## EXPOSURE FEE ADVICE CAYMAN ISLANDS

## **PRIVATE SECTOR CREDITS**

EXPOSURE FEE LEVEL 1

A. SOVEREIGN (e.g., Finance Ministry Guarantee):	TRANSACTION RISK INCREMENT: See Public Sector Ch.							art	
B. POLITICAL ONLY COVER:		IT: -1	-1						
C1. BORROWERS/GUARANTORS with RATED/TRADE	D CROSS BORDE	R (HARD C	URRENCY)	DEBTS:					
TRANSACTION RISK INCREMENT:	0	1	2	3		4	5	5	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	Baa3	Ba1,l	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	250		400	600	900	1500
SPREAD (bp) over LIBOR <	10	40	90	220		370	570	870	1470
C2. BORROWERS/GUARANTORS with INTRA-COUNTI	RY (LOCAL CURR	ENCY) RA	TINGS:						
TRANSACTION RISK INCREMENT:	0	1	2	3		4	5	5	5
LONG-TERM (S&P, TBW)	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	Baa3	Ba1,l	За2	Ва3	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	С		C/D	D	D/E	E
INTRA-COUNTRY ISSUER (TBW)	IC A/B	IC B	IC B/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	E
INDIVIDUAL (Capital Intelligence)	AA+,AA,AA-	A+,A,A-	BBB+,BBB	BBB-	BB+	,BB	BB-	B+,B	B-
		, ,	BBB+,BBB					B+,B REMENT:	B- 0
INDIVIDUAL (Capital Intelligence)	NCIAL INSTITUTION	ONS:	,	*	TRANSA	CTION R	SK INC	,	
INDIVIDUAL (Capital Intelligence)  D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA	NCIAL INSTITUTION	ONS:	UTIONS:	*	TRANSA TRANSA	CTION R	SK INC SK INC	REMENT:	0
INDIVIDUAL (Capital Intelligence)  D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA  D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE	NCIAL INSTITUTION:	ONS:	UTIONS:	*	TRANSA TRANSA	CTION R	SK INC SK INC	REMENT:	0
INDIVIDUAL (Capital Intelligence)  D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA  D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE  E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN	NCIAL INSTITUTION:	ONS:	UTIONS:	*	TRANSA TRANSA	CTION R	SK INC SK INC	REMENT: REMENT: REMENT:	0
INDIVIDUAL (Capital Intelligence)  D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA  D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE  E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN  F1. UNRATED BORROWERS/GUARANTORS OTHER T	NCIAL INSTITUTION:	ONS:	UTIONS:	* MAXIMUM	TRANSA TRANSA TRANSA <2X	CTION R CTION R CTION R	SK INC SK INC SK INC	REMENT: REMENT: REMENT:	0 1 0
INDIVIDUAL (Capital Intelligence)  D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA  D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE  E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN  F1. UNRATED BORROWERS/GUARANTORS OTHER T	NCIAL INSTITUTION:	ONS:  IAL INSTITUTION	UTIONS:	* MAXIMUM	TRANSA TRANSA TRANSA <2X	CTION R CTION R CTION R	SK INC SK INC SK INC	REMENT: REMENT: REMENT:	0 1 0 >6X
INDIVIDUAL (Capital Intelligence)  D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA  D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE  E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN  F1. UNRATED BORROWERS/GUARANTORS OTHER T  DEBT TO TANGIBLE NET WORTH  OPERATING	NCIAL INSTITUTION:	ONS:  IAL INSTITUTIO	UTIONS:	* MAXIMUM <1X	TRANSA TRANSA TRANSA <2X TRANSA	CTION R CTION R CTION R <3X	SK INC SK INC SK INC	REMENT: REMENT: REMENT:  X <6X CREMENT:	0 1 0 >6X
INDIVIDUAL (Capital Intelligence)  D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA  D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE  E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN  F1. UNRATED BORROWERS/GUARANTORS OTHER T  DEBT TO TANGIBLE NET WORTH  OPERATING CASH FLOW	NCIAL INSTITUTION:	ONS:  IAL INSTITUTIO  >>	UTIONS:  NONS  25%	* MAXIMUM <1X 2	TRANSA TRANSA  <2X TRANSA  TRANSA	CTION R CTION R CTION R <3X ACTION F	SK INC SK INC SK INC	REMENT: REMENT:  X <6X CREMENT: 4 5	0 1 0 >6X 5
