SBA EXPORT LOAN PROGRAMS

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SBA Export Loan Products

• Export Working Capital Program
  – Up to $5 Million; 90% guaranty for short term loans and lines of credit for export purposes.

• Export Express
  – Up to $500,000. Term loans and/or lines of credit for export purposes – streamlined processing procedures.

• International Trade Loan
  – Up to $5 Million: now with a 90% guaranty. Term loans for facilities, equipment, and working capital that will enhance export ability. Refinancing of existing debt is also available.
EWCP Use of Proceeds
Asset Based and Transaction Based

• Working Capital for production of export goods and services
• Financing of existing export receivables and export inventory
• Portions of the EWCP loan may be used to fund standby Letters of Credit when required as:
  – Bid Bonds
  – Performance Bonds
  – Advance Payment Guaranties
Transaction Based EWCP
Self Liquidating Line of Credit

- Transaction Based EWCPs can be utilized for single export orders or multiple orders on a revolving basis. No funds are disbursed until there is an export order in place. Funds are used by the borrower to produce goods for a specific export order. SBA requires secure payment method from foreign buyer which will be directed to pay down the EWCP.
Export Express

- Loans and Lines of Credit up to $500,000.
- All Express Lenders can request authorization to process Export Express. Available to other lenders by request.
- Approved banks make their own credit decision, use their own forms and receive a 90% SBA guaranty up to $350,000 and 75% on loans over $350,000 to $500,000.
Export Express

• Eligibility:
  – applicant in business for at least 12 months
  – proceeds are to be used to develop or expand their export markets
  – Borrower can provide estimate of exports for next 12 months.
International Trade Loan (ITL)

• The maximum loan is $5 million with a maximum SBA guarantee portion of $4.5 million. Lender gets a 90% guaranty.
  – The loan proceeds will significantly expand an existing export market or develop new export markets; or
  – The applicant business has been adversely affected by import competition

AND

  – Upgrading facilities or equipment will improve the applicant's competitive position
International Trade Loans (ITL)

- Use of Proceeds:
  - Facilities
  - Equipment
  - Working Capital
  - Debt refinancing is allowed.

- Business plan/application must document eligibility requirements (i.e. export projections or evidence of adverse impact).

- ITL can be combined with a separate EWCP loan. Maximum working capital allowed is $4 million.
## Illustrating the functions of SBA and Ex-IM

<table>
<thead>
<tr>
<th>Function Your Business Needs</th>
<th>SBA</th>
<th>Ex-Im</th>
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</thead>
<tbody>
<tr>
<td>Financing for export marketing and export development activities</td>
<td>Yes, Export Express</td>
<td>NO</td>
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<tr>
<td>Financing for domestic expansion (i.e. new production equipment)</td>
<td>Yes, Export Express, International Trade Loan</td>
<td>NO</td>
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<tr>
<td>Financing for export working capital</td>
<td>Yes, Export Express, Export Working Capital Program (EWCP)</td>
<td>Yes, Ex-Im Bank Working Capital Guarantee</td>
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<tr>
<td>• Pre-shipment</td>
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<td>• Post-shipment</td>
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<tr>
<td>• Combination</td>
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<td>• Standby Letters of credit</td>
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<tr>
<td>Credit Insurance on open account sales to foreign buyers of US</td>
<td>NO</td>
<td>Yes, Small Business, Multi-buyer, Single Buyer</td>
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<tr>
<td>goods and services</td>
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<tr>
<td>Foreign buyer financing of US produced capital equipment</td>
<td>NO</td>
<td>Yes, MT and LT Loans, insurance and guarantees</td>
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Thank You!

Additional Contact:

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