

EXPORT-IMPORT BANK OF THE UNITED STATES

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BOARD OF DIRECTORS

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MEETING

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MONDAY
DECEMBER 16, 2019

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The Board of Directors met in Room 1125,
811 Vermont Avenue NW, Washington, DC, at 2:00 p.m.,
Kimberly A. Reed, President and Chairman,
presiding.

PRESENT

KIMBERLY A. REED, Chairman
SPENCER BACHUS, III, Director
JUDITH DELZOPPO PRYOR, Director

STAFF PRESENT

JAMES G. BURROWS, Senior Vice President, Office
of Small Business
DUANE LAMBETH, Senior Credit Policy Officer
STEPHEN M. RENNA, Chief Banking Officer
AMY SHINKMAN, Vice President, Export Credit
Insurance

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P-R-O-C-E-E-D-I-N-G-S

2:05 p.m.

CHAIRMAN REED: Good afternoon.
We're going to open this meeting on December 16th,
2019. May I have a motion to consider item number
one on the Agenda?

DIRECTOR BACHUS: I make a motion to
consider item number one on the Agenda, Small
Business Update.

CHAIRMAN REED: Is there a second?

DIRECTOR PRYOR: I second the motion.

DIRECTOR BACHUS: And if you want me
to close the meeting --

(Laughter.)

CHAIRMAN REED: Thank you. Amy
Shinkman, Stephen Renna, and Mr. Jim Burrows. So
nice to see you too. Please present item number
one on our Agenda.

MR. RENNA: Thank you, Chairman. I'm
just going to make a few introductory comments.
But what I first and foremost want to say is thank

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you very much for providing the Office of Small Business with an opportunity to brief you on its business, and in this case, particularly its export credit insurance line.

This is one of the pillars of the EXIM Bank, as far as the products that we provide. It is very important, particularly on the small business side.

And so, I think it's timely and important that we get a briefing from Amy Shinkman and Jim about the export credit insurance so you understand this a little more fully, more dimensionally, and in more detail.

One of the things just to remember as an overall, because you're talking about reauthorization. We are, you know, getting pushed by Congress with mandates, to do more for small businesses is one of them.

But one of the things to keep in mind is our additionality requirement. And export credit insurance that we provide exists in a

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marketplace with private sector export credit insurance.

So, we can only go so far, as there is a gap in what the private sector is providing, and to where we could provide. So, we just can't sort of take the lid off a bit and just expand the program. We have to be governed by what the private sector marketplace is doing.

Within export credit insurance -- and Amy is going to walk through all of this -- but it's important to know that there are a number of products within export credit insurance.

For exporters, they can have single-buyer insurance, meaning if there's a foreign buyer out there and you want to make sure, as an exporter, that you're going to get repaid on what you ship them, you can buy export credit insurance to cover that repayment risk.

And that also allows you to pledge back that account receivable as collateral to a bank so that -- to give you a line of credit for operating

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terms.

Also, there's multi-buyer export credit insurance. You could have more than one buyer. It provides the exact same function as single-buyer, but you can do a number of buyers at the same time.

Importantly, though, we also provide letter of credit insurance to US banks that are essentially accepting a letter of credit from a foreign bank on behalf of a buyer of exporting products. We provide them with letter of credit insurance.

And we also provide insurance for financial institutions that are either making direct loans or reimbursement loans directly to buyers.

And while our export credit insurance program is largely used by small businesses, we do have the ability to provide medium-term credit insurance, meaning for loans from one to five years, and in some cases longer than that.

I think in some of those cases the amounts are larger, or maybe credit sector is more capable and willing to serve that marketplace. So, we don't see as much of that.

But with that brief introduction, I want to turn it over to Amy, who is the expert who will, of course, correct all mistakes I just made in my presentation.

(Laughter.)

MR. BURROWS: So, Chairman Reed and the Board, we have roughly 70-plus hardworking, dedicated staff assisting small businesses everyday.

Since you were sworn in, Chairman Reed and Board -- since you were sworn in on May 9th through the close of business on Friday, December 13th, the Agency's authorized 1,132 small business transactions, totaling \$1.24 billion in authorizations, supporting approximately 9,200 American jobs.

So, with that, I think it's important

to note that. And I --

DIRECTOR BACHUS: Would you give that again?

MR. BURROWS: Sure. So, we have, since May 9th -- since the swearing in of Chairman Reed and the Board, we have supported, through the close of business on Friday the 13th, the Agency has authorized roughly 1,132 small business transactions, totaling \$1.24 billion in authorizations, supporting approximately 9,210 American jobs.

