

## **Employee Misconduct**

### *Transaction Review Committee*

In August 2019, EXIM OIG received a complaint that a high-ranking EXIM official had used their influence to advance a transaction to the EXIM Transaction Review Committee (TRC), despite no application for the transaction having been submitted to the Agency. The EXIM official was allegedly a friend of the Chief Executive Officer (CEO) of the would-be exporter in the transaction. Upon being interviewed by EXIM's Chief Ethics Officer, the senior official reported that they were not involved in setting the agenda of the TRC and listed a number of other transactions that had appeared before the TRC without pending applications. After a series of interviews, the investigation determined that EXIM was motivated to fund the transaction because of active competition from other international Export Credit Agencies (ECAs) offering more favorable financing terms. EXIM could not meet the competing terms due to EXIM's funding criteria. As a result, the transaction was brought before the TRC to determine if more resources should be devoted to the transaction. Ultimately, EXIM took no action and the deal was never approved by the Agency. EXIM OIG did not find evidence that the senior official acted inappropriately or had collaborated with the CEO of the exporting company.

Because of the seriousness of the complaint and the level of the official involved, the results of the investigation were presented to the US Department of Justice, Public Integrity Section (PIN). PIN declined to open a case citing a lack of criminal violations. The investigation was also referred to the Office of Government Ethics on September 21, 2020, as required. The official has since left EXIM.