INDIVIDUAL (Capital Intelligence)  D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA  D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE  E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN  F1. UNRATED BORROWERS/GUARANTORS OTHER T  DEBT TO TANGIBLE NET WORTH   OPERATING CASH FLOW (2-YEAR AVERAGE) TO	NCIAL INSTITUTION:	DNS:  NSTITUTIO  > > >	UTIONS:  NONS  25% 20%	* ** ** ** ** ** ** ** ** ** ** ** ** *	TRANSA TRANSA <2X TRANSA 2 3	CTION R CTION R CTION R <3X ACTION F 3 4	SK INC SK INC SK INC	REMENT: REMENT:  X <6X CREMENT: 4 5 5 5	0 1 0 >6X 5 5
INDIVIDUAL (Capital Intelligence)  D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA  D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE  E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN  F1. UNRATED BORROWERS/GUARANTORS OTHER T  DEBT TO TANGIBLE NET WORTH   OPERATING CASH FLOW (2-YEAR AVERAGE)	NCIAL INSTITUTION:	DNS:  IAL INSTITUTIO  >> >> >>	UTIONS:  N  PNS  25% 20% 15%	* ** ** ** ** ** ** ** ** ** ** ** ** *	TRANSA TRANSA <2X TRANSA 2 3 4	CTION R CTION R  CTION R  <3X ACTION F  3 4 5	SK INC SK INC SK INC	REMENT: REMENT:  X <6X CREMENT: 4 5 5 5 5 5	0 1 0 >6X 5 5 5
INDIVIDUAL (Capital Intelligence)  D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA  D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE  E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN  F1. UNRATED BORROWERS/GUARANTORS OTHER T  DEBT TO TANGIBLE NET WORTH   OPERATING CASH FLOW (2-YEAR AVERAGE) TO	NCIAL INSTITUTION:	NSTITUTIO	UTIONS:  NONS  25% 20% 15% 10%	** ** ** ** ** ** ** ** ** ** ** ** **	TRANSA TRANSA  <2X TRANSA  2 3 4 5	CTION R CTION R  <3X ACTION F  3 4 5 5	SK INC SK INC SK INC	REMENT:  REMENT:  X <6X  CREMENT:  4 5 5 5 5 5 5 5	0 1 0 >6X 5 5 5
INDIVIDUAL (Capital Intelligence)  D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA  D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE  E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN  F1. UNRATED BORROWERS/GUARANTORS OTHER T  DEBT TO TANGIBLE NET WORTH   OPERATING CASH FLOW (2-YEAR AVERAGE) TO	NCIAL INSTITUTION:	NSTITUTIO	UTIONS:  NONS  25% 20% 15% 10% >5%	** ** ** ** ** ** ** ** ** ** ** ** **	TRANSA TRANSA  <2X TRANSA  2 3 4 5 5	CTION R CTION R  <3X ACTION F  3 4 5 5 5	SK INC SK INC SK INC	REMENT:  REMENT:  X <6X  CREMENT:  4 5 5 5 5 5 5 5 5 5 5 5	0 1 0 >6X 5 5 5 5
INDIVIDUAL (Capital Intelligence)  D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA  D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE  E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN  F1. UNRATED BORROWERS/GUARANTORS OTHER T  DEBT TO TANGIBLE NET WORTH   OPERATING CASH FLOW (2-YEAR AVERAGE) TO	NCIAL INSTITUTIONER THAN FINANCIAL I	NSTITUTIO	UTIONS:  NONS  25% 20% 15% 10% >5% >0%	** ** ** ** ** ** ** ** ** ** ** ** **	TRANSA TRANSA  <2X TRANSA  2 3 4 5 5 5	CTION R CTION R  <3X ACTION F  3 4 5 5 5 5	SK INC SK INC SK INC	REMENT:  REMENT:  X <6X  CREMENT:  4 5 5 5 5 5 5 5 5 5 5 5	0 1 0 >6X 5 5 5 5
INDIVIDUAL (Capital Intelligence)  D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA  D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE  E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN  F1. UNRATED BORROWERS/GUARANTORS OTHER T  DEBT TO TANGIBLE NET WORTH   OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT	NCIAL INSTITUTIONER THAN FINANCIAL I	NSTITUTIO	UTIONS:  NONS  25% 20% 15% 10% >5% >0%	** ** ** ** ** ** ** ** ** ** ** ** **	TRANSA TRANSA  <2X TRANSA  2 3 4 5 5 5	CTION R CTION R  <3X ACTION F  3 4 5 5 5 5	SK INC SK INC SK INC	REMENT:  REMENT:  X <6X  CREMENT:  4 5 5 5 5 5 5 5 5 5 5 5	0 1 0 >6X 5 5 5 5 5
