

e) Financial Statements

There are certain requirements for all financial statements, regardless of the amount of the transaction. These are as follows:

- i) ☐ Provide financial statements for the previous three fiscal years, as well as interim statements if the latest fiscal year end statements are dated more than nine months from the date of application. When interim statements are provided, also provide interim statements for the same interim period for the previous year (for comparative purposes).
- ii) ☐ A summary of significant accounting principles must accompany all financial statements. These should outline, at a minimum, the depreciation methods and rates, valuation methods for inventory, fixed assets and investments and the inflation accounting method used, if any. For construction companies, a description of the revenue recognition method should be included. Additionally, financial statements should break out depreciation expense, gross interest expense, tax expense and current maturities of long-term financial institution or supplier debt, if any.
- iii) ☐ For all financial statements that present combined or consolidated results, provide the percentage of total assets, total liabilities, tangible net worth, sales, and net income represented by each entity that is participating in the transaction as the buyer, borrower, guarantor or end-user. A combining/consolidating worksheet would have all this information.

There are certain additional financial statement information requirements that depend on the amount of the financing request as follows:

- iv) ☐ For financed amounts of up to and including \$1 million: Audited financial statements are preferred but not required for non-financial institutions. Audited statements are required for financial institutions. While English language statements are preferred, Ex-Im Bank will accept Spanish language financial statements.
- v) ☐ For financed amounts of greater than \$1 million up to and including \$5 million: While English language statements are preferred, Ex-Im Bank will accept Spanish language financial statements. Financial statements must be audited by an external independent auditor.
- vi) ☐ For financed amounts of greater than \$ 5 million: Financial statements must be audited by an external independent auditor. Statements must be in English.

f) Market indications, if available, are as follows:

Name of rating agency: _____ Rating: _____ Date: _____

Include the debt rating reports issued by the rating agency, and if applicable, the prospectus for a debt or equity offering during the two years prior to the application date.

g) Supplemental Credit Questions.

- ☐ Provide the answers to the questions listed in Attachment C to the Medium-term Credit Standards for transactions of greater than U.S. \$5 million up to and including \$10 million where the primary source of repayment is a non-financial institution that does not have market indications. These questions are located on Ex-Im Bank's web site at www.exim.gov/tools/medium-termcreditstandards.

2. INFORMATION ON THE CORPORATE GUARANTOR (S):

- ☐ Not applicable. Refer to the Medium-Term Credit Standards at (<http://www.exim.gov/tools/medium-termcreditstandards.doc>) to determine in what situations corporate guarantors are required for medium term transactions.
- ☐ If the corporate guarantor is not the primary source of repayment, provide 1 a), and 1 b) and 1 c) as described above.
- ☐ If the corporate guarantor is the primary source of repayment, provide the information noted in 1 a) – 1 g)