

Pennsylvania Export Finance Program

> ready > set > succeed

Take advantage of global marketplace opportunities

The Export Finance Program (EFP) offered through Small Business First helps you bank your export deals. Financing can be used for working capital or accounts receivable financing.

WORKING CAPITAL FINANCING

- Acquire Inventory.
- Pay for direct and indirect costs used for the manufacture or purchase of goods, or for the provision of services.
- Support Standby Letters of Credit used as bid bonds, performance bonds or payment guarantees.

How It Works

- > EFP operates in conjunction with the Export-Import Bank of the United States.
- > EFP advances up to \$350,000 of eligible project costs.
- > EFP offers a simplified application.

Who's Eligible

- > Businesses that need financing for specific or multiple export transactions.
- > Businesses that have been in operation, though not necessarily exporting, for at least 12 months.

Interest Rates and Fees

- > 3.75% per annum.
- > A non-refundable application fee of \$150.
- > Commitment fee of 1/2% for terms of up to 6 months or 1% for terms over six months up to 12 months.

Maturity and Renewals

- > Loan maturities can be up to 12 months.
- > Once accepted, the commitment letter is valid for 30 days.
- > To renew an existing revolving loan, the exporter must submit an application with updated information and pay a renewal fee.

Collateral

- > Collateral may include export inventory, receivables, assignments of contract and letter-of-credit proceeds.
- > Personal guarantees are usually required to support the credit.

ACCOUNTS RECEIVABLE FINANCING

- Finance accounts receivable up to 180 days from the date of arrival at the port of importation.

How It Works

- > Receivables under this program must be insured by the Export-Import Bank of the United States or a private insurance company.
- > EFP advances up to 85% of insured foreign receivables or \$350,000, whichever is less.
- > EFP offers a simplified application.

Who's Eligible

- > Exporters who need transaction-specific financing or a post-export line of credit.
- > Businesses that have been in operation, though not necessarily exporting, for at least 12 months.

Interest Rates and Fees

- > 3.75% per annum.
- > A non-refundable application fee of \$150.

Maturity and Renewals

- > Loan maturities can be up to 12 months.
- > Each disbursement can have a maturity up to 6 months.

Collateral

- > An assignment of the insurance policy.

FOR MORE INFORMATION

Contact **Scott Conrad**, PA Office of International Business Development at sconrad@state.pa.us or (717) 720-7361 or the Small Business Financing Office at (717) 783-5046, or visit our website at www.newPA.com.

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