The Board of Directors met in Room 1125B, 811 Vermont Avenue, NW, Washington, DC, at 9:30 a.m., Kimberly A. Reed, President and Chairman, presiding.

PRESENT

KIMBERLY A. REED, Chairman
SPENCER BACHUS, III, Director
JUDITH DELZOPPO PRYOR, Director
KAREN DUNN KELLEY, Deputy Secretary of Commerce, ex officio
JOSEPH BARLOON, General Counsel to the U.S. Trade Representative, ex officio

STAFF PRESENT

JAMES G. BURROWS, Senior Vice President, Office of Small Business
SCOTT CONDREN, Senior Vice President, Office of Policy Analysis and International Relations
LUKE LINDBERG, Senior Vice President, External Engagement
ALSO PRESENT

MOLLY FLORES, Department of State

YUKI FUJIYAMA, Department of Commerce

JACK HAWKINS, USAID

MARC HEDMAN, Department of Treasury

JACK HOSKINS, EOP/OMB

LINDLEY JONES, USTR

ERIK LENZ, Board Liaison, Department of Commerce

RACHEL MORRIS, USTR
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CHAIRMAN REED: Good morning. I call the meeting to order. A special welcome to Deputy Commerce Secretary, Karen Dunn Kelley, and U.S. Trade Representative General Counsel, Joseph Barloon.

Before we get started, I would like to really underscore, we're about to vote on some important things. And I made a special request that the Deputy Secretary of Commerce come and join us today as an ex officio member because of her commitment to something important to our President and this Administration, and that is Prosper Africa.

Deputy Secretary Kelley was in Mozambique on June 19. And she really helped launch Prosper Africa. And along with her and with the President and interagency cooperation, Export-Import Bank is going to be working to build capacity in Africa.

And I really want to thank you for
your time today to help us as we take on this
important initiative.

I also want to thank Joseph for coming
from USTR. I know that Ambassador Lighthizer is
on his way back from China, another important
country and region that we are focused on. And
really appreciate the U.S. Trade Representative's
Support of our Export-Import Bank mission as we
look to support and create U.S. jobs through U.S.
export.

So, before we get started, I would
like to give each of you the opportunity to say a
few words if you wish. Deputy Secretary Kelley?

MS. KELLEY: Thank you, and good
morning. Chairman Reed and fellow Board Members,
it's really a pleasure to join you this morning
for this morning's Board Meeting.

Excuse me. Can you hear me?
Secretary Ross regrets that he was unable to
attend this morning's Board Meeting. He is in
South America currently on official business, and
asked me to represent himself and the Department
of Commerce.

I also appreciate a chance to meet with you recently and your team, to discuss the importance of the EXIM, the Export-Import Bank, and the export promotion efforts as well as other initiatives and partnerships that we have around the globe.

As you indicated, I was in Maputo, Mozambique several weeks ago as the head of the delegation, to really give the keynote speech, which actually was the address that officially announced Prosper Africa.

But more importantly, what I want to share with you and your fellow Board Members, is that while I was there in the region, not only from the private sector, but the public sector, from very, very many, many meetings, was the highlight of the importance of the work that you do here at the EXIM Bank.

And that they're absolutely delighted for the opportunity to be able to work with you again. So, in closing, I would really like to
reiterate Commerce's strong support for the
reauthorization of the Export-Import Bank and
pledge our efforts to work with you, Congress and
others in the Administration to achieve your
objectives.

CHAIRMAN REED: Thank you so much.

General Counsel Barloon?

MR. BARLOON: Thank you. Likewise
very pleased to be here today and to participate
in this very important work.

As you mentioned, Ambassador
Lighthizer and also Ambassador Gerrish, are, I
think, probably in the air right now doing some
very important things but they are very
supportive of the work here.

And as you know, Ambassador Gerrish
has been very involved in EXIM for some time. As
the General Counsel at USTR, I'm very happy to
continue that and to support that.

And you know, the work of USTR and
EXIM are very linked. And we look forward to
continuing to work with you and having a
constructive dialogue and cooperation on issues of mutual concern.

So thank you.

CHAIRMAN REED: Thank you and welcome again. May I have a motion to consider item number one on the agenda?

DIRECTOR BACHUS: I make that motion.

CHAIRMAN REED: Is there a second?

MS. KELLEY: I'll second.

CHAIRMAN REED: Thank you. EXIM's commitment to supporting small business is essential to the future of creating jobs in the United States.

I've asked our Senior Vice President for Small Business, Jim Burrows to make a presentation to our Board of Directors, something I believe that you have -- that you're doing for the very first time --

MR. BURROWS: Yes, ma'am.

CHAIRMAN REED: -- in the history of EXIM, to present an update on small business efforts at this meeting and future meetings as
well to remind everyone, that facilitating export
for American's small business is a top priority
for this administration and is the core of what
we do here at EXIM.

Jim Burrows, please present item
number one, and welcome.

MR. BURROWS: Good morning. Good
morning, Chairman, Director Pryor, Director
Bachus, and our ex officio members of the Board
and their representatives.

My name is Jim Burrows. I'm Vice
President of the Office of Small Business. And
as the Chairman said, this is my first
opportunity to address the Board and I appreciate
the opportunity.