So, this is our third time coming in front of the Board since Chairman Reed and you have been sworn in. With a small business update, and like Steve Renna had mentioned, I think it's important for us to be coming on a regular basis to give you an update on what's going on in our support for American small businesses around the globe.

CHAIRMAN REED: Thank you. And for those of you who did not attend our very first Board

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meeting, this was a priority for me, and that has never happened before, that you had actually come and talk about small business deals before our Board. Always it's been the large deals.

And I think that small business is so important because I know, just looking through to authorize \$1.24 billion in small business, we've done just so far \$5 billion in the larger deals.

So, that's a wonderful, I would say, example of how important you are to our country. Thank you.

MR. BURROWS: Thank you.

CHAIRMAN REED: Sorry to interrupt.

MR. BURROWS: No, thank you. And with that, I'll turn it over to Amy to give the briefing on export credit insurance.

MS. SHINKMAN: Thank you, Steve and Jim. I'm Amy Shinkman. I'm the Vice President of the Export Credit Insurance Division here at EXIM.

As Jim and Steve both noted, I really appreciate the opportunity to highlight our

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business in export credit insurance, the short-term insurance of EXIM Bank.

We have obviously been working under individual delegated authority for the last five years. Even with previous Board quorums, we typically only bought a handful of short-term insurance deals to the Board. So, it's particularly good. I appreciate the opportunity to highlight all the work that we're doing that doesn't actually require your approval on a transaction level.

A little bit about myself. I joined EXIM Bank in 2011, but I had ten years of experience prior to that working for a couple of different private sector credit insurers.

And I really believe in the credit insurance product to help companies succeed and I'm particularly grateful to be leading my division here at EXIM, where we really are helping companies have access to this product that otherwise they wouldn't have access to in the US. So, thank you

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for that.

What I'll do -- what I'm planning to do in the next few minutes is go through a little more detail about our products, about our business, about our team, about how we underwrite, and a little bit about our extra efforts that we do to support the small business mandate on the Sub-Saharan Africa mandate, and a little bit about some initiatives that we're engaged on in our division to make the products better and to better serve exporters.

So, I hope to be invited back. And certainly, if I come back again, I'll try not to do so many things in one talk, or maybe I'll have someone from the team talk about a specific initiative. If you have something specific that you're interested in, of course let me know.

So, as Steve mentioned, export credit insurance really is a product that's helping our customers extend credit to their foreign buyers.

And in my division, we're underwriting everything

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that's sold on a credit term of up to one year. So, this wouldn't be an airplane that you need ten or 20 years to pay for.

This is any product or input good or service into a business where it would be typical for the buyer to be able to pay you in less than a year.

And actually, most of our business is on 60- or 90-day terms. So, it's a very short, revolving business.

We support all sorts of industries, from agricultural, commodities and food, to manufactured goods, consumer products, engineering services, and other services.

There's three main benefits to export credit insurance, as to what we provide our customers. So, probably the simplest, easiest one to understand is risk mitigation.

Especially if they're a small business, or really any business, you're always concerned that your customers are not going to pay you.

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And so, it's difficult, particularly for small businesses, to extend credit, especially overseas, when they're not used to it and they're concerned that they want to get paid. So, the number one benefit is probably risk mitigation.

But then, once companies start using the products, they realize that the ability to offer credit terms to their foreign customers also helps them win business. Right?

They may be competing against an exporter from another country, or even another US exporter who's offering credit terms, and the buyers will simply demand credit terms. Otherwise, they won't be able to make the sale.

And then, the third big benefit of export credit insurance, as Steve mentioned, is allowing the company to get financing. So, a lot of US banks will simply exclude foreign receivables from borrowing bases.

They won't take any export activity into account in financing. But having it insured,

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particularly by an export credit agency, often lets companies get access to finance.

So, everything that we do in our division, we're really here to support EXIM's mission of jobs through exports. And we're doing that by offering these products to businesses.

I wanted to mention one example. We recently renewed one of our small business -- one of our multi-buyer policyholders in Pennsylvania, who's a small, family-owned, third generation business that makes animal feeds for Aquaculture business. They've been with us for a long time. They have about 65 employees.

And through the years they've been with us, they've really been able to grow their business so that exports now make up over 50 percent of their sales. Their main markets are Brazil, Mexico and India. They also have credit limits in Saudi Arabia, Nigeria, and Vietnam.

