## EXPOSURE FEE ADVICE HONDURAS

## **PRIVATE SECTOR CREDITS**

EXPOSURE FEE LEVEL 6

A. SOVEREIGN (e.g., Finance Ministry Guarantee):	TRANSACTION RISK INCREMENT: See Put							ector Cha	art
B. POLITICAL ONLY COVER:		т	RANSACTIO	ON RISK IN	ICREMEN	IT: -1			
C1. BORROWERS/GUARANTORS with RATED/TRADEI	O CROSS BORDI	ER (HARD C	CURRENCY	DEBTS:					
TRANSACTION RISK INCREMENT:	0	0	0	C	)	0	0	0	1
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	Baa3		,	Ba3	B1,B2	В3
SHORT-TERM (S&P, others)	A-1+	A-1	A-2	A-3		В		C	
SHORT-TERM (TBW)	TBW-1	TBW-2	TBW-3	TBW-4					
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 CURF	RENCY) RA	TINGS:						
TRANSACTION RISK INCREMENT:	0	0	0	C	)	0	0	0	1
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	Baa3	Ba1,E	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	;				
FINANCIAL STRENGTH (Moody's)	A/B	В	B/C	C	: (	C/D	D	D/E	Е
INTRA-COUNTRY ISSUER (TBW)	IC A/B	IC B	IC B/C	IC C	ic 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 - FINANCIAL INSTITUTIONS: *TRANSACTION RISK INCREMENT:								0	
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHER THAN FINANCIAL INSTITUTIONS:  *TRANSACTION RISK INCREMENT:								1	
E. UNRATED LARGEST (PROFITABLE) FINANCIAL INSTITUTION:  MAXIMUM TRANSACTION RISK INCREMENT:							0		
F1. UNRATED BORROWERS/GUARANTORS OTHER TI	HAN FINANCIAL	INSTITUTIO	<u>NS</u>						
DEBT TO TANGIBLE NET WORTH				<1X	<2X	<3X	<4X	<6X	>6X
					TRANSA	ACTION R	ISK INCR	EMENT:	
		>	25%	0	0	0	0	0	0
OPERATING		>	20%	0	0	0	0	0	1
CASH FLOW (2-YEAR AVERAGE)		>	15%	0	0	0	0	1	1
` TO		>	10%	0	0	0	1	1	1
DEBT			>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 RISK INCRE	MENT HAS BEEN	N PRE-APPI	ROVED				Effect	tive: 07	/06/2007

## EXPOSURE FEE ADVICE HONDURAS

## **PUBLIC SECTOR CREDITS**

**EXPOSURE FEE LEVEL** 6

A. SOVEREIGN (e.g., Finance Ministry Guarantee):	TRANSACTION RISK INCREMENT:				NT: (	)			
B. POLITICAL ONLY COVER:		Т	RANSACTI	ON RISK II	NCREME	NT: Se	e Private S	Sector Ch	art
C1. BORROWERS/GUARANTORS with RATED/TRADED	CROSS BORDE	R (HARD C	URRENCY)	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	- BB+	,BB	BB-	B+,B	B-
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 (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	TINGS:						
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	B-
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 I	C 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	CIAL INSTITUTION	ONS:			*TRANSA	CTION R	ISK INCRE	MENT:	0
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE	R THAN FINANC	IAL INSTITI	UTIONS:		*TRANSA	CTION R	ISK INCRE	MENT:	1
E. UNRATED LARGEST (PROFITABLE) FINANCIAL INSTITUTION:  MAXIMUM TRANSACTION RISK INCREMENT:						MENT:	1		
F1. UNRATED BORROWERS/GUARANTORS OTHER TH	IAN FINANCIAL I	NSTITUTIO	<u>NS</u>						
DEBT TO TANGIBLE NET WORTH				<1X	<2X	<3X	<4X	<6X	>6X
		TRANSACT			ACTION I	RISK INCR			
OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT		>25%		0	0	0	0	0	0
		>20%		0	0				
		>15%		0	0	0	0	1	1
		>10%		0	0	0	1	1	1
		>5%		0	0	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%		>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 RATING HAS BEEN PRE-APPROVED					Effective	: 07/	/06/2007		