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Export-Import Bank of the United States
Freedom of Information and Privacy Office
811 Vermont Ave., NW
Washington, D.C. 20571
Fax: (202) 565-3294
E-Mail: foia@exim.gov
[Online Freedom of Information Act Request Form](#)

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EXPORT-IMPORT BANK
OF THE UNITED STATES

June 27, 2017

Via Electronic Mail

Re: FOIA Request # 201600024F

This is a final response to your Freedom of Information Act (FOIA) request to the Export-Import Bank of the United States (Ex-Im Bank). We received your request in our FOIA Office via E-Mail on February 16, 2016. You requested "[a] copy of each current contract between EXPORT IMPORT BANK OF THE UNITED STATES AND PEFCO."

We conducted a comprehensive search of the files within the Office of General Counsel for records that would be responsive to your request, as well as electronic searches of the components within Ex-Im Bank in which responsive records could reasonably be expected to be found. The search produced the attached record. After carefully reviewing the responsive document, we have determined it is releasable in its entirety; no deletions or exemptions have been claimed. For your convenience, we are attaching the document to this message as a PDF.

For your information, Congress excluded three discrete categories of law enforcement and national security records from the requirements of the FOIA. See 5 U.S.C. §552(c) (2006 & Supp. IV 2010). This response is limited to those records that are subject to the requirements of the FOIA. This is a standard notification that is given to all of our requesters and should not be taken as an indication that excluded records do, or do not, exist.

Ex-Im Bank's FOIA regulations at 12 C.F.R.404.9 (a) state that Ex-Im Bank shall charge fees to recover the full allowable direct cost it incurs in processing request. In this instance, because the first 100 pages are free, as are the first two hours of search time, there is no charge.

I trust that this information fully satisfies your request. If you need further assistance or would like to discuss any aspect of your request please do not hesitate to contact our FOIA Public Liaison, Ms. Lennell Jackson at (202) 565-3290 or by E-Mail at Lennell.Jackson@exim.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "David M. Sena", with a long horizontal flourish extending to the right.

David M. Sena
Chief FOIA Officer

Attachment: PDF file

GUARANTEE AGREEMENT

GUARANTEE AGREEMENT, dated as of December 15, 1971, between Export-Import Bank of the United States ("Eximbank") and Private Export Funding Corporation ("PEFCO").

WHEREAS, PEFCO has been organized, with the support of Eximbank, for the purpose of mobilizing private capital to assist in financing exports of United States products and services;

WHEREAS, Eximbank is prepared to cooperate with PEFCO in order to assist in financing exports and to increase the participation of private capital in financing exports from the United States to the extent consistent with Eximbank's statutory mandate to aid in financing and facilitating those exports;

WHEREAS, PEFCO and Eximbank have entered into a Guarantee and Credit Agreement dated as of February 1, 1971 pursuant to which PEFCO has agreed, among other things, that it will not purchase any obligation guaranteed by Eximbank unless it shall have received the prior approval of such purchase from Eximbank;

WHEREAS, PEFCO and Eximbank have entered into an agreement dated March 11, 1971 pursuant to which the parties agreed on the principal terms of the guarantee by Eximbank of obligations of purchasers of U. S. goods or services being acquired by PEFCO; and

WHEREAS, the parties are now prepared to implement said March 11, 1971 agreement and define in more detail the terms of such guarantee and the obligations to which such guarantee will apply;

Now, THEREFORE, in consideration of the premises and the covenants herein contained, PEFCO and Eximbank hereby agree:

ARTICLE 1

DEFINITIONS

The terms defined herein shall for the purpose for this Agreement have the meanings specified unless the context otherwise requires:

1.01—"Borrower" means an entity purchasing, or financing the purchase of, U. S. products or services, which is borrowing funds from PEFCO.

1.02—"Event of Default" means an event of default as defined in the applicable Loan Agreement.

1.03—"Guaranteed Payments" means the principal of and the interest on Obligations.

1.04—"Loan Agreement" means an agreement providing for loans by PEFCO to a Borrower, in such form as Eximbank may approve as provided in Section 2.01.

1.05—"Obligation" means an evidence of indebtedness of a Borrower received by PEFCO pursuant to a Loan Agreement and any evidence of indebtedness issued in substitution of or exchange for any evidence of indebtedness so received including evidences of indebtedness delivered by Eximbank pursuant to Section 2.02(b).

ARTICLE 2

GUARANTEE

2.01 (a) Pursuant to the Guarantee and Credit Agreement referred to above, PEFCO will request the approval of Eximbank of participation by PEFCO in any proposed financing transaction in which PEFCO expects to acquire foreign importer evidences of indebtedness and will advise Eximbank of the

proposed terms of such transaction, including, without limitation, the interest rate and payment terms of such evidences of indebtedness. When, as and if Eximbank approves such participation and such terms, Eximbank will so notify PEFECO.

(b) (i) Eximbank will prepare the form of loan agreement for proposed financing transactions in which PEFECO will participate. The form of any such agreement shall be reviewed with PEFECO with respect to any provisions thereof which affect PEFECO, and Eximbank shall negotiate with the prospective borrower for such changes in the form of loan agreement as PEFECO may reasonably request.

(ii) With the prior approval of Eximbank, PEFECO may prepare and submit to Eximbank a proposed form of loan agreement evidencing any such financing transaction and will submit to Eximbank such other documents relating to the transaction and the proposed borrower as Eximbank may reasonably request and as PEFECO can reasonably obtain. PEFECO will negotiate with the prospective borrower for such changes in the form of loan agreement as Eximbank may reasonably request. Eximbank will confirm its approval of the final form of any such loan agreement to be entered into by PEFECO.

(c) Eximbank will have the right to review and approve the conformity with the relevant Loan Agreement of any documents delivered to PEFECO to satisfy conditions precedent to disbursements by PEFECO under such Loan Agreement.

(d) For purposes of this Agreement, execution by Eximbank of any Loan Agreement of which both Eximbank and PEFECO are to be signatories shall constitute approval of the final form of such Loan Agreement. Eximbank shall be deemed to have approved documents delivered to PEFECO to satisfy conditions precedent to disbursements by PEFECO (i) if Eximbank and PEFECO have agreed to make simultaneous disbursements and Eximbank disburses under such Loan Agreement or (ii) if Eximbank, after having had opportunity to review such documents, fails to make timely objection to such documents.

