

RESPONSE TO TERMS OF CLEARANCE
OMB NUMBER 3048-0013
EX-IM BANK NUMBER EIB 95-10
APPLICATION FOR LONG-TERM LOAN OR GUARANTEE

We have spoken with several of our major exporters regarding the Application for Long-Term Loan or Guarantee. The application covers a broad range of Ex-Im products. The two extremes of the range are: 1) Someone requesting a sovereign loan or guarantee will spend 1-1.5 hours filling out and assembling their application. 2) Someone requesting limited recourse financing will spend 7-8 hours assembling the materials and filling out the application. The attachments required with the application (feasibility studies, financial models, etc.) would have already been done for the customer's benefit to help gauge the viability of the deal. Most of our customers have been doing business with us for a period of years, and are familiar with the questions in the application. Prior to our submission of the application to OMB for approval in 2003, we had consulted with our respondent community to obtain their suggestions for improvements to the application. Also, in December 2006 we consulted once again with several of our major exporters for suggestions to improve the application and to inquire about the time it took for them to fill out the application, read instructions, gather and reproduce the materials, etc. Since 2003, no changes have been made to the questions. There have been recent changes to the certification and notice sections that were approved by OMB.

We looked at the 86 applications received from December 1, 2005 through November 30, 2006. There were three limited recourse transactions received during that period. I estimated 8 hours for the limited recourse transactions. For most of the transportation transactions we estimated 1.5 hours to 7.5 hours; some power plants, 2.5 hours; oil and gas, 3 hours; and construction, 1.5 to 3 hours. Our overall average was 2.03 hours for the burden.

Though there are 8 attachments to the application, the customer is required to fill out only those attachments that apply to the specific type of transaction. Aircraft transaction applicants would use attachments A, B, and D. Attachment C is used only for transactions involving tied aid. All applicants must use attachment D. Attachment E is used only for transactions financing used equipment. Attachment F is used for projects and structured finance transactions, including limited recourse transactions. Attachment G is used by all applicants except for aircraft and project finance transactions. Attachment H is used only if the transaction is co-financed with a foreign export credit agency. There were 10 transactions where Attachment H was used.

Four of our employees filled out the application. The time it took to fill out the application and 1 to 3 attachments ranged from 30 minutes to 1 hour. This did not involve the assembling of material.