## EXPOSURE FEE ADVICE BELIZE

## PRIVATE SECTOR CREDITS

**EXPOSURE FEE LEVEL** 6

|  | EXPOSURE                    | FEE LEVE   | EL    | ь         |            |                             |          |                         |           |           |  |
|--|-----------------------------|------------|-------|-----------|------------|-----------------------------|----------|-------------------------|-----------|-----------|--|
| A. SOVEREIGN (e.g., Finance Ministry Guarantee): | TRANSAC                     |            |       | RANSACTIO | ON RISK IN | ICREME                      | NT: Se   | See Public Sector Chart |           |           |  |
| B. POLITICAL ONLY COVER:                         | TRANSACTION RISK INCREMENT: |            |       |           |            |                             | NT: -1   |                         |           |           |  |
| C1. BORROWERS/GUARANTORS with RATED/TRADE        | D CROSS BOR                 | RDER (HAF  | RD C  | URRENCY)  | DEBTS:     |                             |          |                         |           |           |  |
| TRANSACTION RISK INCREMENT:                      |                             | 0          | 0     | 0         | (          | 0                           | 0        | 0                       | 0         | 1         |  |
| LONG-TERM (S&P, others)                          | AA+,AA,A                    | A- A+,     | A,A-  | BBB+,BBB  | BBB        | - <u>-</u><br>- BB          | +,BB     | BB-                     | B+,B      | B-        |  |
| LONG-TERM (Moody's)                              | Aa1,Aa                      | a2 A1,A2   | 2,A3  | Baa1,Baa2 | Baa        | 3 Ba1                       | ,Ba2     | Ba3                     | B1,B2     | В3        |  |
| SHORT-TERM (S&P, others)                         | A-1                         | 1+         | A-1   | A-2       | A-:        | 3                           | В        |                         | С         |           |  |
| SHORT-TERM (TBW)                                 | TBW                         | -1 TB      | W-2   | TBW-3     | TBW-4      | 4                           |          |                         |           |           |  |
| SHORT-TERM (Moody's)                             |                             |            | P-1   | P-2       | P-:        | 3                           |          |                         |           |           |  |
| SPREAD (bp) over T-YIELD <                       | 4                           | 40         | 70    | 140       | 250        | 0                           | 400      | 600                     | 900       | 1500      |  |
| SPREAD (bp) over LIBOR <                         | •                           | 10         | 40    | 90        | 220        | 0                           | 370      | 570                     | 870       | 1470      |  |
| C2. BORROWERS/GUARANTORS with INTRA-COUNTI       | RY (LOCAL CU                | IRRENCY)   | RAT   | TINGS:    |            |                             |          |                         |           |           |  |
| TRANSACTION RISK INCREMENT:                      |                             | 0          | 0     | 0         | (          | 0                           | 0        | 0                       | 0         | 1         |  |
| LONG-TERM (S&P, TBW)                             | AA+,AA,A                    | A- A+,     | A,A-  | BBB+,BBB  | BBB        | - BB                        | +,BB     | BB-                     | B+,B      | В-        |  |
| LONG-TERM (Moody's)                              | Aa1,Aa                      | a2 A1,A2   | 2,A3  | Baa1,Baa2 | Baa        | 3 Ba1                       | ,Ba2     | Ba3                     | B1,B2     | В3        |  |
| SHORT-TERM (S&P, others)                         | A-1                         | 1+         | A-1   | A-2       | A-:        | 3                           | В        |                         | С         |           |  |
| SHORT-TERM (Moody's)                             |                             |            | P-1   | P-2       | P-3        | 3                           |          |                         |           |           |  |
| FINANCIAL STRENGTH (Moody's)                     | A                           | /B         | В     | B/C       | (          |                             | C/D      | D                       | D/E       | E         |  |
