do finance the export of services as well. Engineering services, maintenance contracts and the like, feasibility studies, these are all services that we're very, very interested in financing.

What's, what's key for us are there are certain areas that we're looking at renewable energy. We're doing a great deal of, uh, work

with renewable energy and anything green, of course, that's important to us. We've already talked about the aircraft that's always a leading sector for us, but we have several new initiatives particularly in the medical, uh, uh, industry. We're looking to finance more medical equipment going out. Power generation. We do the big deals, structured trade, and project financing, but most of our business in terms of numbers are going to be with the small transactions. We'll require either working capital or export credit insurance.

We're in six continents. We're providing financing across the globe. Uh, Brazil is always a very, very attractive private sector industry for us. Uh, Columbia is there. We're financing in that area. Our chairman has just returned from India with the President where they're talking about financing additional aircrafts - - to India. Mexico is another country. Traditionally we've been financing for, for quite a while. Uh, it's a good market for us, public sector and private sector. Congress has also mandated that we have a sub-Saharan Africa outreach effort that committee so

we're doing a great deal in South Africa and in Nigeria. One of the new markets for us, of course, is, is Vietnam. We opened in Vietnam recently and Turkey is attractive to us as well.

We're open in all countries. And these countries can be found on our country limitation schedule. Our, our website at, uh, [www.exim.gov](http://www.exim.gov), but in, in general we're providing support across the globe.

Let's see, if you find that as an exporter or, or even a bank that you're going to need funds to, uh, fulfill your order, our solution of course is providing you with the Working Capital Guarantee Program. We provide the guarantee to the banks so that the bank can then finance the exporter's, uh, product, manufacturing of this product to export. We cannot provide, uh, working capital for domestic transactions, so we're pretty much looking only at the international - - . We'll spend some time talking about that, uh, in a minute.

If you find that as an exporter you need to provide terms to your buyers overseas, we've got a product that amply fits and that's going to be our export receivables insurance. We like to



call it export credit insurance. What we're suggesting here in this case is that we'd like to see all exporters have policies so that when they ship and provide terms to their buyer, we take the risk. We provide the insurance. So in the event that the buyer does not pay, the exporter merely comes to us and collects under their insurance. So we'll a little about that in a minute.

The other thing we have, of course, is if you find that most transactions that go forward you need to have a credit worthy buyer and the buyer needs financing. And we're here to provide financing, buyer financing, because in most cases that's where the, uh, large ticket items are, and we have programs for both medium and long-term. Medium for us is, is perhaps less than \$10 million and up to five to seven years, and long-term of course would be over, over 7 years. We provide, uh, guarantees in insurance to do this buyer financing.

Take a very close look at this, this Working Capital Guarantee. What it is is a guarantee to the bank to finance an exporter's, um, manufacturing. If they want to pay for raw

materials, or labor, or supply, uh, the advance is given by the bank. We're providing the bank incentive. We're saying to the bank, we'll provide you with a 90% guarantee. We like the banks to have some, what we call skin in the game, so they retain a portion of the risk. But they're encouraged to lend to these smaller exporters that they might not lend to. Uh, we make it very easy for them under this Working Capital Guarantee Loan.

We want to get the funds to the exporter, and this is our program. It's really a domestic program, but it's really financing the U.S. exporters. Most of our other programs we're taking the risk of the buyer, but in this one we're financing, uh, the exporter. Again there are no transactions that are too small for us to do. We've done \$7,000.00 working capital, uh, transaction and we've gone as high as \$46 million for financing tenders on the, on the west coast. So the idea behind this is that we want to make sure that the banks continue to lend to this particular market.

What does this guarantee look like? We're providing guarantees, but it's a fully secured

program. The advances are presented by the bank, made by the bank are really supported by inventory, and we will lend up to 75% against the inventory and receivables as well. 90%. Most banks aren't willing to finance are use as collateral foreign accounts receivable. We will be able to do that. Uh, and generally our facilities are available for one year, and they can be renewed on an annual basis. And in some cases we can provide a three year, a three year facility.

This next chart shows you what happens with working capital where you have a bank and what happens where you have, when you have a bank that has our guarantee. And on the left hand side you can see that we have raw material in the amount of \$200,000.00. Generally, banks are not going to feel very comfortable with this, and they will have an advance rate of about 20%. So that means that you've got \$40,000.00 in your borrowing base. With work in progress most banks are not going to - - , are not willing to lend against work in progress, uh, so that's going to be zero. We, on the other hand, we will. We're going to take that extra risk and

we will lend.

