EXPOSURE FEE ADVICE INDIA PRIVATE SECTOR CREDITS

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EXPOSURE FEE LEVEL 3 SOVEREIGN (e.g., Finance Ministry Guarantee): TRANSACTION RISK INCREMENT: See Public Sector Chart **B. POLITICAL ONLY COVER:** TRANSACTION RISK INCREMENT: -1 C1. BORROWERS/GUARANTORS with RATED/TRADED CROSS BORDER (HARD CURRENCY) DEBTS: TRANSACTION RISK INCREMENT: 0 0 0 0 1 2 BB-LONG-TERM (S&P. others) AA+,AA,AA-A+,A,A-BBB+,BBB BBB-BB+,BB Ba1.Ba2 Ba3 LONG-TERM (Moody's) Aa1 Aa2 A1 A2 A3 Baa1 Baa2 Baa3 A-1 В SHORT-TERM (S&P, others) A-1+ A-2 A-3 TBW-2 SHORT-TERM (TBW) TBW-1 TBW-3 TRW-4 P-1 P-2 P-3 SHORT-TERM (Moody's) SPREAD (bp) over T-YIELD < 40 70 140 250 400 600 SPREAD (bp) over LIBOR < 10 40 90 220 370 570 C2. BORROWERS/GUARANTORS with INTRA-COUNTRY (LOCAL CURRENCY) RATINGS: TRANSACTION RISK INCREMENT: 1 2 1 1 1 1 BB+,BB LONG-TERM (S&P, TBW) AA+,AA,AA-A+,A,A-BBB+,BBB BBB-BB-Aa1,Aa2 A1,A2,A3 Baa1,Baa2 Baa3 Ba1,Ba2 Ba3 LONG-TERM (Moody's) A-1 A-3 в SHORT-TERM (S&P, others) A-1+ A-2 SHORT-TERM (Moody's) P-1 P-2 P-3 B/C С C/D в D FINANCIAL STRENGTH (Moody's) A/B **INTRA-COUNTRY ISSUER (TBW)** IC A/B IC в IC B/C IC С IC C/D IC D INDIVIDUAL (IBCA) A/B В B/C С C/D D INDIVIDUAL (Capital Intelligence) BBB+,BBB BBB-BB+,BB BB-AA+,AA,AA-A+,A,A-***TRANSACTION RISK INCREMENT:** D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINANCIAL INSTITUTIONS: **D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHER THAN FINANCIAL INSTITUTIONS: *TRANSACTION RISK INCREMENT:** E. UNRATED LARGEST (PROFITABLE) FINANCIAL INSTITUTION: MAXIMUM TRANSACTION RISK INCREMENT: F1. UNRATED BORROWERS/GUARANTORS OTHER THAN FINANCIAL INSTITUTIONS DEBT TO TANGIBLE NET WORTH <1X <2X <3X TRANSACTION RISK INCREMENT: >25% 1 1 1 OPERATING >20% 1 1 1 CASH FLOW >15% 1 1 2 (2-YEAR AVERAGE) TO >10% 1 2 3 DEBT >5% 2 3 4 3 >0% 4 4 <0% 4 4 4 F2. UNRATED FINANCIAL INSTITUTION BORROWERS/GUARANTORS: TRANSACTION RISK INCREMENT: 1 1 1 SHAREHOLDER'S EQUITY TO ASSETS >7% >5% >8% >6% NET INCOME TO ASSETS (2-YEAR AVERAGE) >2.5% >2.0% >1.5% >1.0% BORROWED FUNDS TO NET LOANS <40% <60% <80% <100%

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

LIQUID ASSETS TO ASSETS

RESERVES TO NON-PERFORMING ASSETS

01/20/2006 Effective:

