

SERV-covered Working Capital Facility

In international business, Swiss exporters often meet difficulties in obtaining payment terms which would allow them to maintain a positive cash flow profile throughout the production and delivery period. For small and medium-sized enterprises (SMEs) particularly, the pre-financing of export contracts can be a major hurdle.

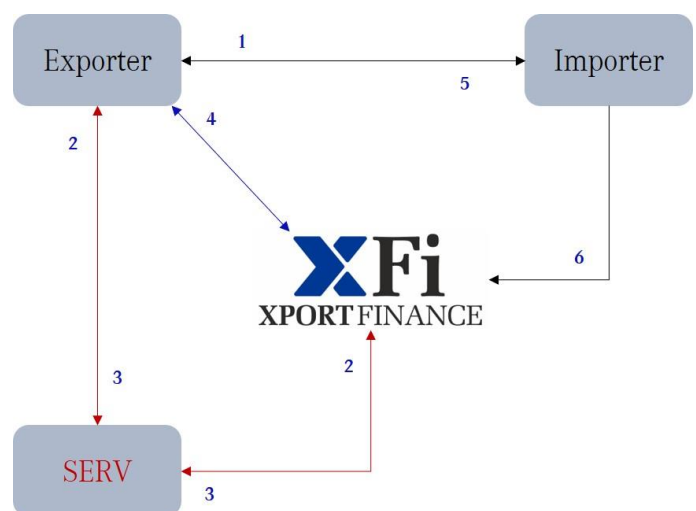
To solve this problem, Xport Finance Ltd ("XFi") offers Working Capital facilities which are covered by the Swiss Export Risk Insurance ("SERV"). This allows the Swiss exporter to pre-finance export orders on attractive terms while at the same time preserving their existing bank credit limits.

Product features

Through its Working Capital insurance, SERV insures in principle 80% of XFi's claims under a manufacturing loan granted to an exporter. The insurance is usually taken out with SERV insurance for manufacturing risk and non-payment risk. The SERV covered manufacturing credit is limited to the costs occurred by the exporter and is in principle repaid according to the agreed terms of payment of the export contract. Utilizations under the credit are only permitted for pre-financing the production of the insured export business.

Process stages

1. Conclusion of the export contract between exporter and importer
2. Due diligence by XFi, SERV application for manufacturing and non-payment risk insurance in favor of the exporter as well as for the Working Capital insurance in favor of XFi
3. Subject to a positive SERV credit analysis, issuance of SERV insurance policies, including assignment in favor of XFi
4. Conclusion of loan agreement between exporter and XFi. The exporter assigns to XFi its rights under SERV policies and under the export contract
5. Production, delivery and invoicing
6. Repayment of the Working Capital through payments under the export contract



Any questions? Don't hesitate to contact us!