Finished goods banks will lend 50%, uh, and so you've got your borrowing base at \$300,000.00 plus the 40.

And then account receivables again, U.S. banks are not very happy lending against foreign accounts receivable, that's our business. That's what we're willing to do. If you look over to the column on the right, we're lending 90% against the foreign accounts receivable. The advanced rates for raw material is 75. Advanced rates for works in progress are 75 and so at the end of the day you'll find that a customer has a larger borrowing base. The difference is between \$760,000.00 and \$1,650,000.00, so by using Ex-Im Bank and using our guarantee you can get an additional, um, expand your borrowing base and you're able to borrow more. You're putting your assets to work. It's the objective - - . And we're encouraging banks to do this. We have delegated authority that we give to the banks that will allow them to do this on their own, so their transaction is, is very very very very quick.

This is an example of, Abro Industries is an

example - - transaction that we worked with. Uh, and Abro sells to over 175 countries. In the past few years they've grown 123%. Their banker is of course Morgan, uh, and they are providing quality automobile industrial products to countries across the globe and all sales from exports. That we've been working with this company for a while. It holds about \$7 million in inventory at any given time, but they've been working pretty successfully with, with Ex-Im Bank and it's one of our, our favorite, uh, success stories for working capital.

Let's shift a minute and let's talk about accounts receivable financing. This is generally a short-term program, and we are going to be providing protection for the exporter. We're telling the exporter that if you ship and provide terms, we're going to insure you against commercial risk that in event that the buyer doesn't pay and politic risk, and that's in event that there's something going on in the country, acts of war, appropriation, anything that's done by a government that prevents payment from coming back to us. So we offer those two types of, of coverage under the

insurance. You put them both together and what you have is a comprehensive insurance policy. And these insurance policies are insuring receivables from 180 to 360 days, and most of them are actually are for 60 days. Exporters providing terms for 60 days, we're willing to, to finance a credit worthy buyer in those particular cases.

So it allows for the exporter to be more competitive and generally once these receivables are insured by Ex-Im Bank they can take them to the bank and have them discounted and get additional financing. So it's a, it's a back-ended way to get working capital once you've made several shipments and have been doing this for a while.

Oh, insurance policies we have many. We've got policies for exporters; we've got policies for banks. A most popular policy the multi-buyer policy where we identify a small business, and when we say small business that's by SBA's definition if they employ less than 500 employees, and they are exporting and if they have sales less than \$7.5 million in the past three years then they would qualify for a small

business multi-buyer policy. That would enable the exporter to ship to many countries across the, uh, uh, across the globe. Countries in which we are open. So this is probably one of the best policies that Ex-Im Bank has to offer. It's for small businesses. It has a single rate based upon not the country, but the tenor and the category of exporter.

Temtech [phonetic] Corporation in Miami, Florida. This is another case that we have that, um, a number of us here at the bank are talking about. We've had a multi-buyer insurance policy for them to cover export sales of about \$500,000.00. They've supported 45 new jobs as a result of, of working with us. They have, uh, more than 45% of TemTech Employees are working today just to fulfill the orders that are supported by, by Ex-Im Bank. Uh, the company has been around for a while, and this is an example where they are exporting to more than one country. So the multi-buyer policy works very well from them, for them. It supports sales to over 80 countries and they continue to expand, expand their market.

Buyer financing, uh, in most cases in order

for large transactions to go through buyers need financing. Again, we're part of the ECA, Export Credit Agency, and we're all paying, playing in accordance to certain rules. And one of them is, uh, we follow what we call the arrangement. One of the rules is that, uh, all buyers must make a 15% cash down payment, and we at Ex-Im Bank like other export credit agencies finance the 85% portion.

For us, the medium-term program calls for repayment up to five years and on exceptional cases we'll go seven years. Uh, medium-term for us is amounts less than \$10 million, and this usually covers most of our small business exporters. Now, we can do transactions much larger. We do \$100 million transactions and finance aircraft and projects, but for our medium-term program \$10 million seems to be the amount that covers most of our transactions, and for our medium-term financing we can offer guarantees where we provide a guarantee to the bank, and the bank makes the loan to support this export.

