EXPOSURE FEE ADVICE VANUATU

PRIVATE SECTOR CREDITS

EXPOSURE FEE LEVEL 4

A. SOVEREIGN (e.g., Finance Ministry Guarantee):	, Finance Ministry Guarantee):				TRANSACTION RISK INCREMENT:						See Public Sector Chart				
B. POLITICAL ONLY COVER: TRANSACTION RISK INCREMENT: -1															
C1. BORROWERS/GUARANTORS with RATED/TRADED CF	ROSS BO	RDER (HARD (CUR	RENCY) DE	BTS:									
TRANSACTION RISK INCREMENT:		0		0	0	0		0		1	2	3	3		
LONG-TERM (S&P, others)	AA+,AA	A,AA-	A+,A	A-	BBB+,BBB	BBB-	BB+	-,BB		BB-	B+,B	В-			
LONG-TERM (Moody's)	Aa1	1,Aa2	A1,A2,	A 3	Baa1,Baa2	Baa3	Ba1,	Ba2		Ba3	B1,B2	В3	3		
SHORT-TERM (S&P, others)		A-1+	A	\-1	A-2	A-3		В			С				
SHORT-TERM (TBW)	TE	3W-1	TBW	-2	TBW-3	TBW-4									
SHORT-TERM (Moody's)			F	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	(LOCAL	CURRE	NCY) R	ATI	NGS:										
TRANSACTION RISK INCREMENT:		0		0	0	0		0		<u>1</u>	2	3	3		
LONG-TERM (S&P, TBW)	AA+,AA,AA-		A+,A,A-		BBB+,BBB	BBB-	BBB- BB+,BB		BB-		B+,B	В-			
LONG-TERM (Moody's)	Aa1,Aa2		A1,A2,A3		Baa1,Baa2	Baa3	Baa3 Ba1,Ba2		a2 Ba3		B1,B2	ВЗ	\$		
SHORT-TERM (S&P, others)	A-1+		A-1		A-2	A-3	A-3 B				С				
SHORT-TERM (Moody's)			F	P-1	P-2	P-3									
FINANCIAL STRENGTH (Moody's)		A/B		В	B/C	С		C/D		D	D/E	E	Ė		
INTRA-COUNTRY ISSUER (TBW)	IC	A/B	IC	В	IC B/C	IC (CIC	C/D	IC	D IC	D/E	IC	Ε		
INDIVIDUAL (IBCA)		A/B		В	B/C	С		C/D		D	D/E	E	i		
INDIVIDUAL (Capital Intelligence)	AA+,AA	A,AA-	A+,A	A-	BBB+,BBB	BBB-	BB+	-,BB		BB-	B+,B	В-	-		
D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINANC	CIAL INST	TITUTIC	NS:			*	TRANSA	CTION	RISK	INCREME	ENT:	0			
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHER	THAN FI	NANCI	AL INST	ITU	TIONS:	*	TRANSA	CTION	RISK	INCREME	ENT:	1			
E. UNRATED LARGEST (PROFITABLE) FINANCIAL INST	TTUTION:				N	/AXIMUM T	RANSAC	TION F	RISK I	NCREME	NT:	0			
F1. UNRATED BORROWERS/GUARANTORS OTHER THAI	N FINANC	IAL INS	STITUTI	ON											
S: DEBT TO TANGIBLE NET WORTH			····	<u> </u>		<1X	<2X	.ر	3X	<4X	<6X	>6X			
DEDITIO TANGIBLE NET WORTH						< IX					_	20/			
							TRANSACTION RISK INCREMENT:								
OPERATING					25%	0	0		0	0	1	2			
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			
DEDI					×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		DC.													
	<u>ARANTO</u>	NJ.													
TRANSACTION RISK INCREMENT:	<u>ARANTO</u>	<u>NO.</u>			-	0	0		0	1	2	3			
TRANSACTION RISK INCREMENT: SHAREHOLDER'S EQUITY TO ASSETS	<u>ARANTO</u>	NO.			-	<u>0</u> >8%	0 >7%	>6	0 5%	<u>1</u> >5%	2 >4%	3 <4%	-		
	<u>ARANTO</u>	N.S.			-			>6 >1.5	6%				-		
SHAREHOLDER'S EQUITY TO ASSETS NET INCOME TO ASSETS (2-YEAR AVERAGE) BORROWED FUNDS TO NET LOANS	<u>ARANTO</u>	<u>KO.</u>			-	>8%	>7%		5% 5%	>5%	>4%	<4%			
SHAREHOLDER'S EQUITY TO ASSETS NET INCOME TO ASSETS (2-YEAR AVERAGE)	<u>ARANTO</u>	<u>KJ.</u>				>8% >2.5%	>7% >2.0%	>1.5	5% 5% 0% 5%	>5% >1.0%	>4% >0.5%	<4% <0.5%			