We have roughly 78 hardworking
staffers dedicated to assisting small businesses
here at EXIM. For fiscal year '19 through our
close on June 2019, we authorized 1504 small
business transactions, which represent 1.5
billion in authorizations.

Since the -- since Chairman Reed was
sworn in on May 9 through close of business
yesterday, July 30, the Agency has authorized
roughly 422 small business transactions for 464
million dollars.

Thank you for allowing me to give you
the opportunity to go through this briefing with
you. I'm going to take you through a series of
slides.

The first is, I wanted to quickly
share with you how EXIM defines small business.

The EXIM charter directs the agency to follow
Section 3A of the Small Business Act.

Which in short means, we follow the
Small Business Administration's size standard by
industry sector. The SBA uses the North American
Industry Classification Code System, NAICS, and a
good example of that is five hundred employees
for manufacturing and mining industries, and
seven million in gross, average annual gross
receipts.

The Office of Small Business has three
main operating objectives, ensuring our products
meet client needs. The agency is always looking for ways to improve existing products and identifying gaps in the private sector.

With that being said, as part of the Bank's commitment to change management, we will be establishing Tiger Teams to review existing products and identify opportunities to assist American small businesses with their exporting initiatives.

The agency is continually looking for ways to find new clients. Better data sources, leveraging our multiplier networks. The Department of Commerce has been a strong partner in helping us identifying data sources.

We've worked collaboratively together to develop a real-time data exchange through our Salesforce CRM, Customer Relationship Management system.

We also look to strive for better transaction experiences for our customers. Better technology, meeting and exceeding our client's expectations.
With that being said, the agency is working to deploy the Virtual Data Room, a VDR project, which is an electronic exchange of documents which will help our delegated authority lenders in our working capital guarantee program, expedite exchange of documents and speed up print transaction processing times.

The next slide actually just gives you a quick overview of the organizational, organization of the small business team. Those break into basically six operating divisions.

The first is the -- the first is an overview of the division, which starts with the Export Credit Insurance Group. They underwrite all our short-term insurance programs here at the Bank.

The second is our Business Credit Group. They administer the Working Capital Guarantee Program through our delegated authority lenders.

The third is our Minority and Women Owned Business Group. We call it MWOB. That
group is run by Tamara Maxwell.

They -- we educate and inform small businesses all around the country as it relates to minority and women owned businesses in exporting, and also veterans.

Tammy also runs our Client Care Unit. This was a unit that was set up recently to ensure companies fully utilize our policies. And make sure that they're brokered with insurance, brokered to make sure they have the best servicing.

The next area is our Field Operations, our field offices. That's run by Sean Luke. They assist small businesses throughout the country on how trade finance products can help them through exporting.

And then lastly, our Operations Group, which is our internal support group. That's run by Tomeka Wray.

She manages all, and her team manage all the administrative functions for the Bank. Whether it's the call center where clients' call
into. Or training, which is the training around the country, and also the training we do here at headquarters. And also the logistics within the group.

The next slide is just quickly small business products really break into two categories. Pre-exporting financing with our Working Capital Program, and post-exporting finances through our insurance, our export credit insurance and our guarantee program.

This next slide is a busy slide. But it orchestrates and it tells a few things. As the lender of last report, EXIM authorizations tend to run counter-cyclical to the U.S. economy.

This chart covers fiscal year 2012 to '18. Starting with a time when the United States was coming out of a recessionary period.

The economy has continued to improve since then. And as such, the economy with the -- as the economy improves, financing is more readily available in the markets. And demand for EXIM programs continues to decline.
The availability of the private sector parties is also shown in how the average size of EXIM small business transactions have declined.

In 2012, fiscal year 2012, when financial markets were tight, the average transaction size for small business was about 1.85 million compared to one million last year. This holds true across all product types.

The next chart is an interesting chart. It shows the -- however the decline in yearly authorizations that we saw in the first chart, and how this runs counter-cyclical to the national economy.

This doesn't tell the whole story. We believe that the lack of a Board quorum tied to the loss of our authority that occurred in 2015 had a chilling effect on EXIM's portfolio.

The slide demonstrates some of the effects. If you look at the green and the red bar, as you can see, prior to losing our authority and our Board, we were averaging about 274 small business transactions a month.
Afterwards, the red chart, shows that we dropped to a steady 211. So that's over a 20 percent decline.

With some of these attributable to the available financing by other means, we have heard that both objectively and subjectively that the anxiety around the agency's existence has led to the customers and partners holding back with EXIM.

So I want to close with what we are doing to improve our outreach. These fall into a number of categories.

The first is, we're going to do more outreach to rural and urban America. We're going to increase our participation in trade events across the country.

For fiscal year '19 we're on track to doing about 600 events. We should be doing more. And we will do more.

We'll be building partners with state and local governments. We'll be expanding our footprint with the -- with -- throughout the
United States to try to reach American small businesses through our focus on our multiplier networks, particularly the Regional Export Promotion Program and our alliance partners.

We'll be doing a better job of interagency cooperation and teamwork through events and data sharing. We had mentioned the Department of Commerce, and we thank you for that. But also working with the SBA, the U.S. Department of Agriculture, et cetera.

