EXPOSURE FEE ADVICE

OMAN

PRIVATE SECTOR CREDITS

2

EXPOSURE FEE LEVEL

A. SOVEREIGN (e.g., Finance Ministry Guarantee):

TRANSACTION RISK INCREMENT: See Pu

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	1		2	3	4		5
LONG-TERM (S&P, others)	AA+,AA,AA-		A+,A,		BBB+,BBB	BBB-	BB+,BE		BB-	B+,B		B-
LONG-TERM (Moody's)	Aa1,Aa2		A1,A2,A	A3	Baa1,Baa2	Baa3	Ba1,Ba		Ba3	B1,B2		B3
SHORT-TERM (S&P, others)		A-1+	A	\-1	A-2	A-3	E	3		С		
SHORT-TERM (TBW)	TI	BW-1	TBW	-2	TBW-3	TBW-4						
SHORT-TERM (Moody's)			P	P-1	P-2	P-3						
SPREAD (bp) over T-YIELD <	40			70	140	250	40	C	600	900	1	500
SPREAD (bp) over LIBOR <	10			40		220	37	C	570	870	1	470
C2. BORROWERS/GUARANTORS with INTRA-COUN	TRY (LOCAL	CURRI	ENCY) R	AT	INGS:							
TRANSACTION RISK INCREMENT:	0			0	0	1	:	2	3	4		5
LONG-TERM (S&P, TBW)	AA+,AA,AA-		A+,A,A-		BBB+,BBB	BBB-	BB+,BE	3	BB-	B+,B		B-
LONG-TERM (Moody's)	Aa1,Aa2		A1,A2,A3		Baa1,Baa2	Baa3	Ba1,Ba	2	Ba3	B1,B2		B3
SHORT-TERM (S&P, others)		A-1+	A	\-1	A-2	A-3	E	3		С		
SHORT-TERM (Moody's)			P	P-1	P-2	P-3						
FINANCIAL STRENGTH (Moody's)		A/B		В	B/C	С	C/I	C	D	D/E		Е
INTRA-COUNTRY ISSUER (TBW)	IC	A/B	IC	В	IC B/C	IC C	IC C	/D IC	D IC	D/E	IC	Е
INDIVIDUAL (IBCA)		A/B		В	B/C	С	C/I	C	D	D/E		Е
INDIVIDUAL (Capital Intelligence)	AA+,AA	A,AA-	A+,A,	A-	BBB+,BBB	BBB-	BB+,BE	3	BB-	B+,B		B-
D1. TRANSACTIONS OF \$10 MILLION OR LESS - FIN		ΓΙΤυτια	ONS:			*	FRANSACT	ON RISI	K INCREME	ENT:	0	
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OT	HER THAN FI	NANCI	AL INST	Π	JTIONS:	*	FRANSACT	ON RISI	K INCREME	ENT:	1	
E. UNRATED LARGEST (PROFITABLE) FINANCIAL INSTITUTION:						MAXIMUM TRANSACTION RISK INCREMENT:						
		-									Ũ	
F1. UNRATED BORROWERS/GUARANTORS OTHER :	THAN FINANC	IAL IN	STITUTIO	ONS	<u>5</u>							
DEBT TO TANGIBLE NET WORTH						<1X	<2X	<3X	<4X	<6X	>	6X
							TRANSAC	TION RIS	SK INCREM	IENT:		
	>25%			0	0	1	2	3		4		
OPERATING CASH FLOW	>20%			0	1	2	3	4		5		
(2-YEAR AVERAGE)	>15%				1	2	3	4	5		5	
TO DEBT	>10%			10%	2	3	4	5	5		5	
DERI	:			>5%		3	4	5	5	5		5
				2	>0%	4	5	5	5	5		5
					<0%	5	5	5	5	5		5

F2. UNRATED FINANCIAL INSTITUTION BORROWERS/GUARANTORS:

TRANSACTION RISK INCREMENT:	0	1	2	3	4	5
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 INCREMENT HAS BEEN PRE-APPROVED

Effective: 10/29/2004

EXPOSURE FEE ADVICE

OMAN

PUBLIC SECTOR CREDITS

EXPOSURE FEE LEVEL

<u>A.</u>

2 SOVEREIGN (e.g., Finance Ministry Guarantee): TRANSACTION RISK INCREMENT: 0 **B. POLITICAL ONLY COVER:** TRANSACTION RISK INCREMENT: See Private Sector Chart C1. BORROWERS/GUARANTORS with RATED/TRADED CROSS BORDER (HARD CURRENCY) DEBTS: TRANSACTION RISK INCREMENT: 0 0 2 3 4 0 1 BBB+.BBB AA+.AA.AA-A+.A.A-BBB-BB+.BB BB-B+.B LONG-TERM (S&P, others) Ba1 Ba2 Ba3 B1 B2 LONG-TERM (Moody's) Aa1.Aa2 A1.A2.A3 Baa1 Baa2 Baa3 Δ_1 R С SHORT-TERM (S&P, others) A-1+ Δ-2 A-3 TBW-1 TBW-2 TBW-3 TBW-4 SHORT-TERM (TBW) P-1 P-2 P-3 SHORT-TERM (Moody's) 40 70 140 250 400 600 900 1500 SPREAD (bp) over T-YIELD < 10 40 90 220 370 570 870 1470 SPREAD (bp) over LIBOR < C2. BORROWERS/GUARANTORS with INTRA-COUNTRY (LOCAL CURRENCY) RATINGS: TRANSACTION RISK INCREMENT: 0 0 0 1 2 3 4 AA+,AA,AA-BBB+.BBB BBB-RR+ RR RR. B+.B A+ A A-LONG-TERM (S&P, TBW) LONG-TERM (Moody's) Aa1,Aa2 A1,A2,A3 Baa1.Baa2 Baa3 Ba1.Ba2 Ba₃ B1,B2 A-1 A-2 A-3 в С SHORT-TERM (S&P, others) A-1+ P-1 P-2 P-3 SHORT-TERM (Moody's) A/B в B/C C/D D D/E FINANCIAL STRENGTH (Moody's) С IC A/B IC в IC B/C IC С IC C/D IC D IC D/F IC INTRA-COUNTRY ISSUER (TBW) A/B R B/C С C/D п D/E INDIVIDUAL (IBCA) BBB+.BBB BBB-BB+ BB BB-B+ B **INDIVIDUAL** (Capital Intelligence) 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 <4X <6X >6X TRANSACTION RISK INCREMENT: >25% 0 ٥ 1 2 З **OPERATING** ٥ 2 ٦ >20% 1 4 CASH FLOW >15% 1 2 3 4 5 (2-YEAR AVERAGE) TO >10% 2 3 4 5 5 DFBT >5% 3 4 5 5 5 5 5 5 5 >0% 4 5 5 5 <0% 5 5 F2. UNRATED FINANCIAL INSTITUTION BORROWERS/GUARANTORS: TRANSACTION RISK INCREMENT: 0 1 2 3 4 SHARFHOLDER'S FOULTY TO ASSETS >7% >6% >5% >4% -4% >8% 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: 10/29/2004

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