EXPOSURE FEE ADVICE MACEDONIA

PRIVATE SECTOR CREDITS

EXPOSURE FEE LEVEL 5

A. SOVEREIGN (e.g., Finance Ministry Guarantee):	TRANSACTION RISK INCREMENT: See Public Sec						Sector Cha	art	
B. POLITICAL ONLY COVER:		Т	RANSACTI	ON RISK IN	ICREMEN	NT: -1			
C1. BORROWERS/GUARANTORS with RATED/TRADE	D CROSS BORDI	ER (HARD C	CURRENCY) DEBTS:					
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-	B+,B	В-
LONG-TERM (Moody's)	Aa1,Aa2	A1,A2,A3	Baa1,Baa2	Baa3	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	ļ				
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	RY (LOCAL CURF	RENCY) RA	TINGS:						
TRANSACTION RISK INCREMENT:	1	1	1	1		1	1	2	3
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	Baa3	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	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 - FINAL	NCIAL INSTITUTI	ONS:		•	*TRANSA	CTION RI	SK INCRE	MENT:	1
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE	R THAN FINANC	IAL INSTIT	UTIONS:	•	TRANSA	CTION RI	SK INCRE	MENT:	2
E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN	STITUTION:			MAXIMUM	TRANSA	CTION RI	SK INCRE	MENT:	1
F1. UNRATED BORROWERS/GUARANTORS OTHER TO		INSTITUTIO	ONS						
DEBT TO TANGIBLE NET WORTH	HANTINANOIAL	<u> </u>	<u> </u>	-4V	.OV	-2V	.4V	-cV	. 6V
DEBT TO TANGIBLE NET WORTH				<1X	<2X	<3X	<4X	<6X	>6X
					TRANSACTION RISK INCREMENT:				
		>	25%	1	1	1	1	1	2
OPERATING CASH FLOW		>	20%	1	1	1	1	2	3
(2-YEAR AVERAGE)			15%	1	1	1	2	3	3
TO DEBT			10%	1	1	2	3	3	3
			>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	<u>/GUARANTORS:</u>								
TRANSACTION RISK INCREMENT:				1	1	1	1	2	3
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 BEE	N PRE-APPI	ROVED				Effec	tive: 02	/02/2007

EXPOSURE FEE ADVICE MACEDONIA

PUBLIC SECTOR CREDITS

EXPOSURE FEE LEVEL 5

A. SOVEREIGN (e.g., Finance Ministry Guarantee):		T	RANSACTI	ON RISK IN	ICREME	NT: 0			
B. POLITICAL ONLY COVER:	TRANSACTION RISK INCREMENT: See Private					e Private \$	Sector Ch	art	
C1. BORROWERS/GUARANTORS with RATED/TRADED	CROSS BORDE	R (HARD C	URRENCY	DEBTS:					
TRANSACTION RISK INCREMENT:	0	0	0	C)	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			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					
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	Y (LOCAL CURR	ENCY) RAT	ΓINGS:						
TRANSACTION RISK INCREMENT:	0	0	0	C)	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			Ba3	B1,B2	В3
SHORT-TERM (S&P, others)	A-1+	A-1	A-2	A-3		В		C	
SHORT-TERM (Moody's)		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 B	IC B/C	IC C	; IC	C/D IC	D IC	D/E	IC E
INDIVIDUAL (IBCA)	A/B	В	B/C	С		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 RI	SK INCRE	MENT:	0
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHER	R THAN FINANC	IAL INSTITI	JTIONS:	*	TRANSA	CTION RI	SK INCRE	MENT:	1
E. UNRATED LARGEST (PROFITABLE) FINANCIAL INS				MAXIMUM ⁻	TRANSAC	CTION RIS	SK INCREI	MENT.	1
		NETITUTIO				, , , , , , , , , , , , , , , , , , ,	J. ((J. (L. (•
F1. UNRATED BORROWERS/GUARANTORS OTHER TH	AN FINANCIAL I	NSIIIUIIO	<u>'NS</u>					<6X	
DEBT TO TANGIBLE NET WORTH		<1X <2X			<3X	<4X	>6X		
				TRANSACT			RISK INCR		
		>	25%	0	0	0	0	1	2
OPERATING CASH FLOW		>	20%	0	0	0	1	2	3
(2-YEAR AVERAGE)		>	15%	0	0	1	2	3	3
TO DEBT		>	10%	0	1	2	3	3	3
5251		;	>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/0	GUARANTORS:								
TRANSACTION RISK INCREMENT:				0	0	0	1	2	3
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 RATIN	IG HAS BEEN PF	RE-APPRO\	/ED				Effective	02/	02/2007