We'll also be leveraging data engagement, better data engagement through our website, our redesigned website. Making it more accessible to small businesses, and more easy to navigate. We'll also be doing more on social media, blogs and search engine optimizations.

We'll also be looking at the client experience through improvements and upgrading the technology. We'll be expanding, like I mentioned earlier, our virtual data room, our VDR for working capital clients.

And we'll also be looking into our
existing EXIM online systems that we use for
insurance in other parts of the Bank to see where
there are better opportunities to improve there.

And then lastly, we'll be improving
our relationships with our lenders, our brokers
and our multiplier networks. And then lastly, I
wanted to end with what will our field offices
look like?

We have 12 field offices throughout
the United States actively meeting with our
multiplier networks on a daily basis. But also
working with our -- with businesses throughout
the United States to make sure that we're there
as a resource tool in the toolkit -- toolkit,
box. That we're there to help them.

And then also at the end, we also use
our website as an integral tool. Our comms
department at EXIM is constantly looking for ways
to improve that.

And then if you want to go in and
visit our website, you can also consult and get a
consultation request online through our website.
CHAIRMAN REED: Thank you so very much. So, we had asked our visiting external agencies if they had any questions on this part of our Board meeting.

And we received back no comments from other agencies, but I do have some comments. We care about small businesses.

Board Member Bachus is doing great work on our outreach across the country. You attended the June 29 Senate Banking hearing on our Export-Import Bank reauthorization.

And thank you for being there with me. Time was limited at that hearing. Senator Tester of Montana and I had a brief dialogue, given our five-minute limitation, on small business in part.

Because this is now a meeting where we can talk a little bit more in-depth, what would you like to add to the dialogue that I started with him there? Anything that you'd like to add?

MR. BURROWS: I think the most important thing is that we need to be accessible
to the American small business public. That we have the products and services.

And we're going to meet them where they do business. Whether it is on the phone or in person or at events around the country, that EXIM is skating, able, willing and ready to assist exporters where they need our assistance.

CHAIRMAN REED: We are so committed to transparency as part of my chairmanship here.

And so I would like to ask that our wonderful communications team please post Mr. Burrow's remarks that he has presented today, under the speech section of our website, along with the slides and to hyperlink those comments and slides in our press release that we will send out following this meeting. We really appreciate this. And we're going to also transmit this to the Hill. So, thank you so very much.

Now I would like to ask my fellow Board members if they have any comments?

DIRECTOR BACHUS: I have tried, well,
I shouldn't start anything with I, should I?

(Laughter.)

DIRECTOR BACHUS: Traveling around the United States, I met with many of our small businesses. And Ms. Hazelton is posting many of the good stories out there of companies.

As a result of EXIM's work, I visited one company in south Florida, which said they would not be in business if EXIM had not turned down their request for a guarantee for insurance.

As a result, they avoided a severe financial loss. That doesn't show up in the amount of guarantees, the amount of exports we support. But it saved the jobs of 75 employees.

You recall the Chilean mine disaster that captivated our minds for years. The company that we supported and really, from their inception, developed a drill bit.

And they went to Chile and drilled the shaft that the miners escaped from. And they credit EXIM with much of their success.

If you go in a kiosk at McDonald's,
here and overseas, you see a -- you see the --
and if you go into McDonald's you see that kiosk.
And I'm pretty big on punching deals.
You can actually get two double cheeseburgers for three dollars.
(Laughter.)
DIRECTOR BACHUS: But, that is a Washington, D.C. manufacturer. Now did -- I had not realized that D.C. But they're probably one of the larger, fastest-growing manufacturers here in the city.
They credit EXIM with being able to go into foreign markets. So, I don't know about Mozambique, but you may, if you go in a kiosk, if you go in a McDonald's in Mozambique and there is a kiosk, it comes from Washington, D.C.
(Laughter.)
MS. KELLEY: I'll make sure I do that next time I go.
(Laughter.)
MS. KELLEY: I will report back to the Committee if the Chair will allow.
(Laughter.)

DIRECTOR BACHUS: But, it's just amazing stories. And let me say this, Jim, the agency, there's been talk on the Hill sometimes about the agency and some criticism.

But your combination of energy and enthusiasm, intellect, knowledge, it is wonderful. And when I visit, you know, in these states, they always compliment our representatives in those districts.

They all say how important Jennifer is or how important Karen is or how important these people are to them.

And I'll close with this. There's a rural county in North Carolina, near Henderson, that has not attracted a manufacturer in 20-something years.

Right now, a company that we -- and they credit us, they do pet supplies. And they export to 40-something countries.

They also, a tractor trailer truck almost every day pulls up and delivers stuff
either to Amazon, Walmart or Target. They're the most expensive pet products in most stores.

But they credit EXIM with about half of their business. And they've come from a garage 15 years ago to they're going to open in this rural county a facility that will support 200 jobs.

And that county is one of the few counties in North Carolina that's below the poverty level.

So, we're, you know, and as I tour these plants, and I see the people in the plants, we talk about inclusion and diversity, let me tell you, there's a lot of working moms, single working moms that are working in those small businesses.

And they are thankful for their jobs. And their employers are thankful for EXIM. And I just wish we could take members of Congress and Senators on some of the visits I've made.

