

Trade Finance Solutions

Partnering with the U.S. Export-Import Bank



Eximbank Trade Finance Solutions

PNC Trade Finance Group

- For almost 40 years PNC has partnered with the Export-Import Bank of the United States (“Ex-Im Bank”) to become a leading provider of financing solutions for U.S. companies engaged in international transactions
- Top provider of loans backed by Ex-Im Bank’s **Working Capital Guarantee Program**
- Top provider of medium-term financing to foreign buyers of U.S. exports – **Structured Buyer Credit Program**
- Infrastructure:
 - 15 professionals focused on **Structured Buyer Credit Program** in Pittsburgh
 - 4 Sales/Business Development
 - 5 Documentation/Compliance/Legal/Administration specialists
 - 2 Collection specialists
 - 4 Credit Underwriters
 - 3 professionals focused on **Working Capital Guarantee Program** in D.C

Working Capital Guarantee Program

Market Activity

- In 2008, PNC was the largest lender of working capital guaranteed financing
 - PNC closed Ex-Im Bank authorized transactions totaling \$213 million, a 24% increase over 2007
- Of this amount, approximately \$126 million, or 59%, of these transactions were originated through PNC's asset based lending group called PNC Business Credit
- Super authority and Fast Track status from Ex-Im Bank creates an efficient transaction process for these customers from inception to close
- Other large users include:
 - JP Morgan Chase
 - Wells Fargo
 - Bank of America
 - Silicon Valley Bank
 - Comerica

Working Capital Guarantee Program

Rules of Engagement (at PNC):

- Transaction has to fit the profile of either a Business Credit or Corporate Banking relationship, with a Relationship Manager willing to take ownership of the transaction;
- \$750,000 minimum loan size
- PNC Business Credit's geographical footprint extends across the continental US. Therefore, it can source a loan in any part of the country, provided it meets their profile.
- Corporate Banking-profile loans typically can only be booked within PNC's geographic footprint.
- Small Business Banking – limited to transaction lending, no revolvers

Working Capital Guarantee Program

Case Study: Aquatech International Corporation – Applying Our Fast Track Authority



Aquatech

\$25,000,000

*Exim Bank Guaranteed
Working Capital Line*



Situation

Aquatech International is a designer and manufacturer of industrial water conditioning and waste-water treatment systems with offices in the US, Canada, China and with installations in 45 countries.

The company had an opportunity to sell water purification equipment to Enel, Italy's largest power company and second largest utility company in Europe, but it needed financing for inventory and a performance bond to win and support its sales contract.

Solution

Aquatech turned to PNC to leverage its Fast Track lending authority by the U.S. Export-Import Bank, and PNC supported Aquatech's contract with a \$25 million guaranteed working capital loan.

Results

PNC arranged the Ex-Im Bank guaranteed working capital line in less than 90 days, enabling Aquatech to fulfill the contract within a short period of time.

Aquatech's industrial water and wastewater treatment equipment will enable Enel, to promote greater environmental responsibility and development of environmentally-friendly technologies.

PNC also closed a second working capital line of a similar amount for a project with Occidental Petroleum in Oman. With the assistance of PNC, Aquatech has more than doubled in size.

Contact Information

- If you would benefit from the working capital or structured buyer credit programs or have questions regarding a potential trade finance opportunity, please contact the following PNC Trade Finance Group team members:

PNC Trade Finance Group

Working Capital

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