And they're a good example of a company that has used our products really to get all the

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benefits that I mentioned before.

So, we have paid claims to them over the years. They've had buyer defaults. They're able to make sales by offering credit terms, and their policy is assigned to their bank, so they're able to get financing.

Our insurance policies are conditional insurance policies, so they do have requirements that we put on the customers. They need to stay within their policy parameters, they need to not ship over their credit limits, they need to stick with their policy payment limit.

They need to report all their export credit sales monthly and paid premiums to us. And we do charge premium rates for the business.

The rates vary, depending on the policy type, the payment terms they're offering to the buyer, the country of the buyer. The general range is probably -- the cheapest is probably about \$.25 or 25 basis points. Some of our policies may go into the percents.

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But it's typically a fairly small amount. You hope that most businesses have a margin a lot bigger than that.

As Steve mentioned, we do have a variety of policies. So, we have some we offer to exporters, some we offer to banks, some would insure all of an exporter's export credit sales. So, it's really a portfolio basis and they're often able to get a better premium rate when they offer us that.

But we do also allow the opportunity for them to select particular buyers or groups of buyers, and then we also have our bank letter of credit policy, which also allows the banks to choose specific foreign banks that they want to insure.

One other policy type I'll just highlight is we have a particular multi-buyer policy that's for small business policyholders, which is probably sort of the gold standard of all the products that we offer.

It allows the small business to insure

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all their export credit sales with us with no deductible, at 95 percent cover and with a fixed premium rate. So, whatever claims they have, their premium won't go up. Whatever countries they're selling to, their premium won't go up.

We also offer some special coverages to support other initiatives. For bulk agricultural commodities we offer a higher percentage of cover, so we go up to 98 percent cover, and we also allow them to extend longer credit terms of up to 360 days for agricultural products.

As Steve mentioned, there is a very big, robust private market for what we do here, for export credit insurance.

So, EXIM Bank bought the underwriting of this product in-house in 1992. And at that time there were probably only a handful of private insurers that were offering a similar type of cover in the US market.

But it really started as a European

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product. It's also where I got my start in the industry, where it's much more common.

But over the last 35 years, particularly the last ten years, there has been a huge growth in the industry in the US, so that there's probably now more than 30 or 40 private companies that are offering this type of cover.

So, what that means is, because we don't compete with the private sector, it has impacted our portfolio in that most of the larger companies can get everything they need from the private sector. So, it has impacted us in the sense that we really are here to -- really focusing on small businesses, because they're the ones who can't get what they need.

So, there's two main reasons that people will come to us. Probably the main one that Steve alluded to was that they're too small. So, they're just simply too small to be profitable, or of interest to the big players.

We do start our premium rates a little

bit higher than the private sector. But the actual premiums spend -- the amount of premium that the client pays -- is much less in our policies because their sales are much lower.

So, our typical private insurer might have a minimum premium of \$10,000, \$25,000, \$50,000 a year, whereas most of our policies pay less than \$5,000 a year. So, we're really operating on sort of a different level with a different target base than they are.

In terms of the size of the policies, 55 percent of our authorizations in 2019 were for \$300,000 or less and 72 percent of them were for \$500,000 or less, whereas most private insurers would really need a deal in the millions before they would be interested.

The second reason that clients come to us -- and this is particularly true in the letter of credit policy, it's also true sometimes in single-buyer policies -- is if the private sector, for a variety of reasons, just doesn't have the

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appetite or capacity at that moment for what they're looking for.

So, a big example here would be country risk. So, we saw a huge increase in demand in the last couple of years for cover in Turkey, when private sector banks were pulling back in that country because of the risk.

We also underwrite a lot of airlines for US exporters, because airlines are generally perceived to be a high-risk industry with a high likelihood of default, or they just need a lot of credit. So, a lot of the private insurers are just full on capacity on airlines.

So, those are two other examples of why people might come to us, even if they're not small.

I think the idea that our business works counter to kind of the economic cycle was especially apparent, as with all of EXIM Bank business really in the financial crisis, when our business increased more than 50 percent between 2007 and 2011. You can really see that we're here to

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supplement and not compete with the private sector.

So, in our division last year -- the Export Credit Insurance Division -- we approved 2,065 authorizations, which were worth about \$2.2 billion.

So, for last year that was about 88 percent of all the authorizations approved by EXIM Bank by number. It was only 27 percent by volume, particularly because of the \$5 billion transaction approved by the Board towards the end of the year.