It's a -- it's really an inspiring thing to get out and do something. Thank you.
MR. BURROWS: Thank you.

CHAIRMAN REED: Thank you very much Director Bachus. Before we turn to Director Pryor, I have a question for counsel.

This is an open session. Could we please have a camera in here to take a photograph to memorialize this meeting? Is that permissible?

MR. BARLOON: Yes, certainly.

CHAIRMAN REED: So, Jennifer. Thank you so much. Okay.

DIRECTOR BACHUS: I failed to say one thing. And I would like to add this.

As I visited Florida and Texas, both places, our offices are also located with people from the Department of Commerce. They're usually side by side. And SBA too.

And they come in and say, we're so thankful that EXIM's here. And EXIM says, you know, we really couldn't do without the Department of Commerce and the SBA.

So, there is a really -- there is a
good working relationship. And we'll see later
on our, some of those, as you mentioned
Mozambique, there are important projects there
that Commerce and we are working on. And also,
one of the things we'll consider today.

MS. KELLEY: Well, Commerce certainly
enjoys and is very grateful for the relationship.
As you indicated in the data sharing and in some
of these places where we coexist, it just makes
the work even easier, because we're right there
together.

So, it's been a wonderful
relationship. And we're very glad to be back in
business.

CHAIRMAN REED: Thank you. Director
Pryor, you have it.

DIRECTOR PRYOR: I would just say that
I think EXIM is really glad to be back in
business too. And it's great to have Commerce's
help. I've heard the same thing in the field.

So, thank you, Jim, for your report.
As you know, I've traveled to Tampa with some of
your folks, and it was quite an experience.

From training a new community bank, to meeting with brokers and some small businesses, it was very encouraging to me. Not only do you have dedicated people on your team here in Washington, but certainly the field staff.

And then in our meeting, when Director Bachus and I met with your team that were up in the regions. It's clear that they're supporting the mission.

And I just want to add that I'm very grateful to Chairman Reed, who of course, is laser-focused on small business. We know its importance and significance.

It's, you know, the driver of economic growth in our country and around the world. And helping them take advantage of international markets is what we're in the business to do.

So, thank you for your report. And I look forward to working with you and your team on initiatives moving forward.

MR. BURROWS: Thank you.
CHAIRMAN REED: Do our ex officio representatives have anything else they would like to add on small business report entry?

MR. BARLOON: Thank you very much for that report. It is very instructive, very helpful.

And, you know, the work that you're doing really spreads out in so many different ways. It appears that it has sort of a leveraging effect.

So, that's great. And nothing further. But thank you for the report.

MR. BURROWS: Thanks for your comments.

CHAIRMAN REED: Ms. Kelley?

MS. KELLEY: Again, as I said, thank you for your report. Thank you for the relationship.

The work together from ITA, from MBBA, we appreciate it greatly.

MR. BURROWS: Thank you.

CHAIRMAN REED: And I would just like to conclude by thanking your team for really
stepping up. We have a lot of great initiatives planned in the weeks to come.

And I was delighted to have my very first official event here at EXIM, a round table of small businesses from Pennsylvania, Maryland, and West Virginia.

MR. BURROWS: Yes.

CHAIRMAN REED: And heard loud and clear the role that we play in the world of small business.

And I also was very happy to be able to create a video with the U.S. Chamber of Commerce that is being shared with their three million members globally. And a lot of those members are small business.

Because we really need to get the word out that we're going to do all we can to help support small business in our country through exports.

So, thank you again.

MR. BURROWS: Thank you, Chairman.

And I'm excited to have my small business on the
Board agenda for consideration later. It's set this morning.

CHAIRMAN REED: Absolutely. Thank you so much.

MR. BURROWS: Thank you.

CHAIRMAN REED: As this presentation is for information only, no vote is required. May I have a motion to consider item number two on the agenda?

DIRECTOR BACHUS: A motion to consider item number two, the proposed economic impact procedures. And I'll make that motion, the undersupply list.

CHAIRMAN REED: Is there a second?

DIRECTOR PRYOR: I second the motion.

CHAIRMAN REED: Thank you. Scott Condren of EXIM's Office of Policy Analysis and International Relations, please present item number two.

MR. CONDREN: Chairman Reed, Director Pryor and Director Bachus, ex officio Board Members, thank you for your time. I'm Scott
Condren, a Senior Analyst in the Office of Policy Analysis and International Relations.

And I am presenting staff's recommendation to remove the undersupply list from the economic impact procedures. I will give a brief summary of the memorandum, and then I'll be happy to go into any further details you may ask for.

The undersupply list was developed to allow the Bank to screen out early in the process certain transactions wherever its economic impact was clearly not a concern.

This was applied to transactions that resulted in the production of commodities that the United States was in very short supply of. Due to the United State's heavy import and lack of such commodities, it could be assumed that any foreign production of these commodities would be of net benefit to the United States economy.

The list in 2002 consisted of oil and gas, and well as diamonds. It has remained unchanged since then.
While reviewing the status of the list in 2016, it was discovered that the referenced list was inadvertently deleted from the 2013 economic impact procedures.