3

С

900

870

3

С

D/E

D/E

D/E

B+,B

<6X

2

3

4

4

4

4

4

3

>4%

>0.5%

<120%

>5%

>100

IC

<4X

1

2

3

4

4

4

4

2

>10%

>125

>20%

>175%

>25%

>200%

>15%

>150%

B+,B

B1,B2

B+,B

B1.B2

4

B-

B3

1500

1470

4

B-

В3

Е

Е Е

B-

IC

1

2

1

>6X

٦

4

Δ

4

4

4

4

4

~4%

<0.5%

>120%

<100%

<5%

EXPOSURE FEE ADVICE

INDIA

<u>A.</u>

See Private Sector Chart

3

С

900

870

3

С

D/E

D/E

D/E

<6X

2

3

4

4

4

4

4

4

B-

B3

1500

1470

4

B-

B3

Е

Е

Е

B-

0

1

1

>6X

3

4

4

4

4

4

4

IC

PUBLIC SECTOR CREDITS EXPOSURE FEE LEVEL 3 SOVEREIGN (e.g., Finance Ministry Guarantee): TRANSACTION RISK INCREMENT: 0 **B. POLITICAL ONLY COVER:** TRANSACTION RISK INCREMENT: C1. BORROWERS/GUARANTORS with RATED/TRADED CROSS BORDER (HARD CURRENCY) DEBTS: TRANSACTION RISK INCREMENT: 0 0 0 0 2 1 LONG-TERM (S&P, others) AA+.AA.AA-A+.A.A-BBB+.BBB BBB-BB+.BB BB-B+.B Ba1,Ba2 Ba3 LONG-TERM (Moody's) Aa1,Aa2 A1,A2,A3 Baa1.Baa2 Baa3 B1.B2 SHORT-TERM (S&P, others) A-1 R A-1+ A-2 A-3 SHORT-TERM (TBW) TBW-1 TBW-2 TBW-3 TBW-4 SHORT-TERM (Moody's) P-1 P-2 P-3 SPREAD (bp) over T-YIELD < 40 70 140 250 400 600 SPREAD (bp) over LIBOR < 10 40 90 220 370 570 C2. BORROWERS/GUARANTORS with INTRA-COUNTRY (LOCAL CURRENCY) RATINGS: TRANSACTION RISK INCREMENT: 0 0 0 0 1 2 LONG-TERM (S&P, TBW) AA+,AA,AA-A+,A,A-BBB+,BBB BBB-BB+,BB BB-B+,B A1,A2,A3 LONG-TERM (Moody's) Aa1,Aa2 Baa1,Baa2 Baa3 Ba1,Ba2 Ba3 B1,B2 SHORT-TERM (S&P, others) A-1 A-3 R A-1+ A-2 P-1 P-2 P-3 SHORT-TERM (Moody's) FINANCIAL STRENGTH (Moody's) A/B В B/C С C/D D **INTRA-COUNTRY ISSUER (TBW)** IC A/B IC В IC B/C IC С IC C/D IC D IC INDIVIDUAL (IBCA) A/B В B/C С C/D D BBB-INDIVIDUAL (Capital Intelligence) AA+,AA,AA-A+,A,A-BBB+,BBB BB+,BB BB-B+,B D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINANCIAL INSTITUTIONS: ***TRANSACTION RISK INCREMENT: D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHER THAN FINANCIAL INSTITUTIONS: *TRANSACTION RISK INCREMENT:** E. UNRATED LARGEST (PROFITABLE) FINANCIAL INSTITUTION: MAXIMUM TRANSACTION RISK INCREMENT: F1. UNRATED BORROWERS/GUARANTORS OTHER THAN FINANCIAL INSTITUTIONS DEBT TO TANGIBLE NET WORTH <1X <2X <3X <4X TRANSACTION RISK INCREMENT: 0 0 Λ >25% 1 OPERATING 0 0 2 >20% 1 CASH FLOW >15% 0 1 2 3 (2-YEAR AVERAGE) TO >10% 1 2 3 4 DEBT >5% 2 3 4 4 >0% 3 4 4 4 4 4 4 <0% Δ F2. UNRATED FINANCIAL INSTITUTION BORROWERS/GUARANTORS:

TRANSACTION RISK INCREMENT:	0	0	1	2	3	4
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 RATING HAS BEEN PRE-APPROVED

Effective: 01/20/2006