So, in the years when we didn't have a quorum, we were operating at more like about three-quarters of the dollar volume process for EXIM Bank.

Our business is a high-volume business, so even supporting those 2,000 authorizations, we processed over 10,000 individual applications last year. And that's because any individual policy might have multiple buyers, multiple credit limits, it might need to be increased or decreased, or the

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cover amended in some way, throughout the year.

So, we've got about 30 dedicated staff here at EXIM Bank and we're processing these applications everyday.

We're very fortunate in our team in that we have some loan officers, underwriters, managers, who've been with us since we started underwriting in 1992.

We have others who have come in just the last couple of years out of graduate school, and we have everything in between. So, we really work hard to have a diverse group of people, but we're all united in our mission to do the best we can to serve our exporter customers.

All of our business is processed through our online system, which is called EXIM Online. It started, it came into functioning in 2007 and it really lets the exporter do everything with the policy online.

So, the apply online, we do all our underwriting online, policy documents are issued,

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premium is paid, plans are filed, plans are paid, it's all processed in that system.

And I'd be happy to give any of you a demo of that system anytime, if that's of interest to you.

I mentioned earlier that all these transactions that we approved last year were done under individual delegated authority. We may have some larger transactions coming to you in the next year, depending on how things progress.

But we've also worked hard in our online system to build in certain underwriting rules that allow the system to recommend approvals, recommend amounts in order to improve our operating efficiency.

So, of our multi-buyer applications last year, almost 20 percent were handled by what we call automated underwriting, which means that the system recommends approve, and recommends the amount.

The loan officer still has to review

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it before it's actually sent out to the exporter.

And they always have the ability to sort of read what the system is doing and think to themselves, maybe there's something I want to change here. And they can always do that.

But it does help improve our efficiency. And one of the things we're working on this year is trying to increase the number of transactions that will come up auto.

So, now I'll just talk a little bit -- or before I move on, sorry, I will be neglectful if I didn't give a shout-out to our insurance brokers. So, we have a network of over 100 private sector insurance brokers. I know some of you have met some of them over the last few months.

And they are really important to us because they act as our sales arm and they also play an important role in helping exporters administer their policies. They're really what make us able to support 2,000 customers with only

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30 staff. So, they're an important part of our business.

So, now I'll just quickly touch on our support for two key mandates. You know, as Jim mentioned, our division has been in the Office of Small Business since November 2017, when all the short-term insurance was put there.

And to put it in context of those numbers that Jim gave you earlier, 87 percent of those small business transactions that have been approved since you were sworn in were done in our division.

So, there's short-term insurance. And then, 69 percent of them by amount were done in our division. So, we really are kind of the bread and butter of the small business churning daily activities here at the bank.

It does vary by policy type, as Steve mentioned, in terms of what's small and what's not.

So, most of our exporter held policies that are available to small and non-small businesses are

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still about 75 percent for small businesses.

And of our 2,000 policies, almost 1,000 of them are specific policies that are only available for small businesses.

And then, our single-buyer and our bank-held policies, it does vary by year. But in the last couple of years, it's been between 50 and 60 percent small. So, it's still mostly small, but there is a fair amount of large business in there too.

Director Pryor also asked me to mention in this presentation a little bit about our support for Sub-Saharan Africa in the short-term insurance world.

Overall, our portfolio is very well spread, really like the portfolio of any exporter in the US. So, about 25 percent of what we're supporting is to Asia, 25 percent is Europe, 25 percent is to Latin America, and still overall the percentage that's to Sub-Saharan Africa is small. You know, not out of line with US export

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activity overall.

But we have been trying to do what we can. From 1999 to 2018 there was an initiative that was approved by the Board called the Short-Term Africa Initiative, that allowed us to approve cover for buyers in certain markets that were rated nine and ten. So, markets which would basically otherwise be closed in due to their rating.

If they were in Sub-Saharan Africa, if the economists reviewed them, we were able to approve short-term cover under single-buyer policies.

Changed a little bit in 2014, when we no longer had access to program budget, which was subsidizing that program. So, we had to change the program a little bit to allow some of that cover to be written under multi-buyer policies that fell in certain parameters.

And then, during 2018 when that program most recently expired, the ERC made this review of these footnotes, 11A and 11B, which is what

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allows this cover -- it became just part of the normal CLS update process. So, I think you might be reviewing some of those markets next on the Agenda.

And regularly, you'll be seeing these markets come up where normally we would be closed, but short-term insurance and the economists have decided that we can agree to offer cover in support of this mandate.

