

Trade Talk Tuesday

Export Finance and Insurance

April 11, 2023

Thank you for joining the U.S. Commercial Service, the Export-Import Bank of the United States, and the East and West Michigan District Export Councils, for 'Trade Talk Tuesday: Export Finance and Insurance.' This handout highlights our discussion today, along with additional resources.

Export Import Bank of the United States (EXIM) Receivables Insurance

Enables Exporters to:

- ❖ Manage Export Risk
 - Be protected against nonpayment by foreign buyers – claim up to 95% of order if not paid for
 - Use when customer will not issue letter of credit
- ❖ Increase Profitability of Sales
 - Extend competitive payment terms
 - Ship more by transferring inventory costs
- ❖ Maximize Borrowing Capacity
 - Monetize accounts receivable, use as collateral to obtain cash
 - Negotiate favorable advance rates
 - Without insurance, your bank may impede your credit line

Eligibility to work with EXIM

Before getting started it's important to know the basic requirements for working with EXIM. While it's always a good idea to call us with any questions about our policies, generally your business will need to meet the following criteria:

- Been in business for at least three years
- At least one person working in the firm full-time
- Has a positive net worth
- Exports U.S. made products and/or services provided by U.S. workers
- Registered at SAM.GOV and obtained a Unique Entity Identifier (UEI)

Export Resources

U.S. Commercial Service — The U.S. Commercial Service is part of the U.S. Department of Commerce's International Trade Administration and helps U.S. companies increase their export sales. We have offices in 100 U.S. cities and in more than 75 countries. We can help:

- ❖ Develop your export strategy
- ❖ Conduct market intelligence
- ❖ Identify target markets for your product
- ❖ Find distribution partners
- ❖ Perform background checks on partners
- ❖ Conduct overseas promotions

Export-Import Bank of the United States (EXIM) –

Michigan Representative –
Mariel Huasanga, Regional Director,
Central Region
Tel: 202-731-2752
Mariel.Huasanga@exim.gov

East & West Michigan District Export Councils (DEC) —

The Michigan DEC's are experienced business owners and exporters who volunteer alongside the U.S. Commercial Service to offer small and medium-sized companies in Michigan hands-on consulting, advice and resources to grow internationally.

- ❖ East Michigan DEC -
www.eastmichigandec.org
- ❖ West Michigan DEC -
www.exportwestmichigan.com



Talk to an Expert

EXIM specialists are ready and waiting in your area to give you a free consultation:

grow.exim.gov/consultationrequest



This is a descriptive summary to be used only as a general introductory reference tool. The complete terms & conditions of the policy are set forth in the policy text, applications, and endorsements.

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OUR SOLUTIONS AT A GLANCE

Worried about buyer nonpayment? Want to enter new foreign markets or expand your sales in existing ones? Need help with buyer financing or accessing additional credit?

At EXIM, we know competing in foreign markets is challenging and risky. That's why our solutions are designed to take the worry out of exporting and give your company the competitive edge to win more sales.

With our Export Credit Insurance and lender loan guarantees, EXIM assumes the commercial and political risks the private sector is unable or unwilling to accept. This peace of mind will keep your focus where it belongs: on creating and selling "Made in USA"-quality goods and services.

INCREASE YOUR SALES

The Export-Import Bank of the United States (EXIM) empowers your company to compete for and win more international sales. We offer:

Export Credit Insurance

[Export Credit Insurance](#) enables businesses to extend credit to buyers, protect against nonpayment, and improve their cash flow.

Benefits Include:

1. Covers political and commercial risks of nonpayment, up to 95 percent of total invoice
2. Allows businesses to offer open account credit terms of up to 360 days
3. Increases your borrowing capacity by assigning your foreign receivables to lenders
4. Covers one buyer or your entire portfolio

Working Capital Guarantee

[Working Capital Loan Guarantee](#) supports lenders' credit lines to small and medium-sized U.S. businesses for producing their goods or services.

Benefits Include:

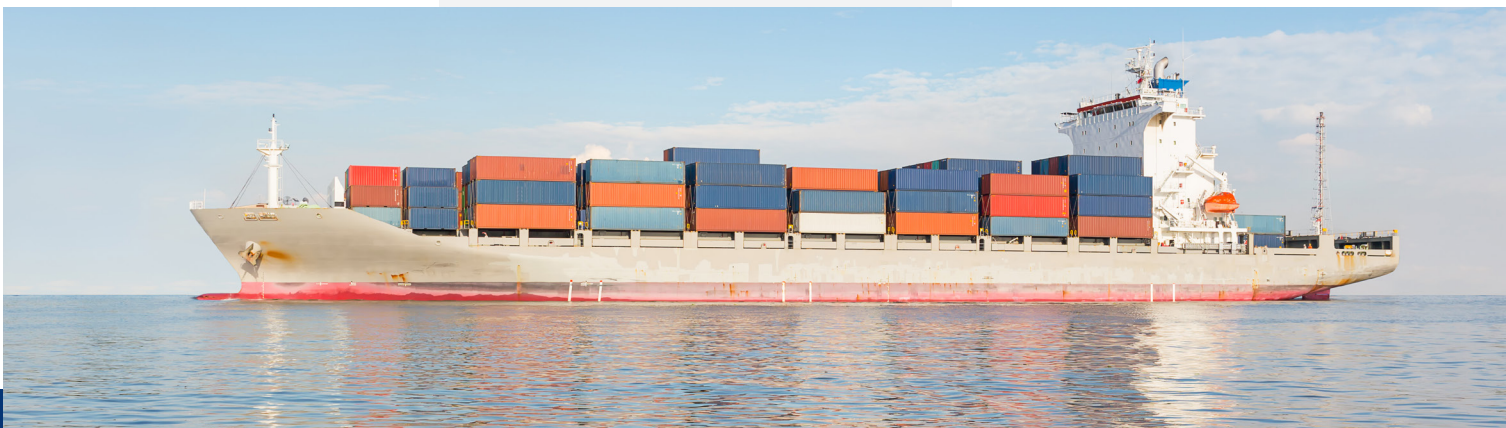
1. Makes funds available to fulfill your export sales orders
2. Turns inventory & foreign accounts receivable into eligible collateral for your lender
3. Covers standby letters of credit used as performance or bid bonds
4. Provides expedited application turnaround by the lender