While staff had continued to operate as this listed existed since 2013, the status is currently unclear. Clarifying the status of the list is necessary to effectively process cases going forward.

Given the wealth and the changes in the domestic oil and gas industry, such as the net export of natural gas and refined petroleum products, and becoming a drilling exporter of crude oil every day, it is no longer appropriate for oil and gas to remain on the list.

If oil and gas were removed, that would mean the list contained only diamonds. The Bank has not done a transaction that resulted in the production of diamonds since the list was established.

Therefore, the staff believes for simplicity it would be best to just remove the
list entirely from the undersupply -- from the economic impact procedures.

If the Board were to choose to keep the list, staff would recommend removing oil and gas from the list.

Thank you. I'm happy to answer any questions or go into any more detail you may require.

CHAIRMAN REED: Thank you very much. We have no comments from other agencies. Do my fellow Board Members have any comments? Director Bachus?

DIRECTOR BACHUS: I have no comment.

CHAIRMAN REED: Director Pryor?

DIRECTOR PRYOR: No. Thank you for your report.

CHAIRMAN REED: And in addition to -- before we call the item for vote, I would say that in addition to doing this measure to increase simplicity, which is very important as we have government programs in place.

But we also want to protect the
American taxpayer. And so I have asked that this be presented as part of our reform initiative. And it's a step toward reviewing our economic impact analysis and increasing transparency. So, thank you very much.

I now call this item for a vote.

Director Bachus?

DIRECTOR BACHUS: I vote aye.

CHAIRMAN REED: Director Pryor?

DIRECTOR PRYOR: I vote aye.

CHAIRMAN REED: I vote aye. Number -- item number two is approved. Thank you.

May I have a motion to consider item number three on the agenda?

DIRECTOR BACHUS: A motion to consider item number three, the appointment of EXIM's Banking Advisory Committee of 2019.

CHAIRMAN REED: Is there a second?

DIRECTOR PRYOR: I second the motion.

CHAIRMAN REED: Thank you. Luke Lindberg, EXIM Senior Vice President for External Engagement, please present item number three.
MR. LINDBERG: Chairman Reed,

Directors Pryor and Bachus, ex officio members of the Board. Thank you for having me today.

As Chairman Reed articulated, my name is Luke Lindberg, Senior Vice President for External Engagement here at the Bank. It's an honor for me to present Chairman Reed's recommendations for the Advisory Committee, and subsequently the Sub-Saharan Advisory Committee to you today.

By way of background, the Bank has two congressionally chartered committees that advise you, the Board on how to -- how the Bank can improve loan guarantee insurance programs and better support for American exporters.

On June 21, of this year, Chairman Reed announced in the Federal Register and on a variety of other platforms, a nomination process by which individuals and organizations could nominate perspective members to the Board, or to this Committee, excuse me.

We were overwhelmed by the positive
response we received from the community. Over 90 applications were received for the two committees.

And the quality of the candidates in our opinion was exceptionally high. Chairman Reed and her staff have narrowed down the list to the recommended group you'll see before you today in your handouts.

I'd like to start with the Advisory Committee, it's agenda item number three. The Committee consists of 17 members and is required to have representation in the following categories: agriculture, commerce, environment, finance, labor, production, services, state government and textiles.

At least three members of this Committee must also represent the small business community.

In addition to its role of advising you, the Board, the Advisory Committee also prepares comments on the extent to which the Bank is meeting its mission of supporting U.S. jobs by
financing the export of American goods and
services. Those comments are included in EXIM's
annual report to Congress on global export credit
competition.

I'll now read the names, titles,
locations and represented industry of Chairman
Reed's proposed Committee Members.

The Chair selected for this Committee
is the Honorable Steven Pearce, Manager of LFT
Limited, former member of the U.S. House of
Representatives and New Mexico House of
Representatives from Hobbs, New Mexico. Chairman
Pearce will be representing state government.

The members of the Committee include
Commissioner Gary Black from the Georgia
Department of Agriculture in Atlanta, Georgia,
representing the agricultural industry.

Maria Cino, Vice President Americas
and U.S. Corporate Affairs for Hewlett Packard
Enterprise, Washington, D.C., representing
production.

Robert Dinerstein, Chairman, Veracity

Rodney Ferguson, President and CEO of Winrock International, from Arlington, Virginia, representing the environmental groups.

Lawrence Goodman, President and Founder of the Center for Financial Stability, New York, New York, representing finance.

Owen Hernstadt, Chief of Staff to the International President and Director of Trade Globalization, International Association of Machinists and Aerospace Workers, Upper Marlboro, Maryland, representing labor.

Kathie Leonard, President and CEO of Auburn Manufacturing Incorporated, Mechanic Falls, Maine, representing the textile industry.

Brad Markell, Executive Director, AFL-CIO Industrial Union Council, Washington, D.C., representing labor.

Richard Powell, Executive Director ClearPath, Washington, D.C., representing environment.
Thomas Raguso, Group Executive Vice President, Director of Global Banking, Zions Bancorporation, Houston, Texas representing finance.

Richard Rogovin, Chairman and General Counsel, U.S. Bridge, Cambridge, Ohio, representing production.

Alejandro Sanchez, President and CEO of the Florida Bankers Association, Tallahassee, Florida, representing finance.