We also have what we call a medium-term export credit insurance, that's again maximum of



that is up to \$10 million, and we can of course, uh, finance that with the bank. In very few instances we provide direct loans for medium-term transactions. So that's really the amounts are relatively small. When we do a direct loan here at Ex-Im Bank it's generally going to be for larger amounts at a fixed interest rate.

Striving to do more. We're making credit more available. We're looking to increase our outreach efforts, and we're coming up with new products that will include supply chain financing. We're doing a lot with indirect exports. We have reinsurance products that we're coming out with. So we're looking to move forward with a number of new products, uh, this coming year, and again, focusing really on, on small businesses.

We want also to work on our, working on our new, brand new small business web portal. If you get a moment, take a look at it. [www.exim.gov](http://www.exim.gov). We're making it very easy for small businesses to come in and receive the kind of assistance they need. And we want to streamline our operation to improve turnaround

time, that's always been an issue here at the bank. We're trying to get exporters, uh, online so the processes, so they can process transactions quickly. We'd like to get banks to have delegated authority, so they don't really have to come here to Washington to get this approved. And we're interested in developing, you know, relationships with banks, relationships with city/states, and relationships with brokers in order to move this process along and obtain quick approval for processing transactions.

Uh, We have a webpage that has recently been revamped. We're encouraging you to visit our webpage and wherever possible, uh, take a look at the small business portal and for additional information we'd like you—or if you'd like to call, talk to an export finance manager the number is there, just press 2 and it will prompt you to your geographic area. Uh, I want to thank you for, for participating in this seminar. There are several questions that we have and we will move directly to them.

Getting paid in rupees. How can we convert to U.S. dollars? We're suggesting, uh, to most

buyers particularly small businesses to invoice in dollars, and get paid in dollars, and thereby putting the risk of conversion on the buyer. We like to see the payments become in dollars. However, if you are getting paid in rupees you can certainly go into any major bank, and you can arrange for a spot transfer or current exchange. Most major banks will have a foreign exchange department and you can convert dollars to most hard currency.

Another question has come in. It says do I engage directly with Ex-Im Bank or through my lender? Very, very good question. There are several ways to come into Ex-Im Bank. If you are in need of working capital, we will encourage you to go our website and pull up your state. You will find in there a list of banks that have delegated authority with us. Those are the banks that you should contact directly. You will be receiving information directly from them. They have the authority to approve your working capital transaction request. If it's over their limit, they will forward it to Washington and we'll take it, we'll take it from there.

If you are a small business and you are interested in export credit insurance, we encourage you to number one contact our regional office, and also on the web you will see a list of registered brokers with us. We encourage you to contact our brokers they will walk you through the transaction. They will help you with the online registration and processing of the transaction. These brokers are paid by us, but they will be working directly for you as an exporter.

If you have a large transaction, you're saying listen I'm interested in, in financing this, this \$60 million transaction. If that's the case then you're not quite sure where Ex-Im Bank stands with all of this. We're encouraging you to go online and fill out a request for what we call a letter of interest. Just indicate the exporter, the buyer, the type of product, the cost it will be, and we will run that through our system and without looking at financial information we'll run that through our system to make sure that we've had all of the policy considerations. And within seven days we'll give you an answer back as to whether or not we

will consider, uh, this transaction.

So you can always come to us direct. You can go to the regional offices. You can contact the brokers. You can contact our city/state partners, and also the lenders.

Another question comes in from here. It says I need \$200,000.00 credit line. Can you help me? Again we're here to finance exports. To the extent that you have an export and are in need of working capital or buyer financing we can help. I encourage you to go to the number that's listed here. Locate your geographic area and talk to our regional officers. They're more than willing and ready to help. They're emphasis is on small business and are willing to finance small business and work with small business exporters.

Another question has come in. Do you only support manufacturers? No, actually we support all types of industries. We provide financing for goods and services. Working capital is, is generally designed for companies that want to manufacture and export, but we provide financing for trading companies, or manufacturing companies, or companies that are involved in

services as well.

Here comes another question from the west coast, I think. Do you make loans to foreign governments or agencies? Yes, when we first started financing many years ago we were lending primarily to government agencies. They were doing balance of payment loans and financing large projects with government guarantees. We then moved away from that and then we began financing the private sector and we looked for bank guarantees to support the private sector.