2.02 (a) Eximbank hereby guarantees fully and unconditionally the due and punctual payment in United States Dollars of the principal of and interest on all Obligations, without deduction for, or reduction by reason of, any present or future taxes, levies or imposts of any jurisdiction outside the United States,

(b) In the event of a failure for 10 days in payment, when and in the manner due, whether at maturity or upon acceleration or otherwise, of any Guaranteed Payment, Eximbank will, upon demand, pay to PEFECO such defaulted Guaranteed Payment plus interest on defaulted amounts of principal accrued to the date of payment by Eximbank. After an Event of Default shall occur under any Loan Agreement, PEFECO may elect (i) to have Eximbank service the Obligations under such Loan Agreement by continuing the payment of interest and principal in accordance with the terms of such Obligations or (ii) to exercise the right to accelerate the maturity of such Obligations and have Eximbank pay the entire principal amount of such Obligations plus interest accrued to the date of payment. If PEFECO elects to exercise its right under clause (ii) of the preceding sentence, Eximbank shall have the option to purchase and pay for any such Obligation by the delivery of another Obligation or other Obligations guaranteed by Eximbank and marked with the legend provided for in Section 2.04, having a yield to PEFECO at least equal to the yield on, and with approximately the same remaining installments payable on approximately the same stated maturities as, the Obligation so accelerated or to be accelerated. Any demand by PEFECO under this Section 2.02(b) shall identify the Obligation or Obligations in default and the amount of the Guaranteed Payment due and payable.

2.03 Eximbank hereby waives diligence, demand, protest, presentment, any requirement that PEFECO exhaust any right or power or take any action against a Borrower and any notice of any kind whatsoever other than demand required to be given to Eximbank under this Guarantee Agreement and other than notice to any guarantor (other than Eximbank) of any Obligation in default to be given not less than five days prior to demand on Eximbank hereunder. Eximbank agrees that its obligations hereunder shall be valid and binding irrespective of the present or future validity, regularity or enforceability

of the Loan Agreements, the Obligations or related instruments and irrespective of the failure of PEFCO to obtain or retain any rights against any person or persons (including the Borrower). Eximbank will satisfy itself as to the legal formalities related to the execution and validity of each Loan Agreement, of the Obligations, and of the aforementioned documents, and PEFCO agrees to assist Eximbank by obtaining, at the request of Eximbank, opinions of PEFCO's counsel as to such matters governed by New York law as Eximbank may reasonably request. Insofar as the enforceability of Eximbank's obligations hereunder is concerned, PEFCO shall be responsible only for obtaining the approval of Eximbank pursuant to Section 2.01 and marking of the Obligations pursuant to Section 2.04.

2.04 Eximbank agrees at the (time of issuance) of each Obligation to mark such Obligation with an identifying legend substantially in the following form:

"Repayment of the indebtedness evidenced hereby is guaranteed pursuant to the Guarantee Agreement dated as of December 15, 1971 between Export-Import Bank of the United States and Private Export Funding Corporation.

EXPORT-IMPORT BANK OF THE UNITED STATES

By

2.05 PEFCO shall pay or cause the Borrower to pay to Eximbank at the Federal Reserve Bank of New York for credit to Eximbank Account 4984 with the Treasurer of the United States, Washington, D. C., (or at such other place or in such other manner as Eximbank may from time to time specify in writing) a guarantee fee of one-half of 1% per annum of the principal amount of the Obligations held by PEFCO and from time to time outstanding under each Loan Agreement, reduced by any principal amounts which Eximbank has paid to PEFCO pursuant to its guarantee under Section 2.02. The guarantee fees in respect of the Obligations outstanding under any Loan Agreement shall be payable semi-annually and shall be calculated on the basis of the actual number of days using a 365-day factor. With each payment of the guarantee fee, there will be submitted a statement substantially in the form of Exhibit A hereto. Eximbank may, by written notice to PEFCO at any time, lower the guarantee fee. By similar notice, Eximbank may raise the guarantee fee but only with respect to Obligations to be issued in a financing transaction approved by Eximbank after receipt by PEFCO of notice of such increase in the fee.

2.06 After receipt by PEFCO of payment in full of principal of and interest on all Obligations issued under a Loan Agreement in respect of which Eximbank has made a payment under its guarantee, PEFCO shall, if so requested by Eximbank, transfer to Eximbank without any recourse on or warranty by PEFCO, expressed or implied, PEFCO's rights in, to and under the Obligations and the related Loan Agreement and any other contractual rights or security PEFCO may have with respect thereto (except contractual rights in respect of amounts payable by the Borrower for commitment fees and reimbursement of expenses accrued prior to such transfer).

ARTICLE 3

COVENANTS

3.01 PEFCO agrees that so long as any Obligations remain outstanding:

(i) it will not, without Eximbank's prior written consent, amend a Loan Agreement or grant any written consent to any material deviation from the provisions thereof; and

(ii) it will maintain, and at Eximbank's request make available for Eximbank's inspection, all documents submitted to PEFCO under a Loan Agreement to satisfy the conditions precedent to acquisition of Obligations pursuant thereto and will not dispose of such documents without the prior written consent of Eximbank, until such time as the indebtedness is paid in full.

3.02 The only duty of PEFECO to Eximbank in administering each Loan Agreement shall be to notify Eximbank promptly of the occurrence of any Event of Default known to PEFECO or of the receipt of any notice from the Borrower of an intention not to pay or an inability to pay amounts due or to become due on the Borrower's Obligations and upon the receipt of any such notice Eximbank may elect to deal directly with the Borrower. PEFECO shall cooperate fully with Eximbank and its assigns in any action taken by Eximbank in the collection of the defaulted payments for which Eximbank has paid PEFECO and in the enforcement of the provisions of a Loan Agreement.

ARTICLE 4

GENERAL

4.01 PEFECO, with the prior written approval of Eximbank which approval shall not be unreasonably withheld, may assign any Obligations and transfer or otherwise assign its rights under this Agreement to (i) a trustee or trustees under one or more indentures pursuant to which PEFECO securities may be issued or (ii) a lender or a representative of lenders to PEFECO. If Eximbank approves any such assignment and transfer, Eximbank agrees to enter into an agreement with any such trustee or lender to the effect that Eximbank will make payments required hereunder directly to such trustee or lender and will recognize the right of such trustee or lender to exercise the rights of PEFECO hereunder. Except as otherwise provided above, PEFECO shall not, without the prior written approval of Eximbank, sell, assign or transfer any Obligation.

4.02 PEFECO shall not, without the prior written consent of Eximbank, impose any charge in connection with the acquisition of Obligations other than the charges and reimbursements specified in the Loan Agreement.

4.03 This Agreement shall be construed and enforced in accordance with the laws of the State of New York.

EXPORT-IMPORT BANK OF THE UNITED STATES

By HENRY KEARNS

PRIVATE EXPORT FUNDING CORPORATION

By JOHN R. BURTON
President

EXHIBIT A

EXPORT-IMPORT BANK OF THE UNITED STATES
811 Vermont Avenue, N.W.
Washington, D. C. 20571

Attention: Office of the Treasurer-Controller

Re: Eximbank Guarantee Fee

Dear Sirs:

In compliance with the provisions of the PEFCO Loan Agreement dated
....., 19.. with,
we enclose the guarantee fee of US \$....., computed as follows:

1. Payment Date:
2. Principal Amounts Outstanding from time to time
during six month period ending on Payment Date: \$..... Days.....
\$..... Days.....
\$..... Days.....
3. Guarantee Fee Due and Remitted to Eximbank:
($\frac{1}{4}$ of 1% per annum of Item 2 above) \$.....

