EXPOSURE FEE ADVICE JORDAN

PRIVATE SECTOR CREDITS

EXPOSURE FEE LEVEL 5

| A. SOVEREIGN (e.g., Finance Ministry Guarantee): | TRANSACTION RISK INCREMENT | | | T: See Public Sector Chart | | | | | | |
|---|----------------------------|-----------------------------|-----------|----------------------------|---------|-----------|-------------|------------------|------|-----|
| B. POLITICAL ONLY COVER: TRANSACTION | | | | | | IT: -1 | | | | |
| C1. BORROWERS/GUARANTORS with RATED/TRADED CF | ROSS BORDER | (HARD CU | RRENCY) D | EBTS: | | | | | | |
| TRANSACTION RISK INCREMENT: | 0 | 0 | 0 | (|) | 0 | 1 | 2 | | 3 |
| 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 | Baa3 | Ba1,l | Ba2 | Ba3 | B1,B2 | | ВЗ |
| SHORT-TERM (S&P, others) | A-1+ | A-1 | A-2 | A-3 | | В | | С | | |
| 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 | 900 | 1: | 500 |
| SPREAD (bp) over LIBOR < | 10 | 40 | 90 | 220 | : | 370 | 570 | 870 | 1- | 470 |
| C2. BORROWERS/GUARANTORS with INTRA-COUNTRY | (LOCAL CURR | ENCY) RAT | INGS: | | | | | | | |
| TRANSACTION RISK INCREMENT: | 0 | 0 | 0 | (|) | 0 | 1 | 2 | | 3 |
| 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,l | Ba2 | Ba3 | B1,B2 | В3 | |
| SHORT-TERM (S&P, others) | A-1+ | A-1 | A-2 | A-3 | i | 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 | | Ε |
| INTRA-COUNTRY ISSUER (TBW) | IC A/B | IC B | IC B/C | C IC | C IC | C/D IC | D IC | D/E | IC | Е |
| INDIVIDUAL (IBCA) | A/B | В | B/C | C | : (| C/D | D | D/E | | Ε |
| 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 - FINANC | IAL INSTITUTI | ONS: | | , | TRANSAC | CTION RIS | K INCREM | ENT: | 0 | |
| D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHER | THAN FINANC | IAI INSTITI | ITIONS: | , | TRANSAC | CTION RIS | K INCREM | FNT [.] | 1 | |
| | | | | MAXIMUM ¹ | | | | | 0 | |
| E. UNRATED LARGEST (PROFITABLE) FINANCIAL INST | | | | IVIAXIIVIOIVI | IKANSAC | TION KISI | N INCREIVIE | ZINI. | U | |
| F1. UNRATED BORROWERS/GUARANTORS OTHER THAN | I FINANCIAL IN | STITUTION | <u>S</u> | | | | | | | |
| DEBT TO TANGIBLE NET WORTH | | | | <1X | <2X | <3X | <4X | <6X | >(| 6X |
| | | TRANSACTION RISK INCREMENT: | | | | | | | | |
| | | > | 25% | 0 | 0 | 0 | 0 | 1 | | 2 |
| OPERATING | | > | 20% | 0 | 0 | 0 | 1 | 2 | | 3 |
| CASH FLOW (2-YEAR AVERAGE) | | > | 15% | 0 | 0 | 1 | 2 | 3 | | 3 |
| TO | | > | 10% | 0 | 1 | 2 | 3 | 3 | | 3 |
| DEBT | | | >5% | 1 | 2 | 3 | 3 | 3 | | 3 |
| | | | >0% | 2 | 3 | 3 | 3 | 3 | | 3 |
| | | | <0% | 3 | 3 | 3 | 3 | 3 | | 3 |
| F2. UNRATED FINANCIAL INSTITUTION BORROWERS/GU | ARANTORS: | | | | | | | | | |
| TRANSACTION RISK INCREMENT: | | | | 0 | 0 | 0 | 1 | 2 | | 3 |
| SHAREHOLDER'S EQUITY TO ASSETS | | | | >8% | >7% | >6% | >5% | >4% | <4 | 1% |
| 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 | 5% |
| RESERVES TO NON-PERFORMING ASSETS | | | | >200% | >175% | >150% | >125 | >100 | <100 |)% |
| | | | | | | | | | | |

