## EXPOSURE FEE ADVICE WESTERN SAMOA

## **PRIVATE SECTOR CREDITS**

EXPOSURE FEE LEVEL 4

A. SOVEREIGN (e.g., Finance Ministry Guarantee):	TRANSACTION RISK INCREMENT: See Public Sector Ch								hart
B. POLITICAL ONLY COVER:		1	TRANSACTI	ION RISK IN	ICREMEN	IT: -1			
C1. BORROWERS/GUARANTORS with RATED/TRADED CI	ROSS BORDE	ER (HARD CU	RRENCY) D	EBTS:					
TRANSACTION RISK INCREMENT:	(	0 0	0	) (	<u> </u>	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,Aa	2 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	3	В		С	
SHORT-TERM (TBW)	TBW-	TBW-2	TBW-3	TBW-4	ŀ				
SHORT-TERM (Moody's)		P-1	P-2	P-3	3				
SPREAD (bp) over T-YIELD <	4	70	140	250	)	400	600	900	1500
SPREAD (bp) over LIBOR <	10	0 40	90	220	)	370	570	870	1470
C2. BORROWERS/GUARANTORS with INTRA-COUNTRY	(LOCAL CUF	RENCY) RAT	TINGS:						
TRANSACTION RISK INCREMENT:		1 1	1		<u> </u>	<u>1</u> _	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,Aa	2 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	3	В		С	
SHORT-TERM (Moody's)		P-1	P-2	P-3	3				
FINANCIAL STRENGTH (Moody's)	A/I	В В	B/C	C		C/D	D	D/E	E
INTRA-COUNTRY ISSUER (TBW)	IC A	/B IC B	B IC B/O	C IC	C IC	C/D I	C DIC	D/E	IC E
INDIVIDUAL (IBCA)	A/I	В 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 - FINANC	CIAL INSTITU	TIONS:		,	*TRANSAC	CTION RIS	K INCREM	ENT:	1
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHER	THAN FINAN	ICIAL INSTIT	UTIONS:	,	*TRANSAC	CTION RIS	K INCREM	ENT:	2
E. UNRATED LARGEST (PROFITABLE) FINANCIAL INST	TTUTION:			MAXIMUM <sup>-</sup>	TRANSAC	TION RISH	K INCREME	ENT:	1
F1. UNRATED BORROWERS/GUARANTORS OTHER THAI	N FINANCIAL	INSTITUTION	Į						
S:  DEBT TO TANGIBLE NET WORTH				<1X	<2X	<3X	<4X	<6X	>6X
					TRANSA	ACTION RI	SK INCREI		
		>	25%	1	1	1	1	1	2
OPERATING			20%	1	1	1	1	2	3
CASH FLOW (2-YEAR AVERAGE)		>	15%	1	1	1	2	3	3
(2-TEAR AVERAGE) TO		>	10%	1	1	2	3	3	3
DEBT			>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	IARANTORS:								
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 VEAD AVEDACE)				>2.5%	>2.0%	>1.5%	>1.0%	0.50/	
NET INCOME TO ASSETS (2-YEAR AVERAGE)				/2.5/0	Z.070	- 1.070	71.070	>0.5%	<0.5%
BORROWED FUNDS TO NET LOANS				<40%	<60%	<80%	<100%	>0.5% <120%	<0.5% >120%
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\* MAY NOT APPLY IF A TRANSACTION RISK INCREMENT HAS BEEN PRE-APPROVED

Effective: 10/01/1998

## EXPOSURE FEE ADVICE WESTERN SAMOA

## **PUBLIC SECTOR CREDITS**

EXPOSURE FEE LEVEL 4

<u>A.</u>	SOVEREIGN (e.g., Finance Ministry Guarantee):		٦	TRANSACTI	ON RISK IN	NCREMEN	NT: 0	)		
<u>B.</u>	. POLITICAL ONLY COVER: TRANSACTION RISK II			NCREMEN	NT: Se	See Private Sector Cha				
<u>C1</u>	. BORROWERS/GUARANTORS with RATED/TRADED CR	OSS BORDER	(HARD CUI	RRENCY) DI	EBTS:					
	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	Ba1,l	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
<u>C2</u>	BORROWERS/GUARANTORS with INTRA-COUNTRY	(LOCAL CURRI	ENCY) RAT	INGS:						
	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-	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	3	В		С	
	SHORT-TERM (Moody's)		P-1	P-2	P-3	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	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-
<u>D1</u>	. TRANSACTIONS OF \$10 MILLION OR LESS - FINANC	IAL INSTITUTION	ONS:		,	TRANSAC	CTION RIS	K INCREM	ENT:	0
D2	TRANSACTIONS OF \$10 MILLION OR LESS - OTHER	THAN FINANCI	AL INSTITU	JTIONS:	,	TRANSAC	CTION RIS	K INCREM	ENT:	1
E.	UNRATED LARGEST (PROFITABLE) FINANCIAL INST	ITUTION:		r	MAXIMUM T	RANSACT	TION RISK	INCREME	NT:	1
	. UNRATED BORROWERS/GUARANTORS OTHER THAN		STITLITION					-		
S:	. UNKATED BORROWERS/GOARAINTORS OTHER THAN	I FINANCIAL III	SIIIOIION							
	DEBT TO TANGIBLE NET WORTH				<1X	<2X	<3X	<4X	<6X	>6X
						TRANSA	ACTION RI	SK INCRE	MENT:	
			>	25%	0	0	0	0	1	2
	OPERATING		>	20%	0	0	0	1	2	3
	CASH FLOW (2-YEAR AVERAGE)		>	15%	0	0	1	2	3	3
	` TO ′		>	10%	0	1	2	3	3	3
	DEBT			>5%	1	2	3	3	3	3
				>0%	2	3	3	3	3	3
				<0%	3	3	3	3	3	3
<u>F2</u>	. UNRATED FINANCIAL INSTITUTION BORROWERS/GU	ARANTORS:								
	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%

Effective:

10/01/1998

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