Very truly yours,

[PRIVATE EXPORT FUNDING CORPORATION
or
.....
(Borrower)]

By
Authorized Signature
Name and Title

[CONFORMED COPY]

GUARANTEE AND CREDIT AGREEMENT, AS AMENDED

AGREEMENT, dated as of February 1, 1971, as amended as of March 26, 1971, and as amended as of April 8, 1994 between Export-Import Bank of the United States ("Eximbank") and Private Export Funding Corporation ("PEFCO").

WHEREAS, PEFCO has been organized, with the support of Eximbank, for the purpose of mobilizing private capital to assist in financing exports of United States products and services;

WHEREAS, Eximbank is prepared to cooperate with PEFCO in order to assist in financing exports and to increase the participation of private capital in financing exports from the United States to the extent consistent with Eximbank's statutory mandate to aid in financing and facilitating those exports:

WHEREAS, in order to accomplish the foregoing objectives and to induce third parties to purchase or accept its debt obligations, PEFCO has requested Eximbank to guarantee interest payments on certain PEFCO debt obligations and to make a line of credit available to PEFCO to provide it with necessary liquid funds and to facilitate the timing of the issuance of PEFCO's debt obligations; and

WHEREAS, Eximbank is willing to give such guarantees of interest and to make such a line of credit available to PEFCO on the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and the mutual undertakings herein contained, PEFCO and Eximbank hereby agree:

ARTICLE 1

DEFINITIONS

The terms defined in this Article 1 shall for all purposes of this Agreement have the meanings herein specified unless the context otherwise specifies or requires:

1.01 "Available Assets" means cash and securities of the types described in Section 4.01(v), including securities issued by persons other than PEFCO and guaranteed by Eximbank, not pledged to secure any obligation of PEFCO and taken at the amounts carried on PEFCO's books at the time of calculation, plus the aggregate additional amounts which PEFCO can call from purchasers of shares of its capital stock pursuant to the terms of their purchases.

1.02 "Capital Account" means the sum of (i) the gross proceeds received by PEFCO from purchasers of shares of its capital stock and (ii) the aggregate additional amounts which PEFCO can call from such purchasers pursuant to the terms of their purchases.

1.03 "Guaranteed Security" or "Guaranteed Securities" means a debt obligation or debt obligations of PEFCO the payment of interest on which is guaranteed by Eximbank pursuant to Section 2.01.

1.04 "Independent Certified Public Accountant" means an accountant recognized at the time by the Securities and Exchange Commission of the United States pursuant to its Regulation S-X as a certified public accountant and who is in fact independent of PEFCO in accordance with the standards contained in such Regulation S-X.

1.05 "Long-Term Debt" means indebtedness for borrowed money other than Short-Term Debt and other than indebtedness to Eximbank.

1.06 "Net Worth" means the excess of PEFCO'S assets over its liabilities reduced by debt discount and expense net of debt premium.

1.07 "Officer's Certificate" means a certificate executed by the Chairman of the Board, the President, any Vice President or the Treasurer of PEFCO.

1.08 "Short-Term Debt" means indebtedness for borrowed money, other than indebtedness to Eximbank, payable on demand or maturing by its terms in less than 5 years from the date on which it was originally incurred (unless any debt is renewable or extendible at the option of PEFCO for a period ending 5 years or more after such date).

ARTICLE 2

GUARANTEE OF INTEREST OF PEFCO DEBT OBLIGATIONS

2.01 (i) Eximbank hereby agrees that it will, at the request of PEFCO, fully and unconditionally guarantee the due and punctual payment of all interest on any debt obligation of PEFCO which Eximbank shall approve for issuance by PEFCO under Section 4.01, and in case of the failure of PEFCO to pay any interest on any Guaranteed Security, Eximbank agrees to pay directly to the trustee acting for the benefit of the holder or holders of such Guaranteed Security the amount of such unpaid interest (or such amount as, together with other funds in the hands of such trustee for the payment of such interest, shall be sufficient for the payment of such interest in full) punctually when and as the same shall be come due and payable.

Eximbank intends the guarantee to give further security to the holders of the Guaranteed Securities and does not intend the performance of its obligations under this Agreement to impair the right of holders of Guaranteed Securities to receive payment of principal of the Guaranteed Securities and therefore agrees that any claims which Eximbank may have against PEFCO which respect to or arising from any guarantee issue pursuant to this Section 2.01 shall not be collected from assets specifically pledged to secure the Guaranteed Securities or from the pledged proceeds of such assets, unless and until the holders of the Guaranteed Securities shall have received final payment in full. The said guarantees shall not be affected by failure or omission by the holder of any Guaranteed Security (or any trustee acting for the benefit of such holder) to exercise any right or power or take any action in respect of such Guaranteed Security, or by termination of this Agreement or any breach hereof by PEFCO.

(ii) Eximbank further agrees that it will, upon the written request of PEFCO and any trustee acting for the benefit of holders of any Guaranteed Securities, enter into an agreement with such trustee, in such forms as Eximbank, PEFCO and such trustee shall agree upon, to evidence Eximbank's agreement under Section 2.01(i).

2.02. (i) PEFCO agrees that if Eximbank shall have made any payment under its guarantees issued pursuant to Section 2.01, PEFCO will immediately, if PEFCO's Net Worth exceeds 25% of its Capital Account, apply Available Assets (calculated as of the end of the month immediately prior to the payment by Eximbank) to reimburse Eximbank for such payment.

(ii) PEFCO agrees that it will (a) pay interest semi-annually on June 30 and December 31 to Eximbank on the unreimbursed amount of any payments made by Eximbank under its guarantees issued pursuant to Section 2.01 (calculated on the basis of the actual number of days outstanding using a 365-day factor) at the prevailing rate of interest charged by Eximbank on direct loans made in the ordinary course of business on the date of such payment by Eximbank and (b) within 75 days after the end of each half of its fiscal year, reimburse Eximbank by the extent of PEFCO's net income for the semi-annual period just completed, determined in accordance with generally accepted accounting principles, for any payment (not previously reimbursed) made by Eximbank under its guarantees issued pursuant to Section 2.01.

(iii) PEFCO further agrees that it will in any case reimburse Eximbank for any such payment (not previously reimbursed), together with interest thereon calculated on the basis stated in the sentence preceding, one year after payment in full of the last maturing Guaranteed Security.

