FACTS on the Export-Import (Ex-Im) Bank

Fact: The Ex-Im Bank provides widely available services to any qualifying U.S. exporter.

Ex-Im services are not limited to a small group of users or those with inside access. To the contrary, in legal structure and in practice, Ex-Im services are used by thousands of U.S. exporters each year. As set forth in the Ex-Im Bank Charter, any U.S. exporter may apply for Ex-Im services, and each proposed transaction is reviewed on the basis of objective and transparent eligibility criteria.

In practice, the Ex-Im Bank provides services to thousands of U.S. exporters every year. Nearly 90 percent of Ex-Im Bank's transactions directly benefitted small businesses in FY2013. If the United States is going to regain a greater share of the global export market—valued at more than $11 billion—small businesses must play a role. The Ex-Im Bank is vital to help small businesses win in the global marketplace.

Fact: Ex-Im financing fills market gaps and requires businesses to pay fees for its services.

The Ex-Im Bank provides financing that is critical to fill gaps in private-sector financing for small and large manufacturers. The Ex-Im Bank does not provide subsidies or grants to any companies, governments or financial institutions.

Companies must pay application fees and exposure fees for Ex-Im loans, credit insurance and loan guarantees as well as interest for direct loans. Those fees and interest payments cover the cost of Ex-Im's operations and go into the loan-loss account that would cover any defaults.

The Ex-Im Bank is simply a tool that helps level the playing field for U.S. exporters competing against foreign companies that receive financing support—and even sometimes direct subsidies—from their governments. It also helps small businesses enter emerging markets that have huge opportunity but limited financial infrastructure.

Fact: The Ex-Im Bank follows U.S. government–set accounting procedures, producing low-risk outcomes and operating at no cost to taxpayers.

Like other federal programs, the Ex-Im Bank uses accounting methods mandated by the Federal Credit Reform Act of 1990.

The Ex-Im Bank keeps its default rate under 2 percent—the goal set by Congress. At last tally, it was just 0.3 percent. The Ex-Im Bank only authorizes transactions with a reasonable assurance of repayment.

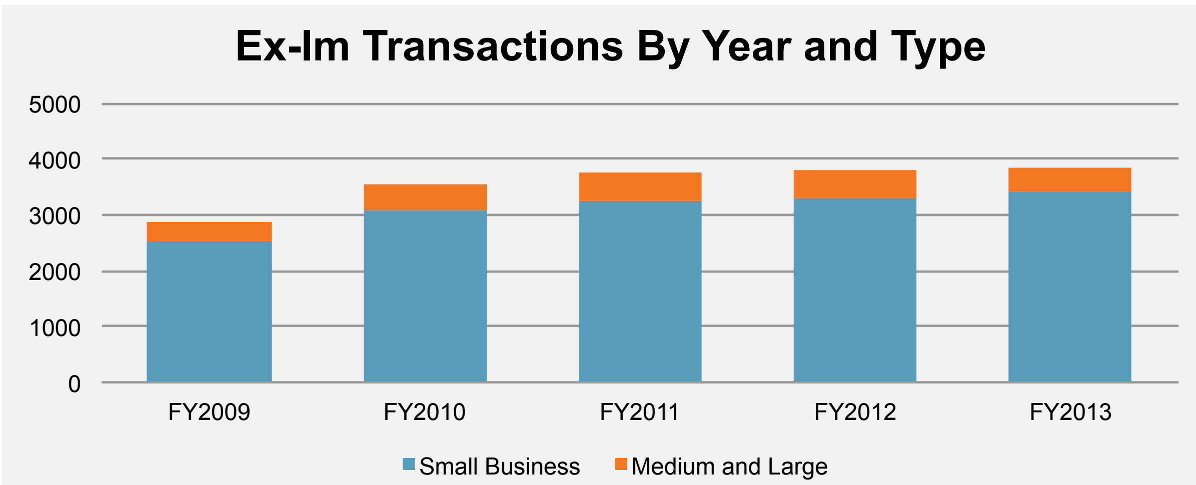
The Ex-Im Bank is self-sustaining, covering its cost of operations with the fees it brings in. Most Ex-Im loans are backed by collateral of real goods, with the ability to repossess the assets and redeploy if necessary. Since 1934, the Ex-Im Bank's loan-loss rate has remained below 2 percent.

Not only does the Ex-Im Bank operate at no cost to taxpayers, but it also generates a profit that helps offset the federal deficit. Last year alone, the Ex-Im Bank sent more than $1 billion to the U.S. Treasury—after covering its own expenses.

Where a customer goes out of business or defaults on its loan, the Ex-Im Bank has a loan-loss reserve account of about $4 billion. The Ex-Im Bank contributes to that loan-loss reserve fund from the fees and interest it brings in from its customers, not from taxpayer dollars.

Fact: While many U.S. exporters can operate without assistance, the Ex-Im Bank is critical to help thousands of small businesses grow their exports and employees.

The Ex-Im Bank provides critical services—from insurance guarantees and export financing—that can make or break a sale for thousands of small businesses seeking to grow through exports where private-sector lending and guarantees are not available on a competitive, market-based rate. For example, in some cases, foreign banks refuse to provide financing for products from overseas. U.S. banks also face regulatory and legal prohibitions against asset-based lending in many overseas markets or find it too costly to administer such loans. In still other cases, small business exporters have no guarantee they will be paid for their goods once they arrive in foreign ports. The Ex-Im Bank fills these gaps through a variety of services to ensure competitive financing for U.S. exporters.



Fact: The Ex-Im Bank is crucial to American job growth.

In FY 2013, the Ex-Im Bank supported an estimated 205,000 U.S. jobs at more than 3,400 companies—nearly 90 percent of them small businesses. Given that one in three manufacturing jobs depends on exports, according to the U.S. Department of Commerce, the Ex-Im Bank's mission to grow exports is a critical part of a sustained job growth strategy.

Over the past decade, exports grew more than five times as fast as shipments to the domestic market. According to Ex-Im's methodology, which is designated by the U.S. government's Trade Promotion Coordinating Committee, the Ex-Im Bank supports 6,390 jobs per $1 billion of U.S. exports. To generate the rate of job growth that we all want, the United States must export to rapidly growing markets overseas. This won't be possible without support from the Ex-Im Bank.

Fact: Failure to reauthorize the Ex-Im Bank will send manufacturing jobs overseas.

A lapse in Ex-Im authorization would threaten the competitiveness of manufacturers in the United States, particularly the thousands of small and medium-sized manufacturers that depend on the Ex-Im Bank to reach new markets. Failure to reauthorize the Ex-Im Bank would mean that foreign competitors will win sales with the backing of highly aggressive foreign trade finance programs, while the United States will lose new manufacturing opportunities and jobs. In short, the Ex-Im Bank would amount to unilateral disarmament in the face of a highly competitive global economy.