

TEMPORARY MEASURES FOR COVID-19

During these exceptional times, EDC understands that getting much-needed liquidity to Canadian businesses is critical.

Effective immediately, we are implementing a streamlined process for some Foreign Exchange Facility Guarantee (FXG) requests for existing and new customers.* Our intent is to be as responsive as possible to Canadian businesses' needs in these unprecedented times.

ELIGIBLE REQUESTS

1. Requests to increase the guarantee limits of existing FXG customers. This includes:
 - FXG limits of up to US/CAD\$2 million
 - Up to US\$50,000 or 25% of the current facility—whichever is higher
2. New FXG application requests, up to USD/CAD\$1 million

Note: The Government of Canada has expanded EDC's mandate to allow us to not only offer this solution to companies with international sales, but also those that don't sell internationally.

QUALIFYING CRITERIA AND OTHER DETAILS

Provided that the following criteria are met, EDC will apply a streamlined process for an increase or a new customer's guarantee:

- the financial institution (FI) must be the customer's main financial institution;
- the client must be in good standing with their FI (not in Special Risks);
- the risk rating must be B- or better, based on last FYE or C+ post-COVID;
- there must be no red flags for non-financial risks (KYC, country, environmental risks, etc.); and
- the FXG contract is no longer than a maximum of 24 months.

Please note that EDC will allow roll-overs for clients for a certain time period and this cannot be used for speculative purposes.

STREAMLINED PROCESS

- **In the case of an increase to FXG limits for existing customers (up to US\$50,000 or 25% of the current facility—whichever is higher):** FI account manager (AM) sends an email to EDC along with credit authorization confirming the rationale for the increase.
- **In the case of new FXG requests up to US/CAD\$1 million:** The FI should contact an EDC account manager to mention a new FXG opportunity. The FI will provide EDC with the credit authorization confirming the rationale for the limit along with [documentation](#) signed by customer (these are: 1. *Customer Profile & Consent* form and 2. *Guarantee Products and Other Insurance Declaration and Indemnity* form).

APPLICABLE FEES

Once the guarantee is active, the customer will have up to six months to pay any fees related to FXG.

*Financial institution eligibility is required.

QUESTIONS ABOUT OUR FINANCIAL SOLUTIONS?

Please contact your EDC account manager to learn more. If you do not have an EDC account manager, please call us at **1-800-229-0575** or send us an email and we'll get back to you as soon as possible: bankchannel@edc.ca.