Christopher Smith, Executive Director, Parity for Main Street Employers, Washington, D.C., representing commerce.

Harvey Tettlebaum, Partner, Husch Blackwell, LLP, Jefferson City, Missouri, representing services.

Deborah Wince-Smith, President and CEO, Council on Competitiveness, Washington, D.C., representing commerce.

And Joanne Young, Managing Partner, Kirstein and Young, PLLC, Washington, D.C., representing the services industry.
Additionally noted is Christopher Smith, the Honorable Steven Pearce and Richard Rogovin as well as Kathie Leonard all represent the small business community on this Advisory Committee.

CHAIRMAN REED: Thank you very much, Mr. Lindberg. If there are no comments from other agencies, I would like to say we were delighted to publicize and be oversubscribed immensely for the limited 17 positions on this Advisory Committee.

I think the Advisory Committee is very important. And I also heard from our senators and congressmen and women, their desires to have individuals on this committee.

And I really appreciated our congressional input. Again, Congress established this committee.

And the purpose of the committee is to make recommendations to our organization, but also report to Congress. The prescribed categories are in statute and in our charter.
And Mr. Lindberg stated what those were.

But, as I made careful decisions in the selection, given the immediate needs of EXIM, after being essentially nonfunctional except for deals under 10 million, and as we look at reauthorization and reforms, I wanted to fulfill those categories.

But also with the selection of these individuals, have them bring expertise in additional areas.

And so these individuals, although their names and titles may not demonstrate it to the public yet, their full experience and biography will show that they are experts in ethics, financial stability and security, best practices, good governance, and one particular individual, Joanne Young, I have asked her, with her expertise on the subject of woman and minority owned businesses and outreach, to be focused on that as well, and work with Director Pryor on that.

Our Chair, former Representative
Steven Pearce, sat on Director Bachus' House Financial Services Committee. But he also served in the New Mexico State Legislature.

And he, in addition to his leadership, that he will bring from an outside perspective now as an Advisory Board Chair, has experience immensely with veterans and native American issues. And so I think that that is also important.

So, we have also stated that we have representation from small business as is required under our charter. But, one of our Board Members who is representing Zions Bank, also is very focused on providing small business services financially to clients. And will bring that perspective for us as well.

So, that's just additional comments that I want to state before I turn to Director Bachus for comments on our 2019 Advisory Board slate.

DIRECTOR BACHUS: Thank you, Chairman.

This -- I want to stress that this is the 19 --
2019 committee. And we're already looking forward to 2020.

And I think in conversations between Director Pryor and Chairman Reed and myself, we want to continue to reach out. The House Financial Services Committee actually, one of the subcommittees they've recently formed is the Diversity and Inclusion Subcommittee.

And as we move forward, we'll be -- and Chairman Reed, who I think Director Pryor was working towards outreach in that regard.

But I'll defer to Director Pryor. But I want to compliment you. This is something we wanted to -- the Chairman identified something that was essential and we needed it there and functioning.

It was an asset to the agency. And we needed to get it up and running. And the people like you said, she has selected, are all very well qualified on that.

And I have limited knowledge, but I know that she's been -- the only thing I've urged
her to do is not have a nervous breakdown, because she works, you know, 24/7.

And eventually this was something that had to be done and had to be done with a very close timeline.

CHAIRMAN REED: Thank you.

Director Pryor?

DIRECTOR PRYOR: Thank you. Companies are under increasing pressure to hire more women on their governing boards. Yet women held just 20 percent of corporate board seats in the U.S. according to a 2015 survey of the S&P 500.

So why isn't this number increasing?

In a recent paper authored by four graduate program business professors from Stanford, Georgetown, GW and the University of Edinburgh, they identified, and I quote, there's a tendency for people making decisions to continue to do what they did before.

This group analyzed archival board data from three thousand American publically traded companies over a ten-year period. Their
analysis revealed that a woman is more likely to be appointed to another woman's seat while a man is more likely to be appointed to another man's seat.

Hence, no increase in the board seats for women. However this also -- this research also unveiled one promising and fairly easy solution.

Simply increasing the number of women candidates improved the chances that a woman would be selected to a board seat regardless of who is being replaced.

So while this study is about gender parity, I think there are broader takeaways here. There were over 90 applicants for both Advisory Committees.

On the main Advisory Committee, there are virtually no minorities represented, and only four of 17 are women. For the Sub-Saharan Africa Committee, there are only two women, both minority, and one or maybe two additional people that will provide some diversity to the
Committee, including one from the diaspora.

Together, that's about 21 percent, which is very similar to this study. I am voting in favor of both committee slates today. These are good, solid people who will advise us well.

A reading about women in the boardroom reminds me that simply being aware that disparity exists is not enough. And surely we can do better.

I'd like to see us make a conscious effort to increase this number of women and minorities in the years to come as we select people for these committees. That concludes my remarks.

CHAIRMAN REED: Thank you very much, Director Pryor. And I would underscore your comments and our commitment to diversity.

And I would say, as the first woman Chair of the Export-Import Bank of the United States, the first woman when you walk down the hall and look at men, who are very outstanding, I will tell you that our President is committed to
diversity.