INDIVIDUAL (Capital Intelligence)  D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA  D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE  E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN  F1. UNRATED BORROWERS/GUARANTORS OTHER T  DEBT TO TANGIBLE NET WORTH   OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT  F2. UNRATED FINANCIAL INSTITUTION BORROWERS	NCIAL INSTITUTIONER THAN FINANCIAL I	NSTITUTIO	UTIONS:  NONS  25% 20% 15% 10% >5% >0%	* ** ** ** ** ** ** ** ** ** ** ** ** *	TRANSA TRANSA  <2X TRANSA  2 3 4 5 5 5 5	CTION R CTION R  <3X ACTION F  3 4 5 5 5 5 5	SK INC SK INC SK INC	REMENT:  REMENT:  X <6X  CREMENT:  4 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	0 1 0 >6X 5 5 5 5
INDIVIDUAL (Capital Intelligence)  D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA  D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE  E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN  F1. UNRATED BORROWERS/GUARANTORS OTHER T  DEBT TO TANGIBLE NET WORTH   OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT  F2. UNRATED FINANCIAL INSTITUTION BORROWERS  TRANSACTION RISK INCREMENT:	NCIAL INSTITUTIONER THAN FINANCIAL I	NSTITUTIO	UTIONS:  NONS  25% 20% 15% 10% >5% >0%	** ** ** ** ** ** ** ** ** ** ** ** **	TRANSA TRANSA  <2X TRANSA  2 3 4 5 5 5 5	CTION R CTION R  CTION R  <3X ACTION F  5 5 5 5 4	SK INC SK INC <4 RISK INC	REMENT:  REMENT:  X <6X  CREMENT:  4 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 7 5 7	0 1 0 >6X 5 5 5 5 5 5
INDIVIDUAL (Capital Intelligence)  D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA  D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE  E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN  F1. UNRATED BORROWERS/GUARANTORS OTHER T  DEBT TO TANGIBLE NET WORTH   OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT  F2. UNRATED FINANCIAL INSTITUTION BORROWERS  TRANSACTION RISK INCREMENT: SHAREHOLDER'S EQUITY TO ASSETS	NCIAL INSTITUTIONER THAN FINANCIAL I	NSTITUTIO	UTIONS:  NONS  25% 20% 15% 10% >5% >0%	** ** ** ** ** ** ** ** ** ** ** ** **	TRANSA TRANSA  <2X TRANSA  2 3 4 5 5 5 5 5 3 >7%	CTION R CTION R  <3X ACTION F  3 4 5 5 5 5 4 >6%	SK INC SK INC <4 RISK INC	REMENT:  REMENT:  X <6X  CREMENT:  4 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	0 1 0 >6X 5 5 5 5 5 5 7 4%
INDIVIDUAL (Capital Intelligence)  D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINA  D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHI  E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN  F1. UNRATED BORROWERS/GUARANTORS OTHER T  DEBT TO TANGIBLE NET WORTH  OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT  F2. UNRATED FINANCIAL INSTITUTION BORROWERS  TRANSACTION RISK INCREMENT: SHAREHOLDER'S EQUITY TO ASSETS NET INCOME TO ASSETS (2-YEAR AVERAGE)	NCIAL INSTITUTIONER THAN FINANCIAL I	NSTITUTIO	UTIONS:  NONS  25% 20% 15% 10% >5% >0%	** ** ** ** ** ** ** ** ** ** ** ** **	TRANSA TRANSA  <2X TRANSA  2 3 4 5 5 5 5 5 7 3  >7% >2.0%	CTION R CTION R  CTION R  <3X  ACTION F  3 4 5 5 5 5 4 >6% >1.5%	SK INC SK INC <4 RISK INC >5° >1.0°	REMENT:  REMENT:  X <6X  CREMENT:  4 5 5 5 5 5 5 5 5 5 5 5 6 5 7 4%  >4% >0.5% % <120%	1 0 >6X 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5