2.03. PEFCO agrees to pay to Eximbank, on the 20th day of January and July in each year, a guarantee fee on the total interest on guaranteed Securities accrued by PEFCO during the preceding semi-annual calendar period. This fee will be computed as follows:

(a) $\frac{1}{4}$ of 1% of such semi-annual interest expense up to a maximum of \$1,000,000 of such interest expense;

(b) $\frac{3}{16}$ of 1% of such semi-annual interest expense in excess of \$10,000,000 of such interest expense and up to a maximum of \$20,000,000 of such interest expense; and

(c) $\frac{1}{8}$ of 1% of such semi-annual interest expense in excess of \$20,000,000 of such interest expense.

ARTICLE 3

SHORT-TERM REVOLVING CREDIT

3.01 Eximbank hereby establishes in favor of PEFCO a revolving line of short-term credit of not exceeding Fifty Million Dollars (\$50,000,000) against which Eximbank will, subject to the terms and conditions specified herein, make advances from time to time during the period from the date hereof to and including the date of expiration of this Agreement at such time and in such amount as to each advance as PEFCO may request. Each request shall be accompanied by an Officer's Certificate specifying the purpose, as defined in Section 3.02, for which the advance is requested. Each advance shall be made against delivery of, and shall be evidenced by, a note substantially in the form of Exhibit A hereto, dated the date of the advance and payable to the order of Eximbank in the principal amount of the advance. Each such note shall mature six months after the date thereof or on the last day of Eximbank's fiscal year in which the advance is made, whichever shall first occur, it being the intent hereof that on June 30 of each year there shall be no outstanding borrowings under this Section 3.01. Each note shall bear interest on the unpaid principal amount thereof from the date of the advance until payment in full at the prevailing rate of interest charged by Eximbank on other direct loans made in the ordinary course of business on the date of the advance. PEFCO may prepay a short-term revolving credit not in whole at any time or in part from time to time, without premium or penalty, upon payment of accrued interest on the portion to be prepaid to the date of prepayment. Within the limits of the commitment specified herein, PEFCO may borrow, pay or prepay and reborrow pursuant to this Section 3.01. PEFCO may at any time by notice in writing to Eximbank cancel without premium or penalty any then unused portion of the line of credit. Should any such cancellation occur, this line of credit may only be reinstated with the written agreement of PEFCO and Eximbank, such agreement to set forth the terms and conditions of such reinstatement.

3.02 PEFCO agrees that the proceeds of any advances made pursuant to Section 3.01 shall be applied only (i) to purchase obligations arising from the financing of United States exports and guaranteed by Eximbank, (ii) to pay or prepay principal, premium, and interest on debt obligations of PEFCO or (iii) to pay other expenses incurred by PEFCO in the ordinary course of its business.

3.03 If Eximbank and PEFCO determined that PEFCO is unable to obtain necessary funds upon terms and at a cost which are reasonable in the light of then current market conditions to pay any short-term revolving credit note, Eximbank will, upon maturity of that note and upon payment of accrued interest thereon, accept as payment of such note a new revolving credit note dated the due date of such maturing note and payable to the order of Eximbank in a principal amount equal to the unpaid principal amount of the maturing note, bearing interest at the prevailing rate of interest charged by Eximbank on the date of the new note and maturing six months after the date thereof or on such other date as Eximbank and PEFCO may agree. Nothing in this Section 3.03 shall be construed to modify the intent expressed in Section 3.01 that on June 30 of each year there shall be no outstanding borrowings under Article 3 of this Agreement.

3.04 PEFCO agrees to pay to Eximbank, on the last day of each calendar quarter, a commitment fee accruing from the date of the completion of PEFCO's initial public offering of its common stock computed at the rate of 1/2 of 1% per annum, on the basis of actual number of days using a 365-day factor, on that portion of the commitment of Eximbank under Section 3.01 which was not utilized on each day during such quarter.

ARTICLE 4

COVENANTS

4.01 So long as this Agreement is in effect, PEFCO will not, without the prior approval of Eximbank:

- (i) create, acquire (by purchase or otherwise), merge into, consolidate with, or transfer all or substantially all of its assets to, any other corporation, association or other legal entity;
- (ii) incur or assume any Guaranteed Security or any Long-Term Debt, whether or not a Guaranteed Security, except within the limits of such terms, at such times, and in such amounts as may be approved by Eximbank;
- (iii) prepay, purchase, redeem or otherwise acquire prior to the originally stated maturity date (except pursuant to sinking fund obligations) thereof any Long-Term Debt of PEFCO except on such terms, at such times, and in such amounts as may be approved by Eximbank;
- (iv) incur or assume any Short-Term Debt if after such incurrence or assumption outstanding Short-Term Debt exceeds the proportion approved from time to time by Eximbank of all PEFCO's outstanding debt obligations; provided, however, that if Eximbank has denied approval for the issuance by PEFCO of Long-Term Debt (or failed to give such approval for a period of 15 days after receipt of a

request therefor in writing), then for the six months succeeding such denial, PEFCO may issue Short-Term Debt upon delivery to Eximbank of an Officer's Certificate that such issuance is necessary in order for PEFCO to meet its then existing commitments;

(v) invest its surplus funds other than in (a) time deposits in or acceptances of banks which are members of the Federal Deposit Insurance Corporation, (b) securities which are direct obligations of, or obligations fully guaranteed or fully insured by, the United States of America or, if the full faith and credit of the United States of America is pledged therefor, obligations of any agency or instrumentality of the United States of America (other than Eximbank) and (c) other securities of types approved by Eximbank, including securities of or securities guaranteed by Eximbank; or

(vi) declare or pay any dividend on or authorize or make any other distribution on account of any shares of any class of stock of PEFCO (other than dividends or distributions payable in shares of stock of PEFCO), whether now or hereafter outstanding, or make any payment on account of the purchase, acquisition, redemption or other retirement of any shares of such stock if (x) after giving effect to such dividend, distribution, purchase, redemption or other acquisition, the guidelines agreed upon by Eximbank and PEFCO from time to time would be contravened, or (y) Eximbank shall have made a payment under any guarantee issued pursuant to Section 2.01 and such payment together with interest thereon shall not have been fully repaid to Eximbank.

4.02. (i) Eximbank shall have the right to have two representatives present at all meetings of the Board of Directors, Executive Committee, Management Committee or any similar body of PEFCO. Such representatives shall be given the same notice of all such meetings as is given to directors or other members of such bodies and Eximbank's representatives shall be entitled to participate in the deliberations but shall not be entitled to vote.

(ii) Authorized representatives of Eximbank shall have the right at all reasonable times to examine PEFCO's books of account and other records at PEFCO's offices and discuss its affairs, finances and accounts with its officers and with the Independent Certified Public Accountants who are the auditors of PEFCO, at such reasonable times as Eximbank may desire.

