

***OPIC IS COMMITTED
TO HELPING AMERICA'S
SMALL BUSINESSES GROW
THROUGH INVESTMENTS
IN EMERGING MARKETS
AROUND THE WORLD.***

U.S. companies with annual revenues less than \$250 million are eligible for OPIC's small business programs.

Small business projects eligible for OPIC support include:

- new investments, privatizations, expansions, modernizations
- formation of a new branch office, sales office, or service center
- warehousing or small assembly operations
- contracting to provide construction, advisory or technical assistance services, and exporting equipment.

OPIC will not support projects that could result in the loss of U.S. jobs, adversely affect the environment, or contribute to worker rights violations.

OPIC programs are available in over 140 developing nations and emerging markets.

INSURANCE

For small businesses investing in overseas projects, OPIC insurance can cover three political risks:

CURRENCY INCONVERTIBILITY

Deterioration in the investor's ability to convert profits, debt service, and other investment returns from local currency into U.S. dollars and to transfer those U.S. dollars out of the host country.

EXPROPRIATION

Loss of an investment due to expropriation, nationalization, or confiscation by the host government.

POLITICAL VIOLENCE

Loss of assets or income due to war, revolution, insurrection, or politically motivated civil strife, terrorism, and sabotage.

SMALL BUSINESS CONTRACT

Designed to provide simplified, streamlined coverage. Quarterly elections of coverage are available to small businesses to provide maximum flexibility. Small businesses get a 25% reduction on retainer fees and do not have to pay any standby fees.

CONTRACTORS' AND EXPORTERS' INSURANCE

OPIC's Contractors' and Exporters' insurance program is available for small businesses acting as contractors in international construction, sales, or service contracts.

FINANCE

OPIC offers two types of direct loans for projects involving U.S. small businesses or cooperatives.

CORPORATE FINANCE DIRECT LOAN

Available to fund overseas investment including permanent working capital, fixed assets, and expansion of facilities.

- The minimum loan amount is \$250,000 for a term of typically 3 - 7 years. Terms are determined on a case-by-case basis.

This product is expressly intended to provide support for creditworthy U.S. companies wishing to make investments overseas when the investment is not intended to be the sole source of repayment.

PROJECT FINANCE DIRECT LOAN

Available for U.S. small businesses to fund overseas investment in expansion facilities, permanent working capital, and fixed assets.

- The minimum loan amount is \$250,000 and the loan term is typically 3 - 15 years. Terms are determined on a case-by-case basis.

For this type of loan, OPIC would look for repayment from the cash flows generated by the project.

CONTRACTORS' FINANCE PROGRAM

Provides an OPIC guaranty for bid bonds, performance bonds, and other guaranties issued by U.S. financial institutions on behalf of U.S. contractors who have operational and financial track records.

TO APPLY FOR OPIC INSURANCE

REGISTRATION

Small business investors must register projects before the investment is made. Registration is free of charge, valid for two years, and may be renewed.

APPLICATION

The next step is to submit a Small Business Insurance Application. Prior to project review, a retainer fee must be paid.

LETTERS OF INTEREST

To help small businesses secure financing or investments, a letter of interest may be available to registered applicants whose projects meet OPIC's eligibility and policy requirements.

TO APPLY FOR OPIC FINANCE

APPLICATION

The sponsor of a potential project interested in obtaining financing must submit a Small Business Application for Financing. Legal documentation requirements vary from case to case.

BUSINESS PLAN

Applicants must submit a business plan including:

- general description of the project
- background and financial statements of the project's owners and management
- sources of supply, output, markets, distribution channels, competition, and the basis for projecting market share
- project costs and a financing plan.

OPIC'S SMALL BUSINESS HOTLINE

To learn more
about how OPIC can help small business,
call the

Small Business Hotline:

202-336-8610

OPIC'S WEB SITE

For information and documents

via the Internet:

www.opic.gov

OPIC is a self-sustaining federal agency that sells investment services to small, medium, and large American businesses. Since 1971, OPIC has supported \$121 billion worth of investments that will generate \$58 billion in U.S. exports and create more than 237,000 American jobs.



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OPIC and Small Business



The Overseas Private
Investment Corporation's
Programs for Small Business