Effective: 10/01/1998

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

EXPOSURE FEE ADVICE VANUATU

PUBLIC SECTOR CREDITS

EXPOSURE FEE LEVEL

A. SOVEREIGN (e.g., Finance Ministry Guarantee):		7	TRANSACTI	ON RISK I	NCREME	NT: ()			
B. POLITICAL ONLY COVER: TRANSACTI					NCREME	NT: Se	e Private	Sector C	hart	
C1. BORROWERS/GUARANTORS with RATED/TRADED CF	ROSS BORDER	(HARD CUI	RRENCY) DI	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	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	25	0	400	600	900	1500	
SPREAD (bp) over LIBOR <	10	40	90	22	0	370	570	870	1470	
C2. BORROWERS/GUARANTORS with INTRA-COUNTRY	(LOCAL CURRE	ENCY) RAT	INGS:							
TRANSACTION RISK INCREMENT:	0	0	0		0	0	1	2	3	
LONG-TERM (S&P, TBW)	AA+,AA,AA-	A+,A,A-	BBB+,BBB	BBB	- BB+	3+,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	В		С		
SHORT-TERM (Moody's)		P-1	P-2	P-	3					
FINANCIAL STRENGTH (Moody's)	A/B	В	B/C	(0	C/D	D	D/E	Е	
INTRA-COUNTRY ISSUER (TBW)	IC A/B	IC B	IC B/C	ic ic	C IC	C/D I	C DIC	D/E	IC E	
INDIVIDUAL (IBCA)	A/B	В	B/C	(0	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 - FINANC	CIAL INSTITUTIO	ONS:			*TRANSA	CTION RIS	K INCREM	ENT:	0	
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHER	THAN FINANCI	AL INSTITU	JTIONS:		*TRANSAG	CTION RIS	K INCREM	ENT:	1	
E. UNRATED LARGEST (PROFITABLE) FINANCIAL INST	TTUTION:		ı	MAXIMUM [*]	TRANSAC	TION RISK	(INCREME	NT:	1	
F1. UNRATED BORROWERS/GUARANTORS OTHER THAI	N FINANCIAL IN:	STITUTION								
S: DEBT TO TANGIBLE NET WORTH				<1X	<2X	<3X	<4X	<6X	>6X	
DEDITIO TANOBLE NET WORTH							TION RISK INCREMENT:			
									_	
OPERATING			25%	0	0	0	0	1	2	
CASH FLOW			20%	0	0	0	1	2	3	
(2-YEAR AVERAGE)			15%	0	0	1	2	3	3	
TO DEBT			10% >5%	0	1 2	2	3	3	3	
			>5% >0%	2	3	ა 3	3	3	ა 3	
			<0%	3	3	3	3	3	3	
F2. UNRATED FINANCIAL INSTITUTION BORROWERS/GU	ARANTORS:		4070	Ü	Ü	Ü	Ü	Ü	Ū	
TRANSACTION RISK INCREMENT:	7 H 17 H 17 H 17 H 17 H			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%		>0.5%	<0.5%	
BORROWED FUNDS TO NET LOANS				<40%	<60%	<80%		<120%	>120%	
LIQUID ASSETS TO ASSETS				>25%	>20%	>15%		>5%	<5%	
RESERVES TO NON-PERFORMING ASSETS				>200%	>175%	>150%		>100%	<100%	
* MAY NOT APPLY IF A TRANSACTION ICRAS RATIN	NG HAS BEEN F	PRE-APPR	OVED				Effective	e: 10/	01/1998	