EXPOSURE FEE ADVICE BAHRAIN **PRIVATE SECTOR CREDITS**

EXPOSURE FEE LEVEL

A. SOVEREIGN (e.g., Finance Ministry Guarantee):

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TRANSACTION RISK INCREMENT:
                    See Public Sector Chart
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B. POLITICAL ONLY COVER:

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-1
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TRANSACTION RISK INCREMENT:

2

C1. BORROWERS/GUARANTORS with RATED/TRADED CROSS BORDER (HARD CURRENCY) DEBTS:

	0.0000		<u></u>		<u></u>		<u> </u>								
TRANSACTION RISK INCREMENT:		0		0		1	2		3		4		5		5
LONG-TERM (S&P, others)	AA+,AA,AA-		A+,A	,A-	BBB+,	BBB	BBB-	BB+	-,BB		BB-		B+,B		B-
LONG-TERM (Moody's)	Aa1,Aa2		A1,A2,	A3	Baa1,E	Baa2	Baa3	Ba1,	Ba2		Ba3		B1,B2		B3
SHORT-TERM (S&P, others)		A-1+	ļ	\-1		A-2	A-3		В				С		
SHORT-TERM (TBW)	٦	BW-1	TBV	/-2	ТВ	W-3	TBW-4								
SHORT-TERM (Moody's)			F	P-1		P-2	P-3								
SPREAD (bp) over T-YIELD <		40		70		140	250		400		600		900	1	500
SPREAD (bp) over LIBOR <		10		40		90	220		370		570		870	1	470
C2. BORROWERS/GUARANTORS with INTRA-COUNT	RY (LOCAL	CURR	ENCY)	RAT	INGS:										
TRANSACTION RISK INCREMENT:		0		0		1	2		3		4		5		5
LONG-TERM (S&P, TBW)	AA+,A	A,AA-	A+,A	,A-	BBB+,	BBB	BBB-	BB+	,BB		BB-		B+,B		B-
LONG-TERM (Moody's)	Aa	a1,Aa2	A1,A2,	A3	Baa1,E	aa2	Baa3	Ba1,	Ba2		Ba3		B1,B2		B3
SHORT-TERM (S&P, others)		A-1+	ļ	- 1		A-2	A-3		в				С		
SHORT-TERM (Moody's)			F	P-1		P-2	P-3								
FINANCIAL STRENGTH (Moody's)		A/B		В		B/C	С		C/D		D		D/E		Е
INTRA-COUNTRY ISSUER (TBW)	IC	A/B	IC	В	IC	B/C	IC C	IC	C/D	IC	D	IC	D/E	IC	Е
INDIVIDUAL (IBCA)		A/B		В		B/C	С		C/D		D		D/E		Е
INDIVIDUAL (Capital Intelligence)	AA+,A	A,AA-	A+,A	,A-	BBB+,	BBB	BBB-	BB+	,BB		BB-		B+,B		B-
D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINANCIAL INSTITUTIONS: *TRANSACTION RISK INCREMENT:									IENT:	0					
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTH	ER THAN F	INANC		ΓΙΤυ	JTIONS	<u>:</u>	*	TRANSA	CTIO	N RIS	K INC	REN	IENT:	1	
E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN	ISTITUTIO	N:				N	MAXIMUM	TRANSA	CTIO	N RIS	K INC	REN	/ENT:	0	
F1. UNRATED BORROWERS/GUARANTORS OTHER T	HAN FINAN		NSTITU	τιο	NS:										
							<1X	<2X		<3X		١X	<6X		•6X
DEBT TO TANGIBLE NET WORTH							<17			-			-	>	07
								TRANS	ACTIC		SKIN	CRE	MENT:		
	>25%				1	1		2		3	4		5		
OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT		>20%					1	2		3		4	5		5
	>15%				2	3		4		5	5		5		
		>10%				3	4		5		5	5		5	
2-2.					>5%		4	5		5		5	5		5
					>0%		5	5		5		5	5		5
					<0%		5	5		5		5	5		5
					<078		· ·								
F2. UNRATED FINANCIAL INSTITUTION BORROWERS	GUARAN	ORS:			<078		Ū								
F2. UNRATED FINANCIAL INSTITUTION BORROWERS TRANSACTION RISK INCREMENT:	GUARAN	ORS:			<070		1	2		3		4	5		5
	GUARAN	ORS:			<078	-	-	2	>	<u>3</u> 6%	>5		5		5 4%
TRANSACTION RISK INCREMENT:	GUARAN	ORS:			<070	-	1		> >1.	6%	>5 >1.0	%	<u> </u>	<br <0.	4%
TRANSACTION RISK INCREMENT: SHAREHOLDER'S EQUITY TO ASSETS	GUARAN	ORS:					1	>7%	>1.	6%		% %	>4%		4% 5%
TRANSACTION RISK INCREMENT: SHAREHOLDER'S EQUITY TO ASSETS NET INCOME TO ASSETS (2-YEAR AVERAGE)	GUARANT	ORS:					1 >8% >2.5%	>7% >2.0%	>1. <8	6% 5%	>1.0	% % %	>4% >0.5%	<0.8 >120	4% 5%