As we became more familiar with markets and what they are doing, we ended up looking at the private sector in these countries and we were able to, to analyze the financial statements of, of a number of companies in the private sector. So we're lending also to, to private sector. - - not quite fully owned, uh, government agencies, not sovereign entities, but a step down below. So we're financing across the board, both with foreign governments, - - , banks, private sectors, and, and the like. We, we extend, we just need to be open. Remember, check that country limitation schedule. That's our, that's our key, because legally we're

prohibited from doing business in certain countries, but we're willing to do business where wherever we can.

Here's another question. How do I determine the creditworthiness of a foreign buyer? We have, um, on our website a list of what we call credit standards. They're credit standards for short-term so merely you need to go to the website, and look up insurance short-term and you can find the short-term credit standards, uh, and it will give you an indication of, of the credit worthiness we're looking for smaller transactions, less than \$300,000.00. We're looking for a bank checking or credit reference, trade reference to help us evaluate that particular customer. Once you receive an insurance policy with us that's one thing we still have to approve your buyer under that insurance policy.

For the medium-term transactions we have what we call medium-term credit standards and that we'll walk you through exactly what we're looking for when we're looking at companies and is really depending upon the, the category. In other words, a bank requirement is, is one

thing, a private sector requirement for \$10 million of course we're going to look for audited financial statements and then we're going to look for certain ratios. So it really depends upon the size of the transaction and the category of the foreign buyer.

One of the last few questions that we received is probably one of our favorite questions. What's the turnaround time for financing transactions at Ex-Im Bank? Um, it really depends upon the program. What we're saying is that for working capital we'd like to go, you'd to go to the delegated authority banks, and then that's just a matter of how quickly the bank will approve the transaction, uh, analyzing the financial statements. If it's a straightforward transaction they can generally do that within three weeks.

If it's an insurance product what we like to do is find experience insurance exporters, provide them with discretionary authority, so they can actually approve the transaction up to their own discretionary limit, so there are a number of ways that we can improve the turnaround time in here. And what we're trying



to do is get that authority out and into the field. Give the banks delegated authority, provide the exporters with discretionary authority, and then we move on from there.

Okay?

Uh, are Nigerian Banks—another question, are Nigerian banks authorized to provide loan guarantees? We do have a special pilot program for sub-Saharan Africa, and there are a number of banks on that list that have facilities with us and they're working with our, our Africa division. And, uh, I would encourage you to go to the Africa portal, take a look at that website. It is one of the most, uh, useful websites because they list their, the list of U.S. banks that know the market that are working in that market, and they also list the Nigerian banks that have facilities with us. So that's a good place to start. It'll give you the name and the contact person of all the Nigerian and African banks that we're working with.

Here's another question. How can you help start up export trading companies? Ah, we're, we're generally pretty good at the determining the kind of financing that might be available

for you if you're exporting. We have to rely on our other partners at U.S. Commercial Service and SBA to do the, what we call, export counseling. So we're, we're not going to be in a position to tell you how to start a trading company or where to get started, but as part of our training every other month here we do bring over experts from commerce that will help, uh, companies get the kind of information that they need. 1-800-USATRADE is an excellent source. You can go to [export.gov](http://export.gov) to get all of the kinds of information on starting up, uh, companies. [Export.gov](http://Export.gov) is an excellent, excellent website that introduces you to most of the, uh, agencies that are involved in export financing here. The trade information center is your source.

Can Ex-Im help to support open account collection? If you have an insured policy with Ex-Im Bank, um, we can, of course, approve that buyer and in the event that you do not get paid you come and collect from Ex-Im Bank, and we take care of the collection from that deadbeat borrower, and we will take care of, of that. If we're not involved in the transaction, generally we can't set up a, a collection, uh, for, you

know, your account. Ex-Im Bank has to be involved in the transaction for that to happen. Okay?

Here's an easy question that came in. Who pays the brokers? We pay the brokers. They receive part of the commission from Ex-Im Bank, and they actually work for you the exporter. We encourage you to go to the brokers. We encourage you to work with brokers, and they are very, very close part of our organization. We partner with brokers, city/state partners, lenders, and banks. So we pay the brokers and they work for you, and if you are in need of a broker we encourage you to either go on our website and look for the list of brokers or contact our regional office and they can also assist you.

