EXPOSURE FEE ADVICE PORTUGAL

PRIVATE SECTOR CREDITS

EXPOSURE FEE LEVEL 1

A. SOVEREIGN (e.g., Finance Ministry Guarantee):		7	TRANSACTI	ON RISK IN	ICREMEN	IT: Se	e Public	Sector Cl	hart
B. POLITICAL ONLY COVER:		7	TRANSACTI	ON RISK IN	ICREMEN	IT: -1			
C1. BORROWERS/GUARANTORS with RATED/TRADED C	ROSS BORDER	(HARD CU	RRENCY) D	EBTS:					
TRANSACTION RISK INCREMENT:	0	1	2	3	3	4	5	5	5
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,E	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					
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	1	2	3	3	4	5	5	5
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	3				
FINANCIAL STRENGTH (Moody's)	A/B	В	B/C	C	;	C/D	D	D/E	Е
INTRA-COUNTRY ISSUER (TBW)	IC A/E	IC E	IC B/C	IC	C IC	C/E IC	C C 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+,	ВВ	BB-	B+,B	B-
D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINANCE	CIAL INSTITUTION	ONS:		,	*TRANSAC	TION RIS	K INCREM	ENT:	0
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHER	THAN FINANC	IAL INSTITI	UTIONS:	,	*TRANSAC	TION RIS	K INCREM	ENT:	1
E. UNRATED LARGEST (PROFITABLE) FINANCIAL INST	TITUTION-			MAXIMUM ¹	TRANSAC	TION RISH	(INCREME	=NT·	0
		CTITUTION							· ·
F1. UNRATED BORROWERS/GUARANTORS OTHER THA	N FINANCIAL IN	SIIIUIION	<u>s</u>						
DEBT TO TANGIBLE NET WORTH				<1X	<2X	<3X	<4X	<6X	>6X
					TRANSA	CTION RI	SK INCRE		
		>	25%	2	2	3	4	5	5
OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT		>	20%	2	3	4	5	5	5
	>15%			3	4	5	5	5	5
		>10%		4	5	5	5	5	5
		>5%		5	5	5	5	5	5
			>0%	5	5	5	5	5	5
			<0%	5	5	5	5	5	5
F2. UNRATED FINANCIAL INSTITUTION BORROWERS/GL	JARANTORS:								
TRANSACTION RISK INCREMENT:				2	3	4	5	5	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%
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Effective: 07/01/2003