And I am committed to diversity. And so we look forward to, if voted on favorably, making that a priority for this Advisory Committee, in addition to the other mandates Congress has set out in our charter that we are discussing today.

So, absolutely you have my commitment on that.

DIRECTOR PRYOR: Thank you.

CHAIRMAN REED: And also as one of the one hundred women leaders in STEM, I also would like to see us bring more STEM leaders to our Board in future years.

And I'm going to ask our Deputy Secretary of Commerce, and our USTR representative, if you have any comments on what we have discussed today. It is very important.

MR. BARLOON: No comments. It sounds like a very talented slate of candidates. And I think they will serve the EXIM very well. Thank you.
MS. KELLEY: I would make three comments. Number one, to the slate, it sounds like a very, very talented slate. And one, again, that will help the EXIM Bank. So, I absolutely concur with that.

The second comment I would make is that, on your conversation of diversity and inclusion, I think that the President has been very clear that he expects us to all, all of our agency bureaus, banks, to act in that way, to have diversity inclusion around the table.

And we know that the more diversity you have around the table, the better thinking you get and the better outcomes you get. And that is on behalf of the American people.

And then thirdly, that it is probably not a surprise to anybody, but it is a topic that is very near and dear to my heart. And I have worked on affinity groups for women and diversity issues on a global basis.

So, I commend you for that effort.

And if I can be of any support, I would be
delighted to do so.

CHAIRMAN REED: Okay. Thank you very much. With that, may I have a motion to consider -- I'm sorry. I now call this item for a vote.

Director Bachus?

DIRECTOR BACHUS: Chairman, working with two women on this Board, I've found it to be a very positive experience.

(Laughter.)

DIRECTOR BACHUS: So I vote aye.

(Laughter)

CHAIRMAN REED: Thank you. Director Pryor?

DIRECTOR PRYOR: I second Spencer's motion to consider this, Sorry. Yeah. It's a motion, right? We're not --

CHAIRMAN REED: No.

DIRECTOR PRYOR: We're not voting are we? I'm sorry. Then I vote yes then.

(Laughter.)

CHAIRMAN REED: And before I vote, would like to say, Director Bachus, we're
delighted to be working with you.

(Laughter.)

CHAIRMAN REED: So, I vote aye as well. Item number three, members are appointed. And congratulations to each of these members. And we will also share Director Bachus' and Pryor's comments with them as we prepare for our first Board Meeting.

It is, even though we have just been confirmed and on the job for less than three months, I want to commend the staff, particularly the External Affairs function at the Bank for allowing us to do outreach, get in these applications, review them in a very prompt and thorough fashion, so that we can host at least one Advisory Board meeting before our charter expires on September 30.

And this maybe a unique and different type of board meeting then we had in the past because we are bringing creative and important strategic thinking to the goals that we should be accomplishing between now and when our charter
expires.

We will do all we can both internally and to our Advisory Board to ensure that we are fulfilling our charter and communicating this to the Congress.

So, I want to again thank everyone for this and for acting so promptly to this initiative that is so important to me and to all of us here at EXIM.

May I now have a motion to consider -- sorry. Page three.

DIRECTOR BACHUS: I make a motion to consider item four, the appointment of EXIM Banks' Sub-Saharan Advisory Committee for 2019.

CHAIRMAN REED: Is there a second?

DIRECTOR PRYOR: I second the motion.

CHAIRMAN REED: Thank you. Luke Lindberg, Senior Vice President for External Engagement, please present item number four.

MR. LINDBERG: Thank you, Chairman Reed. The second of our two congressionally chartered committees is the Sub-Saharan Africa
Committee.

This is obviously of extreme importance to the Bank and the work we're doing. I'd particularly like to thank Director Pryor for her leadership in this area.

The Committee consists of 11 committee members, and their required representation comes from the following categories. Banking, commerce, trade, finance, and at least one member of the committee must represent the small business community.

The committee provides recommendations to the Board of Directors on how EXIM can increase financing support for U.S. exports to Sub-Saharan Africa. And I'll now read the names, titles, locations and representative industry of Chairman Reed's proposed slate of committee members.

The Chair of the Committee, Daniel Runde, Senior Vice President, William A. Schreyer Chair in Global Analysis and Director Project on Prosperity and Development, Center for Strategic
and International Studies in Washington, D.C.

Members, Gary Blumenthal, President
World Perspectives, Inc., Arlington, Virginia.

Douglas Goehring, Commissioner of
Agriculture, North Dakota Department of
Agriculture, Bismark, North Dakota.

Matthew Kavanagh, Federal Global
Department Manager POWER Engineers in Hailey,
Idaho.

Kasum Kavia, Co-Founder and President,
Combustion Associates, Inc. in Corona,
California.

Florizelle Liser, President and CEO,
Corporate Counsel on Africa, Washington, D.C.

James O'Brien, Principal, Baker &
McKenzie, LLP, Chicago, Illinois.

Ejike Okpa, Principal, The Okpa
Company, Dallas, Texas.

Matthew Stewart, Consulting Partner,
Insurance Broker, Securitas Global Risk
Solutions, LLC, Wayne, Pennsylvania.