Here's a question that says: can a company use a mix of Ex-Im products, insurance, and working capital, and medium-term? Excellent question. Excellent question. Normally what happens is we provide the working capital to the exporter. We take a look at the transaction in total. We may decide that well, we're not very comfortable with your, your buyer. Perhaps in

order to protect you, we also need to have the insurance on that receivable. So we provide the working capital. We provide the export credit insurance, and therefore that will enable the exporter to get paid should something go wrong and we take that risk as well.

Now, if you got the working capital, and if have the insurance we'll provide a discount on the insurance premium. 25% discount on the insurance premium, and the facility fee drops from 1 1/2 % on the working capital to 1% so there's an advantage to using more than one product. Um, you can have working capital and you can also have - - according to a very, very a creditworthy buyer overseas. We are also in a position to finance that buyer overseas and provide term financing so that they can, of course, continue to purchase goods and services from, uh, United States.

Time wise we've got time for a few more questions. Uh, will Ex-Im Bank support the purchase of equipment imported to produce goods to be exported? Uh, that's a yes and no question. What we generally do is take a look at the equipment or the export, and we look at

it to determine how much of it U.S. content, and how much of that is foreign content.

For our short-term facilities working capital and insurance, if the mixture is greater than 50% U.S. content we will finance the entire export. Okay? If we are looking however at medium or long-term financing, we're only going to be able to finance the U.S. content. So what would be imported in that particular case we would not be able to finance. But bear in mind we're only financing in that medium and long-term program, we're only financing 85% of the export value anyway. Again, we, our, our foreign content policy will change depending on whether or not it is short-term, or long-term. For the short-term transactions as long as you have at least 50 greater than 50% U.S. content we will finance the entire transaction.

Here's another one of my favorite questions. I want to sell to Africa who do I contact? Ben Todd [phonetic] You can go online and you can take look at, you can call that number and get contact from the regional office, but we have an area here in, in Washington that, that's, uh, focusing on sub-Saharan Africa and, and Ben Todd

is in that area and is anxious to receive calls regarding exports to this particular market. Because again, uh, Congress has mandated that we'll have a sub-Saharan Africa committee and that's a particular focus for us.

Let's see. We need start-up capital, do you provide? Um, again, we're, we're experts at providing the kind of financing for your exports. So that means that you really should be in business for a while, uh, and we're not working very well with start-up companies. A number of companies, uh, I forget the percentage, go out of business within their first year. So we are in the position where we're really looking for export ready companies. Companies that have some domestic experience and now ready to move into export. So we're not in a position to, to provide, uh, start-up companies the start-up capital.

The companies that are starting from scratch are generally going to be required to look for, for perhaps some family funds, and some savings, or generally credit cards that get started on a small basis as they build their, their business, um, but we're not very, very good at, uh,

providing start-up capital. SBA does have some programs that provides for, for financing and, and direct, uh, access to capital, uh, so that might be another solution.

Does Ex-Im Bank match funding from competing governments for - - large projects? This sounds like a question which we call - - . As a general rule, um, countries are able to provide - - , we are able to provide - - , but we shouldn't be mixing, uh, general financing of transactions, uh, with, with - - , uh. Countries that are providing - - that put ourself at a disadvantage our policy is to match - - and not necessarily to initiate. Europe is generally not a - - . We can consider some things, but that's a very specific, uh, transaction. You'll have to give us a call, uh. By and large most ECAs, Export Credit Agencies, are playing by the rules and not offering either soft loans or - - , but occasionally you run across that. You need to give us a call and it depends upon, depends upon the market.

A few more questions. Credit insurance for very large companies \$5 million sales? Yes. We do provide export credit insurance for large,

uh, exporters. We after the financial difficulty a lot of the customers from AIG and a lot of the large insurance companies came, uh, to Ex-Im Bank. Our insurance book is up at records numbers. We're providing a lot of financing to both large companies and medium size companies. We have a small business and multi-buyer policy for a small business. After you're no longer a small business, you've graduated, then we provide you with a standard multi-buyer policy. So a corporation that's in need of export credit insurance can either get a standard multi-buyer policy that will allow them to ship to many countries, or a single buyer policy that will insure shipment to one buyer and one particular country. So the answer to the question is: yes, we can provide export credit insurance for large companies. We can also provide, um, medium-term insurance for buyers that want to purchase for a longer period of time.