Probably the best example to highlight in recent years of this mandate -- because we do have one large credit limit on an issuing bank in Liberia that we're able to approve under this program -- it's a insured bank in Ohio, who's confirming letters of credit for an exporter in Kansas, who's exporting a particular kind of hard, red winter wheat to the main flour mill in Liberia.

There's a letter of credit that's issued by the largest private bank in the country.

But it really is a letter of credit that without our insurance the bank in Ohio would not be able

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to confirm.

And under that program, we've supported over \$40 million in exports of wheat in the last five years.

So, that's an example of success and we're always thinking about, in our division, you know, balancing our mission of jobs through exports, and also wanting to protect the taxpayer.

And so far, this Africa program has been a sign of that. We've had very few, if any, claims on the program in the 20 years that we've been doing it.

So, export credit insurance, as a market and as an industry, and in our division, is always changing. We're always evolving. We have various initiatives underway now to improve our published credit standards, improve our policy tax so that they're more readable and are really addressing our practice.

Look at how we charge premium rates, particularly on our single-buyer policies. As I

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mentioned earlier, we're working to expand automated underwriting so we can be more efficient. We're also protecting the taxpayer.

We're also working with Steve and Madolyn on some new products, like maybe an up front premium policy, or more select risk policies. And then, we're also working on revamping our additionality procedures, which you'll be hearing more about in due course.

So, that was kind of all I planned to say. Sorry if I went on for a little long. But I hope it was interesting. I'm happy to answer any questions you have. But before we get to that, I want to make sure to thank some of the folks on my team.

Tom Fitzpatrick, Jean Fitzgibbon, Anita Turi, John Clark and Ciani Smith, who all helped me gather various information.

CHAIRMAN REED: Can I -- yeah, stand up. Stand up.

MS. SHINKMAN: I'm not sure if they're

all here. Some of them probably are.

(Applause.)

MS. SHINKMAN: Thank you very much.

CHAIRMAN REED: Do my fellow Board members have any comments? Director Bachus?

DIRECTOR BACHUS: No. No comment.

CHAIRMAN REED: Director Pryor?

DIRECTOR PRYOR: No. Just thank you very much for the thorough briefing. And I've had the good fortune of bothering Jim Burrow's staff, I don't know, three, five times, for more briefings and better understanding. But it's a great team of people and I know that they're always looking to see how we can further help small business and US exporters. So, thank you for the briefing and I look forward to the future briefings as well.

MS. SHINKMAN: Thank you, Judith.

CHAIRMAN REED: I want to say thank you. I'd like -- I'm going to ask you an on-the-spot question about our strategic plan.

We worked together collaboratively to

be sure that small business had a very important, prominent feature in our strategic plan. And I know that we've made some changes from the prior strategic plan. Any insights that you would like to share with all of our attendees on that? And that may be for Jim as well.

MS. SHINKMAN: I might turn that one over to Jim.

MR. BURROWS: Sure. So, as Amy had mentioned, we're working on some product initiatives with Steve and Madolyn. And some concept papers will be sent over to them this week about four new product concepts.

So, that's one thing that we've been working diligently on. The other thing -- and I think you, Chairman Reed, and the Board members and the new management team, as we struck back up our digital outreach initiatives to American small businesses, as we know American small businesses are hard at work trying to grow their businesses on a daily basis and are always looking for

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resources or tools in the tool chest on how they can find new clients.

So, bringing the digital outreach and educational pieces up is very well, it's needed, and we thank you for your support on that.

We're also staffing up. As you are well aware, we need more people on the street. And so, we're working diligently to fill the gaps that you have approved.

So, we brought on a few new people, especially on the education outreach piece, and we'll be working diligently to onboard our field staff to make sure they're appropriately staffed to attend outreach initiatives with our multiplier networks, our lenders, our insurance brokers, and also American exporters in general.

CHAIRMAN REED: So, I know that EXIM, in general, has an excellent default rate when we compare it to private sector institutions. And I ask this of every private sector institution when I'm like, we're just under .5 percent, how does

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that compare to you?

And they say that that's really good.

So, we are working hard to protect the taxpayer and obviously do all we can to reduce risk. But you have to find that special sweet spot of, should we increase risk a little bit to help us further our mission, to get to those places, so that we can help those new exporters learn how to do that?

So, just any comment you would have as we look at small business and what else we could be doing to significantly increase awareness and hopefully increase business in our country for small business exporters.

