



FREQUENTLY ASKED QUESTIONS LOANS AND GUARANTEES INVOICES

What is an invoice?

- Definition from the ICC Guide to Documentary Credits: “A commercial invoice is the accounting document by which the seller claims payment from the buyer for the value of the goods and/or services supplied.”

What are the components of a typical invoice?

- Contains the word “invoice”
- Has a numbering system
- Is dated
- Names the buyer and seller and lists their addresses
- Provides the buyer’s contract/order number
- Describes the goods/services provided
- States the amount due and payment terms
- Indicates shipping terms for goods
- Frequently signed by seller

Why does Ex-Im Bank require invoices?

- Standard commercial document used worldwide
- Evidence that the U.S. exporter or local cost provider has requested payment for goods/services provided under a sales contract with a foreign buyer
- Confirmation that the participants (U.S. exporter or local cost provider and foreign buyer) are the same as approved by Ex-Im Bank
- Confirmation that the U.S. or local goods/services provided are those approved by Ex-Im Bank
- Substantiates the origin of the U.S. or local goods/services
- Basis for calculating the value of the financed amount

What does Credit Administration check on an invoice?

- Invoice for U.S. goods/services must include U.S. address.
- Invoice for local costs must include either U.S. address or local address.
- U.S. exporter or local cost provider’s name must be consistent with the Annex B Letter (Master Guarantee Agreement) or Acquisition List.
- Foreign buyer’s name must be consistent with the Annex B Letter (Master Guarantee Agreement) or Acquisition List.

- U.S. exporter or local cost provider's contract/order number must match the Exporter's Certificate and Annex B Letter (Master Guarantee Agreement) or Acquisition List.
- U.S. or local goods/services described on invoice must be consistent with those listed on Annex B Letter (Master Guarantee Agreement) or Acquisition List.
- If the U.S. exporter's invoice is for progress payments for work on goods prior to export, progress payments must have been authorized. The amount financed to date must be within the approved progress payment limit.
- If the invoice is for services, the services must have been performed on or after the Initial Eligibility Date stated in the Annex B Letter (Master Guarantee Agreement) or Credit Agreement.
- If the invoice has a credit or retention, it must be deducted from the calculation of the financed amount.

Do's and Don'ts:

- Back-to-back invoices are required for sales from a U.S. exporter through a foreign intermediary buyer to a final foreign buyer.
- Invoices with dual addresses (e.g. U.S. exporter and its local subsidiary) are acceptable.
- An invoice may not be presented more than once for disbursement.
- Copies of invoices are acceptable.
- Although a U.S. street address on a U.S. exporter's invoice is preferred, we will accept invoices with a U.S. post office box address.

Prepared by: Operations & Data Quality Division
Version dated 02/04/2011