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

EXPOSURE FEE ADVICE PORTUGAL

PUBLIC SECTOR CREDITS

EXPOSURE FEE LEVEL 1

A. SOVEREIGN (e.g., Finance Ministry Guarantee):		•	TRANSACTION 1	ON RISK II	NCREME	NT: 0			
B. POLITICAL ONLY COVER: TRANSACTI			ON RISK II	NCREME	NT: Se	e Private	Sector C	hart	
C1. BORROWERS/GUARANTORS with RATED/TRADED C	ROSS BORDER	(HARD CU	RRENCY) DE	BTS:					
TRANSACTION RISK INCREMENT:	0	1	2	3	3	4	5	5	5
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	В3
SHORT-TERM (S&P, others)	A-1+	A-1	A-2	A-3	i	В		С	
SHORT-TERM (TBW)	TBW-1	TBW-2	TBW-3	TBW-4					
SHORT-TERM (Moody's)		P-1	P-2	P-3	i				
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	1	2	3	3	4	5	5	5
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	3a2	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	i				
FINANCIAL STRENGTH (Moody's)	A/B	В	B/C	C	: (C/D	D	D/E	Е
INTRA-COUNTRY ISSUER (TBW)	IC A/E	IC E	IC B/C	IC (C IC	C/E IC	с с с	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 - FINANCE	CIAL INSTITUTION	ONS:		,	TRANSAC	CTION RIS	K INCREM	ENT:	0
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHER	THAN FINANC	AL INSTITU	JTIONS:	,	TRANSAC	CTION RIS	K INCREM	ENT:	1
									•
E. UNRATED LARGEST (PROFITABLE) FINANCIAL INST	TITUTION:		N	MAXIMUM T	RANSAC	TION RISK	INCREME		1
		STITUTION		1AXIMUM T	"RANSAC"	TION RISK	(INCREME		•
F1. UNRATED BORROWERS/GUARANTORS OTHER THA		STITUTION						:NT:	1
		STITUTION		MAXIMUM T	<2X	<3X	<4X	ENT: <6X	•
F1. UNRATED BORROWERS/GUARANTORS OTHER THA			<u>S</u>	<1X	<2X TRANSA	<3X ACTION RI	<4X SK INCREI	:NT: <6X MENT:	1 >6X
F1. UNRATED BORROWERS/GUARANTORS OTHER THA		>	<u>s</u> 25%	<1X 2	<2X TRANSA	<3X ACTION RI 3	<4X SK INCREI 4	<6X MENT: 5	1 >6X
F1. UNRATED BORROWERS/GUARANTORS OTHER THA		>	<u>\$</u> 25% 20%	<1X 2 2	<2X TRANSA 2 3	<3X ACTION RI 3 4	<4X SK INCREI 4 5	<6X MENT: 5	1 >6X 5 5
F1. UNRATED BORROWERS/GUARANTORS OTHER THA DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE)		> >	<u>S</u> 25% 20% 15%	<1X 2 2 3	<2X TRANSA 2 3 4	<3X ACTION RI 3 4 5	<4X SK INCREI 4 5 5	<6X MENT: 5 5 5	1 >6X 5 5 5
F1. UNRATED BORROWERS/GUARANTORS OTHER THAT DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW		> > >	25% 20% 15% 10%	<1X 2 2 3 4	<2X TRANSA 2 3 4 5	<3X ACTION RI 3 4 5 5	<4X SK INCREI 4 5 5 5	<6X MENT: 5 5 5 5	1 >6X 5 5 5 5
F1. UNRATED BORROWERS/GUARANTORS OTHER THAT DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE) TO		> > >	25% 20% 15% 10% >5%	<1X 2 2 3 4 5	<2X TRANSA 2 3 4 5 5	<3X ACTION RI 3 4 5 5 5	<4X SK INCREI 4 5 5 5 5	<6X MENT: 5 5 5 5	5 5 5 5
F1. UNRATED BORROWERS/GUARANTORS OTHER THAT DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE) TO		> > >	25% 20% 15% 10% >5% >0%	<1X 2 2 3 4 5 5	<2X TRANSA 2 3 4 5 5 5	<3X ACTION RI 3 4 5 5 5 5	<4X SK INCREI 4 5 5 5 5 5	<6X MENT: 5 5 5 5 5 5 5	5 5 5 5 5
P1. UNRATED BORROWERS/GUARANTORS OTHER THAT DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT	N FINANCIAL IN	> > >	25% 20% 15% 10% >5%	<1X 2 2 3 4 5	<2X TRANSA 2 3 4 5 5	<3X ACTION RI 3 4 5 5 5	<4X SK INCREI 4 5 5 5 5	<6X MENT: 5 5 5 5	5 5 5 5
