

**PROGRAM:** SBA Export Working Capital Program

**AGENCY:** Small Business Administration (SBA)

**DESCRIPTION:** Designed to provide short-term working capital to exporters

**ELIGIBLE USES:**

- Proceeds can be used
  - To purchase land or buildings, to cover new construction as well as expansion or conversion of existing facilities,
  - To acquire equipment, machinery, furniture, fixtures, supplies, or materials;
  - For long term working capital including the payment of accounts payable and/or for the purchase of inventory,
  - To refinance existing business indebtedness which is not already structured with reasonable terms and conditions,
  - For short term working capital needs including: seasonal financing, contract performance, construction financing, export production, and for financing against existing inventory and receivable under special conditions, or
  - To purchase an existing business.

**PROGRAM/LOAN STRUCTURE:**

- Maximum Program Benefits: The program encourages lenders to offer export working capital loans by guaranteeing repayment of up to \$1.5 million or 90 percent of a loan amount, whichever is less. A loan can support a single transaction or multiple sales on a revolving basis. Maturities: Typically 18 months or less.
- Rates: Negotiable between the applicant and lender.

**QUALIFICATION CRITERIA/COMMENTS:**

- The SBA defines a small business as follows:
  - Manufacturing - Maximum number of employees may range from 500 to 1,500,
  - Wholesale - Maximum number of employees may not exceed 100,
  - Retail/Service - Average annual receipts may not exceed \$6 million to \$29 million, and
  - Construction - Average annual receipts may not exceed \$12 million to \$28.5 million.
- The applicant must have been in business for a minimum of 12 months prior to submitting the application.
- EWCP is a combined effort of the SBA and the Export-Import Bank.
- For more on the working capital program see <http://www.sba.gov/financing/loanprog/ewcp.html> or visit the SBA homepage at [http://www.sba.gov/starting\\_business/index.html](http://www.sba.gov/starting_business/index.html) .