4.03 (i) Within 20 days after the end of each quarter of each fiscal year, PEFCO shall deliver to Eximbank copies of PEFCO's consolidated balance sheet as of the end of such quarterly period and of its consolidated statement of income or loss and retained earnings or deficit through such quarter, all in reasonable detail and certified by an authorized financial officer of PEFCO and after the first full year of operations showing in comparative form the figures for the corresponding dates and periods one year prior thereto.

(ii) Within 75 days after the end of each fiscal year, PEFCO shall deliver to Eximbank copies of PEFCO's consolidated balance sheet as of the end of such year and of its consolidated statements of income or loss and retained earnings or deficit for such year (or in the first year of its operations, for such portion of the year as it shall have carried on business), all in reasonable detail together with an opinion thereon of PEFCO's Independent Certified Public Accountants and after the first full year of operations showing in comparative form the figures for the preceding year.

(iii) Prior to each fiscal year, PEFCO shall prepare in reasonable detail an operating budget including administrative expenses and a cash budget and deliver copies of the same to Eximbank.

(iv) Whenever PEFCO has reason to believe that it will be unable to make when and as due an interest payment on any Guaranteed Security, PEFCO will promptly (and in any event at least 10 days prior to the due date of such interest payment) so notify Eximbank.

4.04. ~~Eximbank~~ ^{PEFCO} agrees that, without the prior approval of Eximbank, it will not engage in any business other than financing exports of products and services from the United States; provided, however, that the foregoing clause shall not prevent PEFCO from investing such of its funds as it does not require for the financing of exports in securities of the kinds specified in Section 4.01(v).

4.05 PEFCO agrees that it will not purchase any obligation guaranteed by Eximbank unless it shall have received the prior approval of such purchase from Eximbank, and Eximbank will not grant such approval and issue its guarantee on an obligation that it approves for purchase by PEFCO unless, in the judgment of the Board of Directors of Eximbank, traditional sources of private capital are not available on a competitive basis for the purchase of such obligation.

4.06 Eximbank will, if necessary and to the extent that funds may be obtained in accordance with Section 6 of the Export-Import Bank Act of 1945, as amended, issue and sell to the Secretary of the Treasury its notes, debentures, bonds or other obligations, in such amount or amounts which, together with other funds available to Eximbank for such purpose, shall be sufficient to make the advances to PEFCO required hereunder and any payments which may be required under Eximbank guarantees issued pursuant to Section 2.01.

ARTICLE 5

TERMINATION; THIRD PARTY RIGHTS; MISCELLANEOUS

5.01 This Agreement shall terminate on December 31, 2020, but such termination shall not affect the validity or continued effectiveness of any then outstanding guarantee

under Section 2.01 or the obligation of PEFCO to reimburse Eximbank in accordance with Section 2.02 for any payment by Eximbank under any such guarantee; provided that nothing in this Agreement shall require Eximbank (i) to issue its guarantees pursuant to Article 2, (ii) to make advances pursuant to Article 3 or (iii) to accept as payment of any short-term revolving credit note, a new revolving credit note pursuant to Section 3.03, on any date on which the corporate existence of Eximbank shall terminate or on which Eximbank shall not have corporate existence. PEFCO shall have the right, at any time when it is not indebted to Eximbank hereunder, upon 60 days' prior written notice, unilaterally to cancel this Agreement on December 31 of any year, but such cancellation shall not affect any then outstanding guarantee or PEFCO's obligation to pay fees in respect of such guarantee in accordance with Section 2.03 and to reimburse Eximbank for any subsequent payment by Eximbank under any such guarantee.

5.02. Subject to the proviso to the first sentence of Section 5.01, Eximbank agrees that, so long as any debt obligations of PEFCO shall be owing to persons other than Eximbank, Eximbank will in no event exercise any right it may have to terminate, cancel or rescind this Agreement or any right it may have to terminate, cancel, suspend or delay in making advances to PEFCO hereunder, all of which rights Eximbank expressly waives for the benefit of persons other than Eximbank holding debt obligations of PEFCO.

5.03 All notices and other communications required or permitted by the provisions of this Agreement shall be sufficiently given or transmitted if delivered by hand or when deposited, certified and postage prepaid, in the mail, or in the case of telegraphic notice when delivered to the telegraph company, charges prepaid, addressed to the party at the

address written below or to such other address as the party addressed shall have furnished in writing to the party sending such communication for the purpose:

Eximbank:

Export-Import Bank of the United States
811 Vermont Avenue, N.W.
Washington, D.C. 20571

PEFCO:

Private Export Funding Corporation
280 Park Avenue
New York, New York 10017

5.04 This Agreement shall be governed by and construed in accordance with the laws of the State of New York and the rights and remedies of the parties hereunder shall be determined in accordance with such laws. All of the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the respective successors of the parties hereto. Neither this Agreement nor any provision hereof can be waived, modified or terminated except by an instrument in writing signed by the party against whom the enforcement of such waiver, modification or termination is sought. If the day for the making of any payment hereunder or for the delivery of any document, instrument or notice shall be a Saturday or Sunday or a day on which banks in the State of New York are required or permitted to be closed, then such payment may be made or such document, instrument or notice delivered on the next succeeding business day. For purposes of determining lapse of time under this Agreement, Saturdays, Sundays and any day on which Eximbank or banks in the State of New York are required or permitted to be closed shall not be counted.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized officers as of the day and year first above written.

EXPORT-IMPORT BANK OF THE UNITED STATES

[SEAL]

By HENRY KEARNS

Attest:

JOSEPH H. REGAN

PRIVATE EXPORT FUNDING CORPORATION

[SEAL]

By NELSON SCHAELEN

Attest:

JOHN R. BURTON

EXHIBIT A

PRIVATE EXPORT FUNDING CORPORATION

\$.....

....., 19..

FOR VALUE RECEIVED, Private Export funding Corporation ("PEFCO"), a company organized and existing under the laws of the State of Delaware, hereby promises to pay to the order of the Export-Import Bank of the United States ("Eximbank") the principal sum of _____ (\$_____) on _____ together with interest (calculated on the basis of the actual number of days using a 365-day factor) at the rate of ___ per cent (___%) per annum on the unpaid principal amount hereof from time to time outstanding from the date hereof until maturity. Principal and interest are payable at the Federal Reserve Bank of New York.

PEFCO shall have the right at any time and from time to time to prepay this Note in whole or in part without premium or penalty as provided in the Guarantee and Credit Agreement dated as of February 1, 1971, as amended as of March 26, 1971, and as amended as of April 8, 1994, between Eximbank and PEFCO, a copy of which may be inspected at the principal office of PEFCO.

