

Export-Import Bank Expands into Financing Aftermarket for Foreign-Built Aircraft; President Signs Bill Reauthorizing Charter

by Mark N. Lessard

The United States Export-Import Bank has announced a new policy to finance transactions of U.S.-produced goods and services for aftermarket use on foreign-manufactured aircraft. This policy will allow Ex-Im Bank to support sales by U.S. suppliers of products such as flight simulators, escape slides and entertainment systems for use on aircraft manufactured by the likes of Airbus, Bombardier and Embraer. The new policy will also allow Ex-Im Bank to finance the delivery of U.S.-based maintenance and repair services for non-U.S. built aircraft and engines. Ex-Im Bank policy will, however, continue to prohibit the bank from financing non-small-business sales of capital goods, services and major component sales to large-foreign-aircraft manufacturers.

Also, President Obama today signed into law the Export-Import Bank Reauthorization Act of 2012 (H.R. 2072) extending Ex-Im Bank's authority for three years and raising its credit exposure ceiling to \$140 billion from \$100 billion by 2014.

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