| INTRA-COUNTRY ISSUER (TBW)                       | IC A                        | /B IC      | В     | IC B/C    | IC (       | C IC                        | C/D I    | C D                     | IC D/E    | IC E      |  |
| INDIVIDUAL (IBCA)                                | A                           | /B         | В     | B/C       | (          |                             | C/D      | D                       | D/E       | E         |  |
| INDIVIDUAL (Capital Intelligence)                | AA+,AA,A                    | A- A+,     | A,A-  | BBB+,BBB  | BBB        | - BB                        | +,BB     | BB-                     | B+,B      | B-        |  |
| D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA  | NCIAL INSTITU               | JTIONS:    |       |           |            | *TRANS                      | ACTION R | RISK INC                | REMENT:   | 0         |  |
| D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE  | ER THAN FINA                | NCIAL INS  | STITU | JTIONS:   |            | *TRANS/                     | ACTION R | RISK INC                | REMENT:   | 1         |  |
| E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN     | ISTITUTION:                 |            |       |           | MAXIMUM    | TRANS                       | ACTION R | RISK INC                | REMENT:   | 0         |  |
| F1. UNRATED BORROWERS/GUARANTORS OTHER T         | HAN FINANCIA                | AL INSTITU | JTIO  | NS:       |            |                             |          |                         |           |           |  |
| DEBT TO TANGIBLE NET WORTH                       |                             |            |       |           | <1X        | <2X                         | <3X      | <4                      | X <6>     | ( >6X     |  |
|  |                             |            |       |           |            | TRANSACTION RISK INCREMENT: |          |                         |           |           |  |
|  |                             |            | >     | 25%       | 0          | 0                           | 0        | )                       | 0 (       | 0         |  |
| OPERATING  |                             |            | >     | 20%       | 0          | 0                           | 0        | )                       | 0 (       | ) 1       |  |
| CASH FLOW<br>(2-YEAR AVERAGE)                    |                             |            | >     | 15%       | 0          | 0                           | 0        | )                       | 0 1       | 1 1       |  |
| ` TO ′   |                             |            | >     | 10%       | 0          | 0                           | 0        | )                       | 1 1       | 1 1       |  |
| DEBT   |                             |            | :     | >5%       | 0          | 0                           | 1        |                         | 1 1       | 1 1       |  |
|  |                             |            | :     | >0%       | 0          | 1                           | 1        |                         | 1 1       | 1 1       |  |
|  |                             |            |       | <0%       | 1          | 1                           | 1        |                         | 1 1       | 1         |  |
| F2. UNRATED FINANCIAL INSTITUTION BORROWERS      | /GUARANTOR                  | <u>s:</u>  |       |           |            |                             |          |                         |           |           |  |
| TRANSACTION RISK INCREMENT:                      |                             |            |       |           | 0          | 0                           | 0        | )                       | 0 0       | ) 1       |  |
| 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%     | <100                    | % <120%   | >120%     |  |
| LIQUID ASSETS TO ASSETS                          |                             |            |       |           | >25%       | >20%                        | >15%     | >10                     | % >5%     | <5%       |  |
| RESERVES TO NON-PERFORMING ASSETS                |                             |            |       |           | >200%      | >175%                       | >150%    | >12                     | 25 >100   | <100%     |  |
| * MAY NOT APPLY IF A TRANSACTION RISK INCRE      | EMENT HAS BE                | EEN PRE-A  | APPF  | ROVED     |            |                             |          | Eff                     | ective: 0 | 8/26/2008 |  |