MR. BURROWS: I think the most important thing that we can do is really be out at all the events that are possibly held for export-related activities, whether they're here in the US or abroad.

Tammy Maxwell, who, as you know, was here last time for an update on small business, just was out with the Department of Commerce in

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Senegal this past week, meeting with businesses, one-on-one businesses over there and how American-made goods can be imported there and what financial system is needed, and where EXIM can stand in.

And I think it's really important not only do we look inside the US, but also outside, where we can assist where needed.

MR. RENNA: And I would add to that, Chairman Reed, and it's in reference to what Jim and Amy mentioned about some of the products, or product modifications that we're developing right now for, ultimately, review. But we're going to buy others in the bank.

One of them says, how do you define small business? The requirements that we require for defining a small business is very limiting. And it hasn't evolved in how many years, Jim? The amount? The \$7.5 million amount --

(Simultaneous speaking.)

MR. BURROWS: About ten years.

MR. RENNA: -- ten years. And maybe that needs to be increased, because then you think larger universe of companies that could use our products.

MR. BURROWS: So, there's a concept paper that I alluded to earlier that will be going to Steve this week about increasing our cap from 7.5 to 10 for consideration. And those are the things that we need to constantly looking at our programs and our products. Are they updated? And are they allowing us to compete where the private sector can't or won't.

CHAIRMAN REED: And just to close out, hopefully we will be reauthorized this week. But if we're not, it's different than the Board quorum being blocked, where we weren't doing those larger deals.

If we're not reauthorized, it's pencils down. And can you just, for historical purposes, share what that means for small business if we're not reauthorized?

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MS. SHINKMAN: Sure. I mean, I can speak from a short-term insurance perspective. Certainly in 2015, where we had the five months where we weren't able to approve any renewals or new deals, and we lost a lot of our exporters.

We had a lot of exporters who weren't able to get the cover they needed in the private sector and their business really was impacted. On the short-term insurance side, we approve policies once a year. And then, we're constantly, as I mentioned, approving credit limits. So, even one month really hurts our customers. And in particular, the five months in the past was incredibly hard. And the portfolio has only just now recovered.

DIRECTOR BACHUS: One thing I was struck by when I went out of the states was one kind of common denominator with these businesses.

Most of them are fairly new. They are growing rapidly. Most all of them are adding jobs.

And their transactions are very small.

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So, it's amazing they're shipping 2,000 here, a thousand here. And the private market, even the brokers who you talk to who also represent the private market, they ask EXIM to do this business because they can't get someone else to do it.

So, that sort of -- there's a certain amount of -- the way it's structured, it aids us in meeting the requirement of additionality.

Because, in fact, I've heard some brokers say we really would rather go to the private market because they pay us more. And so, we are some insurer of last resort, and because the transactions are so small.

DIRECTOR PRYOR: And may I add to also, in some of my trips with your staff, Jim, meeting with brokers, it's the same thing. They go to the private sector, but they know what the sweet spot for EXIM is, where the private sector can't help them, won't help them.

So, it's very important to keep up those relationships. And I'm glad that the new product

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development is going well. It's probably time -- you know, when you haven't changed something for ten years, it's probably time for change.

And certainly, to that end, I would just add the definition for small business especially.

I mean, I would think at the very least, just adjusting for inflation, if you haven't changed it in ten years or looked at it, there's probably a new definition that's important to get out there and allow us to broaden our scope with those business in the community.

CHAIRMAN REED: As we end this session, I want to be sure our visitors who have not seen this, we have pictures of some of our EXIM customers. And a lot of them are representing small business. And so, we're going to these pictures hung in this room and have those stories be shared on a regular basis.

I had the pleasure of going to rural Kentucky, where I visited a company called Art Deco

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Paints. And so much of what their business does -- and this is like the business in this small town -- is doing exporting.

And if it's not for our agency helping them in a good way, it would have tremendous impact, not on the company, but on the town. And I really encourage everyone to go visit one of our EXIM customers at some point in rural, in small towns in rural America, just so that they can better understand that.

So, thank you for all you do. Happy Holidays. And with that, I am going to close the meeting. May I have a motion to close the meeting?

DIRECTOR BACHUS: I move to close the meeting.

CHAIRMAN REED: May I have a second?

DIRECTOR PRYOR: I second.

CHAIRMAN REED: All in favor, say aye.

DIRECTOR PRYOR: Aye.

CHAIRMAN REED: Any opposed? The motion carries. So, I assume all people who cannot

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