Question here comes it says, uh, what if buyer don't pay on time? Well, then that's, that's usually triggers a default. Depending on which program you're working with you may have



to wait 30 days, but in the event the buyer fails to pay on time that constitute an event of default, protracted default, and you merely read your policy. If it's an insurance policy, if it's working capital you have a certain period of time in order to make a claim on Ex-Im Bank, and then of course we pay you and then we go after the buyer. We have contracted outside firms to take care of collections, and/or restructuring of, of some of these transactions if that's necessary.

Uh, how are banks delegated authority limits access? Well, that really depends upon your experience. We have a number of banks, 60 or more, that have delegated authority. Perhaps half of that are active users. If you've used the delegated authority for a while with us and you need an increase, it will require just a field examination and request from us to increase the amount based upon your experience and the work that you've done with us. We're always anxious to increase, uh, bank's delegated authority lines of credit and limits.

I have export orders, but can I get support, uh, through Ex-Im Bank? Well, it depends upon

the kind of financing you're going to need. If it's working capital clearly purchase orders are necessary, but you would have to be in business for at least a year, provide financials, a year's worth of financials for working capital, and also provide a, a personal guarantee. Um, if we're going to be looking at your financial information and we're going to be looking at—domestically we can get a lot more information, we're going to be looking at, uh, your personal guarantee, your tax returns, and for the Working Capital Guarantee even though it's secured we're going to be taking a very careful look at, at your, your credit history, but what's key in that program. We do have, we do have borrowers that are marginal. What's key in that program is the ability to perform. If you can manufacture, uh, computers or widgets or whatever that's a performance issue, and if you can perform that's what we're most interested in. So we'd like to take a look at the, the financial information and your ability to perform that's what would qualify you for the Working Capital Guarantee.

Export insurance. We want you to be

creditworthy, but we're really taking the risk of the buyer, so you need to call a broker and we can talk about, we can talk about that.

All right. We've got time for one more question. Where do I find a list of foreign banks that work with Ex-Im Bank? We have on our website and I know it's in the, the Africa portal, a list of foreign banks that work with us. We also have on our, on our website a list of the lender referrals. You will find a number of banks that have been here to Washington, and have taken training here at Ex-Im Bank, and are listed as references for, um, export import bank.

We here at Ex-Im bank are, are primarily interested in the export. We, we're not focusing on the, the ownership of the exporter or the bank that's involved. We've worked with foreign banks, representatives of foreign banks, agencies here. What's key for us is the export. We'll examine the export, and make sure that, that that meets our requirements in terms of U.S. content, and that we're not selling to military, um, but the trigger for us is, is the export, not the ownership of either the bank or

the, uh, exporter. Buyers overseas, of course, you have to have an export and you have to have a buyer overseas in order for us to finance you in that particular case.

Is there a conflict to work with Ex-Im Bank and other government programs like Corporate Commodities Corporation? No, actually we here at Ex-Im Bank, uh, provide training every other month. We bring over to the bank other agencies that are involved in, uh, financing. If it's going to be the foreign agricultural services or the GS102 program, or for financing of, of agricultural equipment, we work with SBA for the working capital program combined application. There are some things that they can do that they can perhaps, they perhaps don't have the same requirement for the, um, uh, U.S. content as we do. They don't, they don't have that requirement, so if you find you have products you want to export and they don't have at least 50% U.S. content, we can refer them to SBA and they can handle those transactions. They can also handle transactions in which you are exporting to military organizations. They don't have that, uh, restriction. So we, we

absolutely work with other, uh, government programs. We include them in our, in our training programs and we like to see, uh, particularly foreign agricultural service and trade, uh, TDA where they're doing feasibility studies, we will finance the actual export. So we work very closely with other government agencies.

Well, we'd like to thank all of those who have participated in, in today's, uh, webinar. We will be thanking you more formally via email, and we will also include in that a, uh, brief survey. We continue to, we will continue to do these, uh, webinar series as they are beneficial and we're, um, to again meet the national export initiative and double exports in the next five years. That's our goal and we look to, to all the banks, and brokers, and city/state partners to assist us in helping us meet those goals. I thank you and that will end the webinar, uh, for today. Please contact the reference numbers there. Visit our website. And we hope that we will continue to export more to more countries and more products. Thank you.