Buyer Term Financing

Term financing helps your international buyers to obtain commercial lender loans and purchase U.S. capital goods or related services.

Benefits Include:

1. Eliminates the risk of buyer nonpayment
2. Extends repayment terms of up to five years for international buyers at competitive rates
3. Increases your global competitiveness by offering financing support to your buyers



The World is Open for Your Business

Our global network of experienced trade professionals is located throughout the United States and in U.S. Embassies and Consulates worldwide. Whether you're looking to make your first export sale or expand to additional markets, we offer the expertise you need to connect with lucrative opportunities and increase your bottom line.



Export Counseling

- Develop effective market entry and sales strategies.
- Understand export documentation requirements and import regulations of foreign markets.
- Navigate U.S. government export controls, compliance and trade financing options



Market Intelligence

- Analyze market potential and foreign competitors.
- Obtain useful information on best prospects, financing, laws, and cultural issues.
- Conduct background checks on potential buyers and distributors.



Business Matchmaking

- Connect with pre-screened potential partners.
- Promote your product or service to prospective buyers at trade events worldwide.
- Meet with international industry and government decision makers in your target markets



Commercial Diplomacy

- Overcome trade obstacles to successfully enter international markets.
- Benefit from coordinated U.S. government engagement with foreign governments to protect U.S. business interests.

Let Our Global Network Work for You

Detroit/Pontiac (East Michigan) Offices

Director:

Jennifer Moll, Jennifer.Moll@trade.gov

Senior International Trade Specialist: Eve Lerman, Eve.Lerman@trade.gov

Senior International Trade Specialist:
Jennifer Loffredo,
Jennifer.loffredo@trade.gov

Senior International Trade Specialist:
Murat Muftari, Murat.muftari@trade.gov

Grand Rapids (West Michigan) Offices

Director:

Kendra Kuo, Kendra.Kuo@trade.gov

International Trade Specialist:
Allie VanDriel, Allie.Vandriel@trade.gov



East Michigan District Export Council



Counseling

East Michigan District Export Council (DEC) Members provide practical, hands-on counseling for small and medium sized companies, to assist them with export sales.



Trade Education

For current trade resources and events view the East Michigan District Export Council website: www.exportwestmichigan.com



Mentoring

Mentees have access to DEC Members who are experts in their fields such as logistics, finance, sales, marketing, accounting and international trade law.



U.S. Commercial Service Partner

DEC Members are officially appointed by the U.S. Secretary of Commerce. Members partner with the U.S. Department of Commerce's U.S. Commercial Service to provide valuable resources for exporters.



To connect with DEC Members, contact:

Jennifer Moll, Director
U.S. Commercial Service - East Michigan
313-212.8693
Jennifer.Moll@trade.gov

SERVICES AND RESOURCES INCLUDE:

Business expertise*

- Developing export strategies
- Identifying international markets
- Vetting international partners
- Evaluating logistics options
- Screening trade finance options
- Determining landed costs
- Understanding trade documents
- Identifying legal & regulatory issues

Website resources

- DEC Member bios
- Calendar of upcoming trade seminars
- Recorded trade education webinars
- DEC member authored trade articles
- Links to key government resources

*Initial consultation meetings are free. Further costs will be discussed with your District Export Council adviser should you require additional assistance from service providers.

DEC SPONSORS AND EMPLOYERS

Michigan Economic Development Corporation

Arab American Chamber of Commerce

Facet International Marketing

Detroit Engineered Products

Global Logistics Strategies

U.S. Commercial Service

RnD Engineering, LLC

Managed Programs

Reising Ethington

Epic Translations

Barron Industries

Rugged Liner

FedEx

Michigan State University International Business Center

Virtual Global Consultant (VGC) Group

Global Health Services Network

Spes Development Co. LLC

B&P Process Equipment

Dickinson Wright, PLLC

Independent Bank

Agri-Organic, LLC

Nova Shipping

Fluxtrol, Inc.

Dykema

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To connect with DEC members, contact:
Kendra Kuo, Director
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Kendra.Kuo@trade.gov



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DEC SPONSORS AND EMPLOYERS:

Amway

Barnes Aerospace

Bennett Pump Company

Byrne

Comerica Bank

Dematic

Foster Swift Collins & Smith PC

The Gluten Free Bar

Grand Valley State University's
Van Andel Global Trade Center

Haworth

HexArmor

Imperial Clinical Research Services Inc.

Michigan Economic
Development Corporation

Michigan State University's
International Business Center

Neogen Corporation

Plante Moran

Redi-Rock International

Riveer

Steelcase

Supply Chain Solutions

Trueline Health

U.S. Commercial Service