



TRADE SERVICES & TRADE FINANCE PRODUCTS

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| PRODUCT | DESCRIPTION/ FEATURES AND BENEFITS |
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| Import Letters of Credit (ILC) | <ul style="list-style-type: none"> ○ The bank issues an ILC on behalf of our client, the importer. ○ An ILC assures payment to seller only when the seller complied with the terms of the ILC. ○ The buyer determines the date terms of the ILC and has the assurance that shipment of the correct goods has occurred prior to payment leaving the bank. |
| Export Letters of Credit (ELC) | <ul style="list-style-type: none"> ○ The bank advises (passes on) an ELC issued by a foreign bank for the benefit of our client, the exporter. ○ ELCs substitute the credit risk of an internationally known bank for that of the buyer and protects the exporter from order cancellation. |
| Standby Letters of Credit (SBLC) | <ul style="list-style-type: none"> ○ The bank agrees to pay a third-party beneficiary if our client fails to perform under a contractual agreement and the beneficiary complies with the terms of the SBLC. ○ SBLCs are a less expensive alternative to insurance bonds when our customer is requested to provide a bid bond, performance bond, construction bid, or backup for a financial obligation. |
| Import Documentary Collections (IDC) | <ul style="list-style-type: none"> ○ The bank acts as third-party intermediary in a trade transaction although the obligation to pay remains with the buyer. ○ The bank receives and processes shipping documents from the supplier, collects payments from the buyer, and initiates payments to the supplier. ○ IDCs are used when the buyer has established a good credit relationship with the seller but the supplier does not want to ensure that payment is effected before the buyer is able to take physical control of the goods. ○ IDCs are less expensive and typically have better terms than ILCs. |
| Direct Documentary Export Collections (EDC) | <ul style="list-style-type: none"> ○ Similar to IDCs, though our client is the supplier (exporter) and assumes responsibility preparing the shipping and other documents which are required for payment. ○ EDCs are typically used when the supplier has an overseas buyer with a good payment history. |
| Global Trade Flow™ (GTF) | <ul style="list-style-type: none"> ○ A Web-based platform for the secure initiation, editing and tracking of letters of credit and documentary collections. |
| Bankers Acceptances (B/A) | <ul style="list-style-type: none"> ○ A short-term trade financing alternative, Bankers Acceptances are used to finance the importation, exportation, domestic shipment, or the domestic storage of readily marketable inventory. ○ B/As generally offer a lower cost of borrowing. |
| Ex-Im Bank Working Capital Guarantee Program (EWCGP) | <ul style="list-style-type: none"> ○ The bank has delegated authority to lend up to \$5 million from the Export-Import Bank of the United States under this Program. ○ The EWCGP provides a 90% guarantee to the lender to lend against acceptable export accounts including both receivables and inventory. |
| Export Credit Insurance | <p>Export Credit Insurance (Short Term) -</p> <ul style="list-style-type: none"> ○ Either private insurance companies or Ex-Im Banks provide insurance coverage of foreign receivables. ○ This may protect the exporter against both political and/or commercial risks. <p>Export Credit Insurance (Medium Term) -</p> <ul style="list-style-type: none"> ○ The Ex-Im Bank and some private credit insurance companies may also provide insurance coverage to support the export of capital goods from U.S.-based companies to foreign buyers. <p>Ex-Im Bank Medium / Long Term Guarantee -</p> <ul style="list-style-type: none"> ○ The Ex-Im Bank provides an 85% guarantee to the lender to lend against the total US contract amount. |