This Note may not be transferred, assigned or otherwise disposed of without the prior written consent of PEFCO.

IN WITNESS WHEREOF, PEFCO acting through its duly authorized representative has caused this Note to be signed in its name and delivered in New York, New York.

PRIVATE EXPORT FUNDING CORPORATION

By: _____

**GUARANTEE AND CREDIT AGREEMENT,
AS AMENDED**

AGREEMENT, dated as of February 1, 1971, as amended as of March 26, 1971, between Export-Import Bank of the United States ("Eximbank") and Private Export Funding Corporation ("PEFCO").

WHEREAS, PEFCO has been organized, with the support of Eximbank, for the purpose of mobilizing private capital to assist in financing exports of United States products and services;

WHEREAS, Eximbank is prepared to cooperate with PEFCO in order to assist in financing exports and to increase the participation of private capital in financing exports from the United States to the extent consistent with Eximbank's statutory mandate to aid in financing and facilitating those exports;

WHEREAS, in order to accomplish the foregoing objectives and to induce third parties to purchase or accept its debt obligations, PEFCO has requested Eximbank to guarantee interest payments on certain PEFCO debt obligations and to make a line of credit available to PEFCO to provide it with necessary liquid funds and to facilitate the timing of the issuance of PEFCO's debt obligations; and

WHEREAS, Eximbank is willing to give such guarantees of interest and to make such a line of credit available to PEFCO on the terms and conditions hereinafter set forth;

Now, THEREFORE, in consideration of the premises and the mutual undertakings herein contained, PEFCO and Eximbank hereby agree:

ARTICLE 1

DEFINITIONS

The terms defined in this Article 1 shall for all purposes of this Agreement have the meanings herein specified unless the context otherwise specifies or requires:

1.01 "Available Assets" means cash and securities of the types described in Section 4.01(v), including securities issued by persons other than PEFCO and guaranteed by Eximbank, not pledged to secure any obligation of PEFCO and taken at the amounts carried on PEFCO's books at the time of calculation, plus the aggregate additional amounts which PEFCO can call from purchasers of shares of its capital stock pursuant to the terms of their purchases.

1.02 "Capital Account" means the sum of (i) the gross proceeds received by PEFCO from purchasers of shares of its capital stock and (ii) the aggregate additional amounts which PEFCO can call from such purchasers pursuant to the terms of their purchases.

1.03 "Guaranteed Security" or "Guaranteed Securities" means a debt obligation or debt obligations of PEFCO the payment of interest on which is guaranteed by Eximbank pursuant to Section 2.01.

1.04 "Independent Certified Public Accountant" means an accountant recognized at the time by the Securities and Exchange Commission of the United States pursuant to its Regulation S-X as a certified public accountant and who is in fact independent of PEFCO in accordance with the standards contained in such Regulation S-X.

1.05 "Long-Term Debt" means indebtedness for borrowed money other than Short-Term Debt and other than indebtedness to Eximbank.

1.06 "Net Worth" means the excess of PEFCO's assets over its liabilities reduced by debt discount and expense net of debt premium.

1.07 "Officer's Certificate" means a certificate executed by the Chairman of the Board, the President, any Vice President or the Treasurer of PEFCO.

1.08 "Short-Term Debt" means indebtedness for borrowed money, other than indebtedness to Eximbank, payable on demand or maturing by its terms in less than 5 years from the date on which it was originally incurred (unless any such debt is renewable or extendible at the option of PEFCO for a period ending 5 years or more after such date).

ARTICLE 2

GUARANTEE OF INTEREST ON PEFCO DEBT OBLIGATIONS

2.01 (i) Eximbank hereby agrees that it will, at the request of PEFCO, fully and unconditionally guarantee the due and punctual payment of all interest on any debt obligation of PEFCO which Eximbank shall approve for issuance by PEFCO under Section 4.01, and in case of the failure of PEFCO to pay any interest on any Guaranteed Security, Eximbank agrees to pay directly to the trustee acting for the benefit of the holder or holders of such Guaranteed Security the amount of such unpaid interest (or such amount as, together with other funds in the hands of such trustee for the payment of such interest, shall be sufficient for the payment of such interest in full) punctually when and as the same shall become due and payable.

Eximbank intends the guarantee to give further security to the holders of the Guaranteed Securities and does not intend the performance of its obligations under this Agreement to impair the right of holders of Guaranteed Securities to receive payment of principal of the Guaranteed Securities and therefore agrees that any claims which Eximbank may have against PEFCO with respect to or arising from any guarantee issued pursuant to this Section 2.01 shall not be collected from assets specifically pledged to secure the Guaranteed Securities or from the pledged proceeds of such assets, unless and until the holders of the Guaranteed Securities shall have received final payment in full. The said guarantees shall not be affected by failure or omission by the holder of any Guaranteed Security (or any trustee acting for the benefit of such holder) to exercise any right or power or take any action in respect of such Guaranteed Security, or by termination of this Agreement or any breach hereof by PEFCO.

(ii) Eximbank further agrees that it will, upon the written request of PEFCO and any trustee acting for the benefit of holders of any Guaranteed Securities, enter into an agreement with such trustee, in such form as Eximbank, PEFCO and such trustee shall agree upon, to evidence Eximbank's agreement under Section 2.01(i).

2.02 (i) PEFCO agrees that if Eximbank shall have made any payment under its guarantees issued pursuant to Section 2.01, PEFCO will immediately, if PEFCO's Net Worth exceeds 25% of its Capital Account, apply Available Assets (calculated as of the end of the month immediately prior to the payment by Eximbank) to reimburse Eximbank for such payment.

(ii) PEFCO agrees that it will (a) pay interest semi-annually on June 30 and December 31 to Eximbank on the unreimbursed amount of any payments made by Eximbank under its guarantees issued pursuant to Section 2.01 (calculated on the basis of the actual number of days outstanding using a 365-day factor) at the prevailing rate of interest charged by Eximbank on direct loans made in the ordinary course of business on the date of such payment by Eximbank and (b) within 75 days after the end of each half of its fiscal year, reimburse Eximbank to the extent of PEFCO's net income for the semi-annual period just completed, determined in accordance with generally accepted accounting principles, for any payment (not previously reimbursed) made by Eximbank under its guarantees issued pursuant to Section 2.01.

(iii) PEFCO further agrees that it will in any case reimburse Eximbank for any such payment (not previously reimbursed), together with interest thereon calculated on the basis stated in the sentence preceding, one year after payment in full of the last maturing Guaranteed Security.