* MAY NOT APPLY IF A TRANSACTION RISK INCREMENT HAS BEEN PRE-APPROVED

Effective: 08/26/2008

EXPOSURE FEE ADVICE

BAHRAIN

PUBLIC SECTOR CREDITS

EXPOSURE FEE LEVEL 2

A. SOVEREIGN (e.g., Finance Ministry Guarantee):

TRANSACTION RISK INCREMENT: 0

B. POLITICAL ONLY COVER:		T	RANSACTI	NT: Se	See Private Sector Chart				
C1. BORROWERS/GUARANTORS with RATED/TRADI	ED CROSS BORDE	ER (HARD C	URRENCY)	DEBTS:					
TRANSACTION RISK INCREMENT:	0	0	1	:	2	3	4	5	5
LONG-TERM (S&P, others)	AA+,AA,AA-	A+,A,A-	BBB+,BBB	BBB	- BB+	,BB	BB-	B+,B	В-
LONG-TERM (Moody's)	Aa1,Aa2	A1,A2,A3	Baa1,Baa2	Baa	3 Ba1,	Ba2	Ba3	B1,B2	B3
SHORT-TERM (S&P, others)	A-1+	A-1	A-2	A-3	3	В		С	
SHORT-TERM (TBW)	TBW-1	TBW-2	TBW-3	TBW-4	4				
SHORT-TERM (Moody's)		P-1	P-2	P-3	3				
SPREAD (bp) over T-YIELD <	40	70	140	250	C	400	600	900	1500
SPREAD (bp) over LIBOR <	10	40	90	220	C	370	570	870	1470
C2. BORROWERS/GUARANTORS with INTRA-COUNT	RY (LOCAL CURR	ENCY) RAT	TINGS:						
TRANSACTION RISK INCREMENT:	0	0	1	:	2	3	4	5	5
LONG-TERM (S&P, TBW)	AA+,AA,AA-	A+,A,A-	BBB+,BBB	BBB	- BB+	,BB	BB-	B+,B	B-
LONG-TERM (Moody's)	Aa1,Aa2	A1,A2,A3	Baa1,Baa2	Baa	3 Ba1,	Ba2	Ba3	B1,B2	B3
SHORT-TERM (S&P, others)	A-1+	A-1	A-2	A-3	3	в		С	
SHORT-TERM (Moody's)		P-1	P-2	P-3	3				
FINANCIAL STRENGTH (Moody's)	A/B	В	B/C	C		C/D	D	D/E	E
INTRA-COUNTRY ISSUER (TBW)	IC A/B	IC B	IC B/C	IC (C IC	C/D I	C D IC	D/E	IC E
INDIVIDUAL (IBCA)	A/B	В	B/C	C		C/D	D	D/E	E
INDIVIDUAL (Capital Intelligence)	AA+,AA,AA-	A+,A,A-	BBB+,BBB	BBB	- BB+	,BB	BB-	B+,B	B-
D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA	ANCIAL INSTITUTI	ONS:			*TRANSA	CTION R	ISK INCRE	EMENT:	0
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTH	IER THAN FINANC	IAL INSTIT	UTIONS:		*TRANSA	CTION R	ISK INCRE	EMENT:	1
E. UNRATED LARGEST (PROFITABLE) FINANCIAL I	NSTITUTION:		n	MAXIMUM	TRANSA	CTION RI	SK INCRE	MENT:	1
F1. UNRATED BORROWERS/GUARANTORS OTHER	THAN FINANCIAL	NSTITUTIO	NS:						
DEBT TO TANGIBLE NET WORTH				<1X	<2X	<3X	<4X	<6X	>6X
						ACTION F	RISK INCR		
			050/						F
OPERATING			25% 20%	1 1	1 2	2	3 4	4 5	5 5
CASH FLOW (2-YEAR AVERAGE) TO DEBT			15%	2	2	4	4 5	5	5
			10%	2	4	4	5	5	5
			>5%	4	5	5	5	5	5
			>0%	5	5	5	5	5	5
			<0%	5	5	5	5	5	5
F2. UNRATED FINANCIAL INSTITUTION BORROWER	S/GUARANTORS:								
TRANSACTION RISK INCREMENT:				1	2	3	4	5	5
SHAREHOLDER'S EQUITY TO ASSETS				>8%	>7%	>6%	>5%	>4%	<4%
NET INCOME TO ASSETS (2-YEAR AVERAGE)				>2.5%	>2.0%	>1.5%	>1.0%	>0.5%	<0.5%
BORROWED FUNDS TO NET LOANS				<40%	<60%	<80%		<120%	>120%
LIQUID ASSETS TO ASSETS				>25%	>20%	>15%	>10%	>5%	<5%
RESERVES TO NON-PERFORMING ASSETS				>200%	>175%	>150%	>125%	>100%	<100%

* MAY NOT APPLY IF A TRANSACTION ICRAS RATING HAS BEEN PRE-APPROVED

Effective: 08/26/2008