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

Effective: 01/08/2007

## EXPOSURE FEE ADVICE CAYMAN ISLANDS

## **PUBLIC SECTOR CREDITS**

EXPOSURE FEE LEVEL 1

A. SOVEREIGN (e.g., Finance Ministry Guarantee):	TRANSACTION RISK INCREMENT:				NT: 0	)			
B. POLITICAL ONLY COVER:	LITICAL ONLY COVER: TRANSACTION RISK INCREMENT:				NT: Se	See Private Sector Chart			
C1. BORROWERS/GUARANTORS with RATED/TRADED	CROSS BORDE	R (HARD C	URRENCY)	DEBTS:					
TRANSACTION RISK INCREMENT:	0	1	2	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			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	250		400	600	900	1500
SPREAD (bp) over LIBOR <	10	40	90	220	:	370	570	870	1470
C2. BORROWERS/GUARANTORS with INTRA-COUNTR	Y (LOCAL CURR	ENCY) RA	TINGS:						
TRANSACTION RISK INCREMENT:	0	1	2	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	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	С		C/D	D	D/E	Е
INTRA-COUNTRY ISSUER (TBW)	IC A/B	IC B	IC B/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-
D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINAN	CIAL INSTITUTION	ONS:		*	TRANSA	CTION RI	SK INCRE	MENT:	0
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHER	R THAN FINANC	IAL INSTIT	UTIONS:	*	TRANSA	CTION RI	SK INCRE	MENT:	1
E. UNRATED LARGEST (PROFITABLE) FINANCIAL INS				MAXIMUM <sup>-</sup>	TRANSAC	CTION RI	SK INCRE	MENT:	1
F1. UNRATED BORROWERS/GUARANTORS OTHER TH	AN FINANCIAL I	NSTITUTIO	NS.						
DEBT TO TANGIBLE NET WORTH	,		<u>.</u>	<1X	<2X	<3X	<4X	<6X	. GV
DEBITO TANGIBLE NET WORTH				<17		-			>6X
					TRANS	ACTION F	RISK INCR	EMENI:	
0.000.000.000		>	25%	2	2	3	4	5	5
OPERATING CASH FLOW		>	20%	2	3	4	5	5	5
(2-YEAR AVERAGE) TO DEBT			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/	GUARANTORS:								
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%
* MAY NOT APPLY IF A TRANSACTION ICRAS RATIN	IG HAS BEEN PI	RE-APPRO	VED				Effective	: 01/	/08/2007