2.03 PEFCO agrees to pay to Eximbank, on the 20th day of January and July in each year, a guarantee fee on the total interest on Guaranteed Securities accrued by PEFCO during the preceding semi-annual calendar period. This fee will be computed as follows:

(a) $\frac{1}{4}$ of 1% of such semi-annual interest expense up to a maximum of \$10,000,000 of such interest expense;

(b) $\frac{3}{16}$ of 1% of such semi-annual interest expense in excess of \$10,000,000 of such interest expense and up to a maximum of \$20,000,000 of such interest expense; and

(c) $\frac{1}{8}$ of 1% of such semi-annual interest expense in excess of \$20,000,000 of such interest expense.

ARTICLE 3

SHORT-TERM REVOLVING CREDIT

3.01 Eximbank hereby establishes in favor of PEFCO a revolving line of short-term credit of not exceeding Fifty Million Dollars (\$50,000,000) against which Eximbank will, subject to the terms and conditions specified herein, make advances from time to time during the period from the date hereof to and including the date of expiration of this Agreement at such time and in such amount as to each advance as PEFCO may request. Each request shall be accompanied by an Officer's Certificate specifying the purpose, as defined in Section 3.02, for which the advance is requested. Each advance shall be made against delivery of, and shall be evidenced by, a note substantially in the form of Exhibit A hereto, dated the date of the advance and payable to the order of Eximbank in the principal amount of the advance. Each such note shall mature six months after the date thereof or on the last day of Eximbank's fiscal year in which the advance is made, whichever shall first occur, it being the intent hereof that on June 30 of each year there shall be no outstanding borrowings under this Section 3.01. Each note shall bear interest on the unpaid principal amount thereof from the date of the advance until payment in full at the prevailing rate of interest charged by Eximbank on other direct loans made in the ordinary course of business on the date of the advance. PEFCO may prepay a short-term revolving credit note in whole at any time or in part from time to time, without premium or penalty, upon payment of accrued interest on the portion to be prepaid to the date of prepayment. Within the limits of the commitment specified herein, PEFCO may borrow, pay or prepay and reborrow pursuant to this Section 3.01. PEFCO may at any time by notice in writing to Eximbank cancel without premium or penalty any then unused portion of the line of credit.

3.02 PEFCO agrees that the proceeds of any advances made pursuant to Section 3.01 shall be applied only (i) to purchase obligations arising from the financing of United States exports and guaranteed by Eximbank, (ii) to pay or prepay principal, premium, and interest on debt obligations of PEFCO or (iii) to pay other expenses incurred by PEFCO in the ordinary course of its business.

3.03 If Eximbank and PEFCO determine that PEFCO is unable to obtain necessary funds upon terms and at a cost which are reasonable in the light of then current market conditions to pay any short-term revolving credit note, Eximbank will, upon maturity of that note and upon payment of accrued interest thereon, accept as payment of such note a new revolving credit note dated the due date of such maturing note and payable to the order of Eximbank in a principal amount equal to the unpaid principal amount of the maturing note, bearing interest at the prevailing rate of interest charged by Eximbank on

the date of the new note and maturing six months after the date thereof or on such other date as Eximbank and PEFCO may agree. Nothing in this Section 3.03 shall be construed to modify the intent expressed in Section 3.01 that on June 30 of each year there shall be no outstanding borrowings under Article 3 of this Agreement.

3.04 PEFCO agrees to pay to Eximbank, on the last day of each calendar quarter, a commitment fee accruing from the date of the completion of PEFCO's initial public offering of its common stock computed at the rate of $\frac{1}{2}$ of 1% per annum, on the basis of actual number of days using a 365-day factor, on that portion of the commitment of Eximbank under Section 3.01 which was not utilized on each day during such quarter.

ARTICLE 4

COVENANTS

4.01 So long as this Agreement is in effect, PEFCO will not, without the prior approval of Eximbank:

(i) create, acquire (by purchase or otherwise), merge into, consolidate with, or transfer all or substantially all of its assets to, any other corporation, association or other legal entity;

(ii) incur or assume any Guaranteed Security or any Long-Term Debt, whether or not a Guaranteed Security, except within the limits of such terms, at such times, and in such amounts as may be approved by Eximbank;

(iii) prepay, purchase, redeem or otherwise acquire prior to the originally stated maturity date (except pursuant to sinking fund obligations) thereof any Long-Term Debt of PEFCO except on such terms, at such times, and in such amounts as may be approved by Eximbank;

(iv) incur or assume any Short-Term Debt if after such incurrence or assumption outstanding Short-Term Debt exceeds the proportion approved from time to time by Eximbank of all PEFCO's outstanding debt obligations; provided, however, that if Eximbank has denied approval for the issuance by PEFCO of Long-Term Debt (or failed to give such approval for a period of 15 days after receipt of a request therefor in writing), then for the six months succeeding such denial, PEFCO may issue Short-Term Debt upon delivery to Eximbank of an Officer's Certificate that such issuance is necessary in order for PEFCO to meet its then existing commitments;

(v) invest its surplus funds other than in (a) time deposits in or acceptances of banks which are members of the Federal Deposit Insurance Corporation, (b) securities which are direct obligations of, or obligations fully guaranteed or fully insured by, the United States of America or, if the full faith and credit of the United States of America is pledged therefor, obligations of any agency or instrumentality of the United States of America (other than Eximbank) and (c) other securities of types approved by Eximbank, including securities of or securities guaranteed by Eximbank; or

(vi) declare or pay any dividend on or authorize or make any other distribution on account of any shares of any class of stock of PEFCO (other than dividends or distributions payable in shares of stock of PEFCO), whether now or hereafter outstanding, or make any payment on account of the purchase, acquisition, redemption or other retirement of any shares of such stock if (x), after giving effect to such dividend, distribution, purchase, redemption or other acquisition, (i) the consolidated retained earnings of PEFCO are less than the consolidated paid-in capital of PEFCO or (ii) all such dividends and distributions (excluding any payable in capital stock of PEFCO) would at the time of declaration exceed 50% of the cumulative, consolidated net income of PEFCO from the date of commencement of operations of PEFCO, determined in accordance with generally accepted

accounting principles, or (y) Eximbank shall have made a payment under any guarantee issued pursuant to Section 2.01 and such payment together with interest thereon shall not have been fully repaid to Eximbank.

4.02 (i) Eximbank shall have the right to have two representatives present at all meetings of the Board of Directors, Executive Committee, Management Committee or any similar body of PEFCO. Such representatives shall be given the same notice of all such meetings as is given to directors or other members of such bodies and Eximbank's representatives shall be entitled to participate in the deliberations but shall not be entitled to vote.

(ii) Authorized representatives of Eximbank shall have the right at all reasonable times to examine PEFCO's books of account and other records at PEFCO's offices and discuss its affairs, finances and accounts with its officers and with the Independent Certified Public Accountants who are the auditors of PEFCO, at such reasonable times as Eximbank may desire.

