SERV-Covered Working Capital Facility – Clear and Concise

Why a Working Capital Facility?

In international business, Swiss exporters are often unable to negotiate payment terms that ensure a positive cash flow during production and delivery. For SMEs in particular, pre-financing large export orders can become a significant financial burden.

How Does XFi Support You?

Xport Finance AG (XFi) offers SERV-covered working capital facilities that enable the pre-financing of export orders on attractive terms. Thanks to SERV cover, existing bank credit lines are preserved and the exporter's liquidity is strengthened.

Product Features

- SERV generally insures up to 80% of XFi's repayment claims against the exporter.
- As a rule, both pre-shipment risk and del credere risk are also insured with SERV.
- The facility amount is limited to the exporter's production costs (cost price).
- Repayment is generally made in line with the payment terms of the supply contract.
- The facility may be used exclusively to pre-finance the production of the insured export transaction.

Process of a Working Capital Facility

1. Conclusion of the export contract between exporter and importer.
2. Analysis by XFi; application for SERV cover (pre-shipment risk and/or del credere risk, as well as working capital facility cover) submitted by XFi or the exporter.
3. Following a positive SERV credit assessment: issuance of SERV policies, including assignment (cession) to XFi.
4. Conclusion of the facility agreement between the exporter and XFi; the exporter assigns its claims under the SERV policies and its rights under the supply contract to XFi.
5. Production, delivery, and invoicing.
6. Repayment of the working capital facility through incoming payments from the export transaction (via account of the exporter).