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

EXPOSURE FEE ADVICE JORDAN

PUBLIC SECTOR CREDITS

EXPOSURE FEE LEVEL 5

| A. SOVEREIGN (e.g., Finance Ministry Guarantee): | TRANSACTION | | | ION RISK I | NCREME | NT: (|) | | | |
|--|------------------|-----------|--------------|----------------------|--------------|--------------|--------------------------|--------------|--------------|--|
| B. POLITICAL ONLY COVER: TRANSACTION | | | | ION RISK I | NCREME | NT: Se | See Private Sector Chart | | | |
| C1. BORROWERS/GUARANTORS with RATED/TRADED C | ROSS BORDER | (HARD CU | RRENCY) D | EBTS: | | | | | | |
| TRANSACTION RISK INCREMENT: | 0 | 0 | 0 |) | 0 | 0 | 1 | 2 | 3 | |
| 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 | 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-COUNTRY | (LOCAL CURR | ENCY) RAT | INGS: | | | | | | | |
| TRANSACTION RISK INCREMENT: | 0 | 0 | 0 | <u> </u> | 0 | 0 | 1 | 2 | 3 | |
| 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 | 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-S | 3 | | | | | |
| FINANCIAL STRENGTH (Moody's) | A/B | В | B/C | (| | C/D | D | D/E | E | |
| INTRA-COUNTRY ISSUER (TBW) | IC A/B | IC E | 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 | 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 RIS | SK INCREMI | ENT: | 0 | |
| D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHER | R THAN FINANC | AL INSTIT | JTIONS: | | *TRANSA | CTION RIS | SK INCREMI | ENT: | 1 | |
| E. UNRATED LARGEST (PROFITABLE) FINANCIAL INS | TITUTION: | | | MAXIMUM ⁻ | TRANSAC | TION RISH | K INCREME | 1 | | |
| F1. UNRATED BORROWERS/GUARANTORS OTHER THA | N FINANCIAL IN | STITUTION | <u>s</u> | | | | | | | |
| : DEBT TO TANGIBLE NET WORTH | | | | <1X | <2X | <3X | <4X | <6X | >6X | |
| DEBT TO TANGIBLE NET WORTH | | | | SIX | | | ISK INCREN | - | 2011 | |
| | | | | | | | | | | |
| OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT | | | 25% | 0 | 0 | 0 | 0 | 1 | 2 | |
| | | | 20% | 0 | 0 | 0 | 1 | 2 | 3 | |
| | | >15% | | 0 | 0 | 1 | 2 | 3 | 3 | |
| | | | 10% | 0 | 1 | 2 | 3 | 3 | 3 | |
| | | | >5% >0% | 1 2 | 2 | 3 | 3 | 3 | 3 3 | |
| | | | >0% <0% | 3 | 3 | 3 | 3 | 3 | 3 | |
| F2. UNRATED FINANCIAL INSTITUTION BORROWERS/G | IARANTORS: | | ~0 70 | 3 | 3 | 0 | J | 3 | 3 | |
| TRANSACTION RISK INCREMENT: | DANANTONO. | | | 0 | 0 | 0 | 1 | 2 | 3 | |
| | | | | | | | | | | |
| SHAREHOLDER'S EQUITY TO ASSETS | | | | >8% | >7% | >6% | | >4% | <4% | |
| NET INCOME TO ASSETS (2-YEAR AVERAGE) | | | | >2.5% | >2.0% | >1.5% | | >0.5% | <0.5% | |
| BORROWED FUNDS TO NET LOANS LIQUID ASSETS TO ASSETS | | | | <40% >25% | <60% >20% | <80% >15% | | <120% >5% | >120% <5% | |
| RESERVES TO NON-PERFORMING ASSETS | | | | >200% | >175% | >15% | | >100% | <100% | |
| | | | | - 20070 | | | | | | |

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