4.03 (i) Within 20 days after the end of each quarter of each fiscal year, PEFCO shall deliver to Eximbank copies of PEFCO's consolidated balance sheet as of the end of such quarterly period and of its consolidated statement of income or loss and retained earnings or deficit through such quarter, all in reasonable detail and certified by an authorized financial officer of PEFCO and after the first full year of operations showing in comparative form the figures for the corresponding dates and periods one year prior thereto.

(ii) Within 75 days after the end of each fiscal year, PEFCO shall deliver to Eximbank copies of PEFCO's consolidated balance sheet as of the end of such year and of its consolidated statements of income or loss and retained earnings or deficit for such year (or in the first year of its operations, for such portion of the year as it shall have carried on business), all in reasonable detail together with an opinion thereon of PEFCO's Independent Certified Public Accountants and after the first full year of operations showing in comparative form the figures for the preceding year.

(iii) Prior to each fiscal year, PEFCO shall prepare in reasonable detail an operating budget including administrative expenses and a cash budget and deliver copies of the same to Eximbank.

(iv) Whenever PEFCO has reason to believe that it will be unable to make when and as due an interest payment on any Guaranteed Security, PEFCO will promptly (and in any event at least 10 days prior to the due date of such interest payment) so notify Eximbank.

4.04 PEFCO agrees that, without the prior approval of Eximbank, it will not engage in any business other than financing exports of products and services from the United States; provided, however, that the foregoing clause shall not prevent PEFCO from investing such of its funds as it does not require for the financing of exports in securities of the kinds specified in Section 4.01(v).

4.05 PEFCO agrees that it will not purchase any obligation guaranteed by Eximbank unless it shall have received the prior approval of such purchase from Eximbank, and Eximbank will not grant such approval and issue its guarantee on an obligation that it approves for purchase by PEFCO unless, in the judgment of the Board of Directors of Eximbank, traditional sources of private capital are not available on a competitive basis for the purchase of such obligation.

4.06 Eximbank will, if necessary and to the extent that funds may be obtained in accordance with Section 6 of the Export-Import Bank Act of 1945, as amended, issue and sell to the Secretary of the Treasury its notes, debentures, bonds or other obligations, in such amount or amounts which,

together with other funds available to Eximbank for such purpose, shall be sufficient to make the advances to PEFCO required hereunder and any payments which may be required under Eximbank guarantees issued pursuant to Section 2.01.

ARTICLE 5

TERMINATION; THIRD PARTY RIGHTS; MISCELLANEOUS

5.01 This Agreement shall terminate on December 31, 1995, but such termination shall not affect the validity or continued effectiveness of any then outstanding guarantee under Section 2.01 or the obligation of PEFCO to reimburse Eximbank in accordance with Section 2.02 for any payment by Eximbank under any such guarantee; provided that nothing in this Agreement shall require Eximbank (i) to issue its guarantees pursuant to Article 2, (ii) to make advances pursuant to Article 3 or (iii) to accept as payment of any short-term revolving credit note, a new revolving credit note pursuant to Section 3.03, on any date on which the corporate existence of Eximbank shall terminate or on which Eximbank shall not have corporate existence. PEFCO shall have the right, at any time when it is not indebted to Eximbank hereunder, upon 60 days' prior written notice, unilaterally to cancel this Agreement on December 31 of any year, but such cancellation shall not affect any then outstanding guarantee or PEFCO's obligation to pay fees in respect of such guarantee in accordance with Section 2.03 and to reimburse Eximbank for any subsequent payment by Eximbank under any such guarantee.

5.02 Subject to the proviso to the first sentence of Section 5.01, Eximbank agrees that, so long as any debt obligations of PEFCO shall be owing to persons other than Eximbank, Eximbank will in no event exercise any right it may have to terminate, cancel or rescind this Agreement or any right it may have to terminate, cancel, suspend or delay in making advances to PEFCO hereunder, all of which rights Eximbank expressly waives for the benefit of persons other than Eximbank holding debt obligations of PEFCO.

5.03 All notices and other communications required or permitted by the provisions of this Agreement shall be sufficiently given or transmitted if delivered by hand or when deposited, certified and postage prepaid, in the mail, or in the case of telegraphic notice when delivered to the telegraph company, charges prepaid, addressed to the party at the address written below or to such other address as the party addressed shall have furnished in writing to the party sending such communication for the purpose:

Eximbank:

Export-Import Bank of the United States
811 Vermont Avenue, N.W.
Washington, D. C. 20571

PEFCO:

Private Export Funding Corporation
Room 643
53 Wall Street
New York, New York 10005

5.04 This Agreement shall be governed by and construed in accordance with the laws of the State of New York and the rights and remedies of the parties hereunder shall be determined in accordance with such laws. All of the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the respective successors of the parties hereto. Neither this Agreement nor any provision hereof can be waived, modified or terminated except by an instrument in writing signed by the party against whom the enforcement of such waiver, modification or termination is sought. If the day for the making of any payment hereunder or for the delivery of any document, instrument or notice shall be a Saturday

or Sunday or a day on which banks in the State of New York are required or permitted to be closed, then such payment may be made or such document, instrument or notice delivered on the next succeeding business day. For purposes of determining lapse of time under this Agreement, Saturdays, Sundays and any day on which Eximbank or banks in the State of New York are required or permitted to be closed shall not be counted.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized officers as of the day and year first above written.

EXPORT-IMPORT BANK OF THE UNITED STATES

[SEAL]

By HENRY KEARNS

Attest:

JOSEPH H. REGAN

PRIVATE EXPORT FUNDING CORPORATION

[SEAL]

By NELSON SCHAEENEN

Attest:

JOHN R. BURTON

EXHIBIT A

PRIVATE EXPORT FUNDING CORPORATION

\$.....

....., 19..

FOR VALUE RECEIVED, Private Export Funding Corporation ("PEFCO"), a company organized and existing under the laws of the State of Delaware, hereby promises to pay to the order of the Export-Import Bank of the United States ("Eximbank") the principal sum of (\$.....) on together with interest (calculated on the basis of the actual number of days using a 365-day factor) at the rate of per cent (...%) per annum on the unpaid principal amount hereof from time to time outstanding from the date hereof until maturity. Principal and interest are payable at the Federal Reserve Bank of New York.

PEFCO shall have the right at any time and from time to time to prepay this Note in whole or in part without premium or penalty as provided in the Guarantee and Credit Agreement dated as of February 1, 1971 between Eximbank and PEFCO, a copy of which may be inspected at the principal office of PEFCO.

This Note may not be transferred, assigned or otherwise disposed of without the prior written consent of PEFCO.

IN WITNESS WHEREOF, PEFCO acting through its duly authorized representative has caused this Note to be signed in its name and delivered in New York, New York.

PRIVATE EXPORT FUNDING CORPORATION

By