FOREIGN CREDIT INSURANCE ASSOCIATION,
New York, N.Y., May 13, 1968.

Hon. WRIGHT PATMAN,
Chairman, Committee on Banking and Currency,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Foreign Credit Insurance Association, an unincorporated association of private insurance companies organized in 1961 to provide export credit insurance in cooperation with Export-Import Bank of the United States, wishes to record its support of H.R. 16162, now pending before your Committee. It is our understanding that this legislation is design ". . . to enable the Export-Import Bank of the United States to approve extension of certain loans, guarantees, and insurance in connection with exports from the United States in order to improve the balance of payments and foster the long-term commercial interests of the United States".

The underwriting criterion used by this Association is virtually the same as Eximbank's liberal, but realistic, standard of "reasonable assurance of repayment." A review of our underwriting results during the six years of our existence will demonstrate that we have operated at the outer limits of this standard. As a result, we have assisted many U.S. firms, particularly small businessmen, to compete more effectively in world markets.

Enactment of the pending legislation will, however, enable us to be of even greater service to the U.S. export community, since Eximbank will be in a position to approve many transactions which, through perhaps marginal, offer an acceptable prospect of repayment. We anticipate that there will be a wide variety of requests by exporters to utilize the proposed facility for such reasons as new market penetrations and higher limits of liability.

There is no doubt that this Association will have an essential screening function to perform so as to make sure that only "acceptable" applications are ultimately approved for insurance. Under no circumstances would the management of this Association recommend utilization of the proposed facility unless it is convinced of the willingness and ability of the foreign buyer to satisfy his obligations arising out of the extension of credit by the U.S. exporter.

In summary, therefore, this Association will cooperate with Eximbank in the implementation of this legislation by continuing to insure all transactions, or portions thereof, which meet existing underwriting standards, thus limiting its recommendations for utilization of the facility to those transactions, or portions thereof, which, though acceptable, are outside the "reasonable assurance of repayment" limits.

Very truly yours,

FRANCES X. BOYLAN, *President.*

AMERICAN COTTON SHIPPERS ASSOCIATION,
May 15, 1968.

Hon. WRIGHT PATMAN,
Chairman, Committee on Banking and Currency,
House of Representatives, Washington, D.C.

DEAR CONGRESSMAN PATMAN: On behalf of the American Cotton Shippers Association, I wish to express our support for your bill, H.R. 16162, which would help to improve our nations trade balance.

Our Association was founded in 1924, and is basically comprised of merchants, shippers, and exporters of raw cotton. The 678 member firms of the ACSA handle over 70% or the domestic cotton crop and 90% of the export market. The Association is an affiliation of six federated Associations, located in fourteen states throughout the cotton belt:

Arkansas-Missouri Cotton Trade Association.
Atlantic Cotton Association.
Oklahoma State Cotton Exchange.
Southern Cotton Association.
Texas Cotton Association.
Western Cotton Shippers Association.

At our Forty-Fourth Annual Convention in Atlanta, Georgia on April 26, 1968, the Association unanimously adopted the following resolution: