EXPOSURE FEE ADVICE TURKS & CAICOS PRIVATE SECTOR CREDITS

2

EXPOSURE FEE LEVEL

A. 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 1 2 3 4 5 LONG-TERM (S&P. others) AA+,AA,AA-A+,A,A-BBB+,BBB BBB-BB+ BB BB-B+,B B-Ba1.Ba2 Ba3 B1.B2 LONG-TERM (Moody's) Aa1 Aa2 A1 A2 A3 Baa1 Baa2 Baa3 B3 A-1 в С SHORT-TERM (S&P, others) A-1+ A-2 A-3 SHORT-TERM (TBW) TBW-1 TBW-2 TBW-3 TBW-4 P-1 P-2 P-3 SHORT-TERM (Moody's) 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 CURRENCY) RATINGS: TRANSACTION RISK INCREMENT: 0 0 0 2 3 4 5 1 BB+,BB LONG-TERM (S&P, TBW) AA+,AA,AA-A+,A,A-BBB+,BBB BBB-BB-B+,B B-Aa1,Aa2 A1,A2,A3 Baa1,Baa2 Ba1,Ba2 Ba3 B1,B2 В3 LONG-TERM (Moody's) Baa3 A-1 A-3 в С SHORT-TERM (S&P, others) A-2 A-1+ P-1 SHORT-TERM (Moody's) P-2 P-3 B/C С в C/D D D/E FINANCIAL STRENGTH (Moody's) A/B Е INTRA-COUNTRY ISSUER (TBW) IC A/B IC в IC B/C IC С IC C/D IC D IC D/E IC Е Е INDIVIDUAL (IBCA) A/B В B/C С C/D D D/E INDIVIDUAL (Capital Intelligence) BBB+,BBB BBB-BB+,BB BB-B+,B B-AA+,AA,AA-A+,A,A-***TRANSACTION RISK INCREMENT:** 0 D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINANCIAL INSTITUTIONS: **D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHER THAN FINANCIAL INSTITUTIONS: *TRANSACTION RISK INCREMENT:** 1 E. UNRATED LARGEST (PROFITABLE) FINANCIAL INSTITUTION: 0 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 2 1 З Δ OPERATING 3 >20% 0 1 2 4 5 CASH FLOW >15% 1 2 3 4 5 5 (2-YEAR AVERAGE) TO >10% 2 3 4 5 5 5 DEBT >5% 3 4 5 5 5 5 4 5 5 5 5 >0% 5 5 <0% 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 >7% >5% >4% -4% >8% >6% NET INCOME TO ASSETS (2-YEAR AVERAGE) >2.0% >1.5% >1.0% >0.5% <0.5% >2.5% BORROWED FUNDS TO NET LOANS <40% <60% <80% <100% <120% >120% LIQUID ASSETS TO ASSETS >20% >15% >10% >5% <5% >25% **RESERVES TO NON-PERFORMING ASSETS** >200% >175% >150% >125 >100 <100%

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

Effective: 01/01/2008

EXPOSURE FEE ADVICE TURKS & CAICOS PUBLIC SECTOR CREDITS

EXPOSURE FEE LEVEL

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

TRANSACTION RISK INCREMENT:

2

0

B. POLITICAL ONLY COVER: TRANSACTION RISK INCREMENT:						NT: Se	See Private Sector Chart			
C1. BORROWERS/GUARANTORS with RATED/TRADED	O CROSS BORDE	ER (HARD C	URRENCY)	DEBTS:						
TRANSACTION RISK INCREMENT:	0	0	0		1	2	3	4	5	
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	B3	
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	4					
SHORT-TERM (Moody's)		P-1	P-2	P-3	3					
SPREAD (bp) over T-YIELD <	40	70	140	25	0	400	600	900	1500	
SPREAD (bp) over LIBOR <	10	40	90	22	0	370	570	870	1470	
C2. BORROWERS/GUARANTORS with INTRA-COUNTR	Y (LOCAL CURR	ENCY) RA	TINGS:							
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+	,BB	BB-	B+,B	B-	
LONG-TERM (Moody's)	Aa1,Aa2	A1,A2,A3	Baa1,Baa2	Baa	3 Ba1,	Ba2	Ba3	B1,B2	B3	
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	(0	C/D	D	D/E	E	
INTRA-COUNTRY ISSUER (TBW)	IC A/B	IC B	IC B/C	IC (C IC	C/D I		D/E	IC E	
INDIVIDUAL (IBCA)	A/B	В	B/C	(2	C/D	D	D/E	E	
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	ICIAL INSTITUTI	ONS:			*TRANSA	CTION R	ISK INCRE	MENT:	0	
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHER THAN FINANCIAL INSTITUTIONS: *TRANSACTIO							ISK INCRE	EMENT:	1	
E. UNRATED LARGEST (PROFITABLE) FINANCIAL INSTITUTION: MAXIMUM TRANSACTION RISK							SK INCRE	MENT:	1	
F1. UNRATED BORROWERS/GUARANTORS OTHER TH			NS							
DEBT TO TANGIBLE NET WORTH				<1X	<2X	<3X	<4X	-6V	>6X	
DEBT TO TANGIBLE NET WORTH				<17				<6X	>0∧	
		TRANSACT			ACTION		EMENT			
			25%	0	0	1	2	3	4	
OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT			20%	0	1	2	3	4	5	
			15%	1	2	3	4	5	5	
		>10%		2	3	4	5	5	5	
		>5%		3	4	5	5	5	5	
			>0%	4 5	5 5	5 5	5 5	5 5	5 5	
			<0%	5	5	5	5	5	5	
F2. UNRATED FINANCIAL INSTITUTION BORROWERS/	GUARANIORS:			~	,	~	~		-	
TRANSACTION RISK INCREMENT:				0	1	2		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 LIQUID ASSETS TO ASSETS				<40% >25%	<60% >20%	<80% >15%	<100% >10%	<120% >5%	>120% <5%	
RESERVES TO NON-PERFORMING ASSETS				>25% >200%	>20%	>15%	>10%	>5% >100%	<5% <100%	
				00 /0	2110/0	- 10070	- 12070	- 10070	\$10070	

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

Effective: 01/01/2008