P1. UNRATED BORROWERS/GUARANTORS OTHER THAT DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT F2. UNRATED FINANCIAL INSTITUTION BORROWERS/GU	N FINANCIAL IN	> > >	25% 20% 15% 10% >5% >0%	<1X 2 2 3 4 5 5 5	<2X TRANSA 2 3 4 5 5 5	<3X ACTION RI 3 4 5 5 5 5	<4X SK INCREI 4 5 5 5 5 5	<6X MENT: 5 5 5 5 5 5 5	5 5 5 5 5
P1. UNRATED BORROWERS/GUARANTORS OTHER THAT DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT F2. UNRATED FINANCIAL INSTITUTION BORROWERS/GU TRANSACTION RISK INCREMENT:	N FINANCIAL IN	> > >	25% 20% 15% 10% >5% >0%	<1X 2 2 3 4 5 5 5	<2X TRANSA 2 3 4 5 5 5 5	<3X ACTION RI 3 4 5 5 5 5	<4X SK INCREI 4 5 5 5 5 5 5	<pre><6X MENT: 5 5 5 5 5 5 6</pre>	1 >6X 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5
P1. UNRATED BORROWERS/GUARANTORS OTHER THAT DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT P2. UNRATED FINANCIAL INSTITUTION BORROWERS/GU TRANSACTION RISK INCREMENT: SHAREHOLDER'S EQUITY TO ASSETS	N FINANCIAL IN	> > >	25% 20% 15% 10% >5% >0%	<1X 2 2 3 4 5 5 5 2 >8%	<2X TRANSA 2 3 4 5 5 5 5 3 >7%	<3X ACTION RI 3 4 5 5 5 5 5 6 4 >6%	<4X SK INCREI 4 5 5 5 5 5 5 5 5 5	<pre><6X MENT: 5 5 5 5 5 5 5 5 7 4%</pre>	5 5 5 5 5 5 5
P1. UNRATED BORROWERS/GUARANTORS OTHER THAT DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT F2. UNRATED FINANCIAL INSTITUTION BORROWERS/GU TRANSACTION RISK INCREMENT: SHAREHOLDER'S EQUITY TO ASSETS NET INCOME TO ASSETS (2-YEAR AVERAGE)	N FINANCIAL IN	> > >	25% 20% 15% 10% >5% >0%	<1X 2 2 3 4 5 5 5 2 >8% >2.5%	<2X TRANSA 2 3 4 5 5 5 5 7 3 >7% >2.0%	<3X ACTION RI 3 4 5 5 5 5 4 >6% >1.5%	<4X SK INCREI 4 5 5 5 5 5 5 5 7 10%	<pre><6X MENT: 5 5 5 5 5 5 5 5 5 7 4% >0.5%</pre>	5 5 5 5 5 5 5 5 5 5 5
F1. UNRATED BORROWERS/GUARANTORS OTHER THAT DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT F2. UNRATED FINANCIAL INSTITUTION BORROWERS/GU TRANSACTION RISK INCREMENT: SHAREHOLDER'S EQUITY TO ASSETS NET INCOME TO ASSETS (2-YEAR AVERAGE) BORROWED FUNDS TO NET LOANS	N FINANCIAL IN	> > >	25% 20% 15% 10% >5% >0%	<1X 2 2 3 4 5 5 5 2 >8% >2.5% <40%	<2X TRANSA 2 3 4 5 5 5 5 7 2 3 >7% >2.0% <60%	<3X ACTION RI 3 4 5 5 5 5 5 4 >6% >1.5% <80%	<4X SK INCREI 4 5 5 5 5 5 5 5 7 5 4 1.0% <100%	Sent: 46X MENT: 5 5 5 5 5 5 5 7 7 8 90.5% \$120%	5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5
P1. UNRATED BORROWERS/GUARANTORS OTHER THAT DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT F2. UNRATED FINANCIAL INSTITUTION BORROWERS/GU TRANSACTION RISK INCREMENT: SHAREHOLDER'S EQUITY TO ASSETS NET INCOME TO ASSETS (2-YEAR AVERAGE)	N FINANCIAL IN	> > >	25% 20% 15% 10% >5% >0%	<1X 2 2 3 4 5 5 5 2 >8% >2.5%	<2X TRANSA 2 3 4 5 5 5 5 7 3 >7% >2.0%	<3X ACTION RI 3 4 5 5 5 5 4 >6% >1.5%	<4X SK INCREI 4 5 5 5 5 5 5 5 7 10%	<pre><6X MENT: 5 5 5 5 5 5 5 5 5 7 4% >0.5%</pre>	5 5 5 5 5 5 5 5 5 5 5

Effective:

07/01/2003

* MAY NOT APPLY IF A TRANSACTION ICRAS RATING HAS BEEN PRE-APPROVED