Paul Sullivan, Senior Vice President
International, Acrow Corporation of America, Parsippany, New Jersey.


CHAIRMAN REED: Thank you. I would like to say a big thanks to our EXIM staff, who focus on Sub-Saharan Africa, who assisted with the review of the applications to ensure that we have the best people on our Advisory Board to help us focus on our mission in Sub-Saharan Africa.

And what I might mean by best is, diversity. But also knowledge in business success to help us guide our mission into the future.

I was honored to be asked by the President of the United States to lead this presidential delegation to the swearing in of the President of South Africa at the end of May.

And it was an honor to meet heads of state in government from the majority of the countries in Africa at that event and talk about EXIM's mission and all we do, and how we want to
be helpful through our Prosper Africa initiative
to make a difference in Sub-Saharan Africa.

I also was delighted to have
substantive conversation without our U.S. Embassy
staff in Pretoria and with leading businesses and
service providers in Sub-Saharan Africa, along
with colleagues of the administration from the
National Economic Council, the National Security
Council and USAID.

I learned a lot. And I will bring that
knowledge and those relationships back to the
Bank, and encourage all of us to do all we can.

I also had a meeting last week with
Chairwoman Waters, Chair of the House Financial
Services Committee, where we underscored our
commitment to Sub-Saharan African together.

And Congress has a provision in our
charter for this Advisory Committee to report
back to them on what we are doing to increase
exports.

And so with that, I would like to ask
my fellow Board Members if they have comments.
Director Bachus?

DIRECTOR BACHUS: Yes. Roger Thurow published a book two years ago. He used to be with the Wall Street Journal.

And he left that job and really has traveled throughout Africa and not only Africa, but Latin America and other countries, impoverished countries. And his -- the title of the book is the First One Thousand Days.

And what he says in there, well-documented science and medical knowledge, is that after a thousand days, if children do not receive, and that includes a pregnancy, if they do not receive sufficient nutrition, they are stunted for life.

That term stunted is something that EXIM is addressing. We -- we're going to consider a program today for Cameroon.

And it will include -- it will actually include the living standards for people there. It's a very good story. I wish that we could do it in public.
But, there will be little children in Africa which as a result, will by the time they're two years old, your brain is fully developed. And a lot of those children, there are deficiencies in the brain that will last a lifetime. How sad.

We interviewed one father in Africa, and we asked him what he thought about that? And the father said, I'm so ashamed that I have not been able to give my child food. I'm so ashamed. Well, we can help, we can help address that. The USAID has started an initiative, and the Senate and the House have both introduced a resolution to address this.

And it's just a very small amount of money. But, what we are -- the end goal of our agency ought to be, is to make those countries self-sufficient.

So, we need, you know, short term, we need programs like the House and Senate are proposing. But long term the work of EXIM, we have a project in Mozambique that we're going to
be considering where you visited.

Da Gama first visited there and then it was later discovered spices, and brought them back to Europe. But he was first welcomed to Africa in Mozambique.

But the projects there are going to -- two things, one is that undersupply list. Well, those projects in Mozambique, some people may say here it competes with American companies.

The truth is, those projects are available with or without U.S. participation. I mean, that's a given.

And we want the United States to participate in the supply line and in those jobs. But in Mozambique, that will double the standard of living in Mozambique. It will double the standard of living.

And I'm just very happy and thrilled to be able to participate in something that allows a child an even chance of having a healthy body. I thank you.

CHAIRMAN REED: Thank you. Director
Pryor?

DIRECTOR PRYOR: I would just say I'm looking forward to working with the Advisory Committee and with Chairman Reed on initiatives in Sub-Saharan Africa.

As most of you know probably by now, it's the region that I will have in my portfolio. I have spent quite a bit of time on the continent.

And I'm looking forward to working and meeting our representatives on the Committee.

Thank you.

CHAIRMAN REED: Thank you. Do our ex officio members have any comments?

MR. BARLOON: No additional comments.

Thank you very much.

MS. KELLEY: No comment other than to your point, when in Mozambique speaking with the President of Mozambique, he is clearly aware of that exact issue that you talked about.

And we had the opportunity as I shared with Chairman Reed, to talk about things like
education, women's issues, nutrition, health.
And so those are all part of the calculus and
discussion that he's having.

DIRECTOR BACHUS: And we appreciate
Secretary Ross' support for, his letter in
support of Cameroon.

CHAIRMAN REED: I now call this item
for a vote. Director Bachus?

DIRECTOR BACHUS: I vote aye.

CHAIRMAN REED: Director Pryor?

DIRECTOR PRYOR: I vote aye.

CHAIRMAN REED: I vote aye. With that,
the members of the 2019 Sub-Saharan Africa
Advisory Committee are approved.
Congratulations.

I now -- the open portion of this
meeting is now finished. Will members of the
public please leave the room?

(Whereupon, the above-entitled matter
went off the record at 10:24 a.m.)
CERTIFICATE

This is to certify that the foregoing transcript

In the matter of: Board Meeting - Open Session

Before: Export-Import Bank of the United States

Date: 07-31-19

Place: Washington, DC

was duly recorded and accurately transcribed under my direction; further, that said transcript is a true and accurate record of the proceedings.

[Signature]
Court Reporter

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