

THE PROGRESS PAYMENT PROGRAM



● C R E D I B I L I T Y .

● C O N F I D E N C E .

● C O N T R A C T S .



**Canadian
Commercial
Corporation**

Canada 



THE PROGRESS PAYMENT PROGRAM

The Canadian Commercial Corporation (CCC) designed the Progress Payment Program (PPP) to provide small Canadian exporters with sufficient working capital to take advantage of specific export contracts. The program facilitates access to commercial sources of pre-shipment financing.

For over 50 years, CCC, Canada's export contracting agency, has been bringing buyers and sellers together through contracts built on the best possible terms and conditions. Our expertise has helped companies close export deals worth more than \$30 billion, and facilitated sales to buyers in more than 100 countries.



HELPING SMALL EXPORTERS THINK BIG



The Progress Payment Program (PPP) assists Canadian exporters by providing access to working capital to undertake specific export contracts. CCC works with small companies to facilitate access to commercial sources of pre-shipment financing through arrangements with 19 partner banks and financial institutions.

Small- and medium-sized businesses are driving growth in the Canadian economy. The resulting boom in small company exports means the PPP has become one of CCC's fastest growing and most-appreciated services.

Often, in export transactions, exporters won't receive payment until the product or service is delivered to the buyer—sometimes months or even years after signing the contract. For many small- and medium-sized businesses, this creates serious cash flow problems. The PPP bridges the cash flow gap, helping your team secure pre-shipment export financing.

Partner Financial Institutions:

- Banca Commerciale Italiana
- Bank of Montreal
- Bank of Nova Scotia
- Banque Nationale de Paris
- Caisse centrale Desjardins
- Canadian Imperial Bank of Commerce
- Canadian Western Bank
- Credit Union Central of Ontario
- HSBC Bank Canada
- i Trade Finance Inc.
- Laurentian Bank of Canada
- National Bank of Canada
- Royal Bank of Canada
- Saskatchewan Cooperative Financial Services Ltd.
- Sherwood Credit Union
- Société Générale
- So-Use Credit Union
- State Bank of India
- Toronto-Dominion Bank



Managing the Export Cash Flow Crunch

The PPP lets you make swift business decisions to maintain your competitive edge, with the financial resources to manage export sales. Through the PPP, your company can capture export sales, knowing you'll have the cash flow to cover your costs. Our dedicated and experienced PPP team works with you to ensure the success of your export deal.

Does Your Company Qualify for the PPP?

If you meet all or most of the following requirements, you may qualify for pre-shipment export financing through the PPP.

- You are negotiating, or already have, a firm order/contract with a foreign buyer.
- CCC will be able to establish a contractual relationship with your buyer.
- Your company has manufactured or sold this product or service before.
- You will be paid by an acceptable Letter of Credit OR are prepared to insure your receivable.
- Your company can finance at least 10% of the cost of the order.
- Your company is in good standing with the financial institution.

Qualified exporters with annual sales of less than \$50 million can receive up to \$2 million in financing, per exporter, for up to two years. Under certain circumstances and with special approvals, larger lines of credit may be obtained.



THE PPP IN ACTION

Eleven Steps to Working Capital

1. Your company has an export project and requires working capital to take on the deal.
2. CCC evaluates the project to ensure your company meets the basic program requirements. You then complete and submit an application.
3. CCC reviews your application to assess your company's capabilities and the risks associated with the deal. If CCC is willing to support this project, we issue a Conditional Letter of Offer.
4. The financial institution carries out its due diligence and, if acceptable, agrees to establish a project line of credit.
5. Prior to disbursing funds, CCC establishes contractual links with all parties while the financial institution registers its security position over the equipment and work in progress required for the project.
6. As costs are incurred in accordance with the projected cash flow statement, the company submits a request to CCC to draw down on the project line of credit.
7. CCC reviews each claim and, once approved, authorizes the financial institution to release funds to your company.
8. Your company makes a shipment to a buyer, generating a receivable.
9. The buyer issues a payment to CCC for the receivable.
10. On receipt of funds, CCC deducts its fees, and forwards the balance to the financial institution.
11. The financial institution applies these proceeds against the project line of credit. Any excess amount is dealt with in accordance with your company's non-PPP credit arrangements with the financial institution.



FIND OUT MORE ABOUT THE PPP

With CCC, help is just a phone call away. Contact us online at www.ccc.ca, or call **1-800-748-8191**. Our team will be pleased to discuss your pre-shipment financing needs in detail.

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