## EXPOSURE FEE ADVICE BELIZE

## **PUBLIC SECTOR CREDITS**

**EXPOSURE FEE LEVEL** 6

| A. SOVEREIGN (e.g., Finance Ministry Guarantee):                               | TRANSACTION RISK INCREMENT: 0                 |            |                  |         |                     |           |                     |       |         |  |  |  |
|--|---|------------|------------------|---------|---------------------|-----------|---------------------|-------|---------|--|--|--|
| B. POLITICAL ONLY COVER:   | TRANSACTION RISK INCREMENT: See Private Secto |            |                  |         |                     | Sector Ch | art                 |       |         |  |  |  |
| C1. BORROWERS/GUARANTORS with RATED/TRADED CROSS BORDER (HARD CURRENCY) DEBTS: |   |            |                  |         |                     |           |                     |       |         |  |  |  |
| TRANSACTION RISK INCREMENT:  | 0   | 0          | 0                | (       | )                   | 0         | 0                   | 0     | 1       |  |  |  |
| LONG-TERM (S&P, others)  | AA+,AA,AA-                                    | A+,A,A-    | BBB+,BBB         | BBB     | - <u>-</u><br>- BB+ |           | BB-                 | B+,B  | B-      |  |  |  |
| LONG-TERM (Moody's)  | Aa1,Aa2                                       | A1,A2,A3   | Baa1,Baa2        | Baa     |                     |           | Ba3                 | B1,B2 | В3      |  |  |  |
| 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   | 1                   |           |                     |       |         |  |  |  |
| SHORT-TERM (Moody's)   |   | P-1        | P-2              | P-3     | 3                   |           |                     |       |         |  |  |  |
| SPREAD (bp) over T-YIELD <   | 40  | 70         | 140              | 250     | )                   | 400       | 600                 | 900   | 1500    |  |  |  |
| SPREAD (bp) over LIBOR <   | 10  | 40         | 90               | 220     | )                   | 370       | 570                 | 870   | 1470    |  |  |  |
| C2. BORROWERS/GUARANTORS with INTRA-COUNTR                                     | Y (LOCAL CURR                                 | ENCY) RAT  | ΓINGS:           |         |                     |           |                     |       |         |  |  |  |
| TRANSACTION RISK INCREMENT:  | 0   | 0          | 0                | (       | )                   | 0         | 0                   | 0     | 1       |  |  |  |
| LONG-TERM (S&P, TBW)   | 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     | Ba1,                | Ba2       | Ba3                 | B1,B2 | В3      |  |  |  |
| 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 IC    | D IC                | D/E   | IC E    |  |  |  |
| INDIVIDUAL (IBCA)  | A/B   | В          | B/C              | C       | ;                   | C/D       | D                   | D/E   | Е       |  |  |  |
| 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 - FINAN                               | NCIAL INSTITUTION                             | ONS:       |                  |         | *TRANSA             | CTION RI  | ISK INCRE           | MENT: | 0       |  |  |  |
| D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE                                | R THAN FINANC                                 | AL INSTITU | JTIONS:          |         | *TRANSA             | CTION RI  | ISK INCRE           | MENT: | 1       |  |  |  |
| E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN                                   | STITUTION:                                    |            | I                | MAXIMUM | TRANSA              | CTION RIS | SK INCREI           | MENT: | 1       |  |  |  |
| F1. UNRATED BORROWERS/GUARANTORS OTHER TI                                      | HAN FINANCIAL I                               | NSTITUTIO  | NS:              |         |                     |           |                     |       |         |  |  |  |
| DEBT TO TANGIBLE NET WORTH   |   |            |                  | <1X     | <2X                 | <3X       | <4X                 | <6X   | >6X     |  |  |  |
|  |   |            |                  |         | TRANS               | ACTION F  | ION RISK INCREMENT: |       |         |  |  |  |
|  | >25%  |            |                  | 0       | 0                   | 0         | 0                   | 0     | 0       |  |  |  |
| OPERATING<br>CASH FLOW<br>(2-YEAR AVERAGE)<br>TO<br>DEBT                       |   | 20%        | 0                | 0       | 0                   | 0         | 0                   | 1     |         |  |  |  |
|  |   | >15%       |                  |         | 0                   | 0         | 0                   | 1     | 1       |  |  |  |
|  |   |            | >15% 0<br>>10% 0 |         | 0                   | 0         | 1                   | 1     | 1       |  |  |  |
|  |   |            | >5%              | 0       | 0                   | 1         | 1                   | 1     | 1       |  |  |  |
|  |   |            | >0%              | 0       | 1                   | 1         | 1                   | 1     | 1       |  |  |  |
|  |   |            | <0%              | 1       | 1                   | 1         | 1                   | 1     | 1       |  |  |  |
| F2. UNRATED FINANCIAL INSTITUTION BORROWERS                                    | GUARANTORS:                                   |            |                  |         |                     |           |                     |       |         |  |  |  |
| TRANSACTION RISK INCREMENT:  |   |            |                  | 0       | 0                   | 0         | 0                   | 0     | 1       |  |  |  |
| 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%      | <100%               | <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 RATI                                    | NG HAS BEEN PF                                | RE-APPRO\  | /ED              |         |                     |           | Effectives          | : 08/ | 26/2008 |  |  |  |