EXPOSURE FEE ADVICE PAKISTAN

PRIVATE SECTOR CREDITS

EXPOSURE FEE LEVEL 7

A. SOVEREIGN (e.g., Finance Ministry Guarantee):	TRANSACTION RISK INCREM			CREMEN	IT: See Public Sector Chart				
B. POLITICAL ONLY COVER:		т	RANSACTIO	ON RISK IN	CREMEN	IT: -1			
C1. BORROWERS/GUARANTORS with RATED/TRADED	CROSS BORDE	R (HARD C	URRENCY) DEBTS:					
TRANSACTION RISK INCREMENT:	0	0	0	C)	0	0	0	1
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-COUNTR	Y (LOCAL CURR	ENCY) RA	TINGS:						
TRANSACTION RISK INCREMENT:	0	0	0)	0	0	0	1
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	1	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 10	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-
D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINANCIAL INSTITUTIONS: *TRANSACTION RISK INCREMENT:							EMENT:	0	
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHER THAN FINANCIAL INSTITUTIONS: *TRANSACTION RISK INCREMENT:							EMENT:	1	
E. UNRATED LARGEST (PROFITABLE) FINANCIAL INSTITUTION: MAXIMUM TRANSACTION RISK INCREMENT:							EMENT:	0	
F1. UNRATED BORROWERS/GUARANTORS OTHER TH	IAN FINANCIAL I	NSTITUTIO	NS:						
DEBT TO TANGIBLE NET WORTH				<1X	<2X	<3X	<4X	<6X	>6X
						ACTION F	NSK INCE	_	
			050/						•
OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT			25%	0	0	0	0	0	0
		>20% >15%		0	0	0	0	0	1
		>13%		0	0	0	1	1	1 1
			>5%	0	0	1	1	1	1
			>0%	0	1	1	1	1	1
			<0%	1	1	1	1	1	1
F2. UNRATED FINANCIAL INSTITUTION BORROWERS/	GUARANTORS:			·				•	
TRANSACTION RISK INCREMENT:				0	0	0	0	0	1
					 -				
SHAREHOLDER'S EQUITY TO ASSETS NET INCOME TO ASSETS (2-YEAR AVERAGE)				>8% >2.5%	>7% >2.0%	>6% >1.5%	>5% >1.0%	>4% >0.5%	<4% <0.5%
BORROWED FUNDS TO NET LOANS				>2.5% <40%	>2.0% <60%	>1.5% <80%	<100%	>0.5% <120%	>120%
LIQUID ASSETS TO ASSETS				>25%	>20%	>15%	>100%	>5%	<5%
RESERVES TO NON-PERFORMING ASSETS				>200%	>175%	>150%	>125		<100%
* MANAGE APPLICATION DIOX NODE							- 44	45 04	40/2000

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

Effective: 04/10/2009

EXPOSURE FEE ADVICE PAKISTAN

PUBLIC SECTOR CREDITS

EXPOSURE FEE LEVEL 7

A. SOVEREIGN (e.g., Finance Ministry Guarantee):	TRANSACTION RISK INCREMENT: 0								
B. POLITICAL ONLY COVER:	TRANSACTION RISK INCREMENT: See Private Sector Char					art			
C1. BORROWERS/GUARANTORS with RATED/TRADEI	O CROSS BORDE	R (HARD C	URRENCY	DEBTS:					
TRANSACTION RISK INCREMENT:	0	0	0	()	0	0	0	1
LONG-TERM (S&P, others)	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	Baa			Ba3	B1,B2	В3
SHORT-TERM (S&P, others)	A-1+	A-1	A-2	A-3		В		C	
SHORT-TERM (TBW)	TBW-1	TBW-2	TBW-3	TBW-4	1				
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-COUNTR	RY (LOCAL CURR	ENCY) RA	TINGS:						
TRANSACTION RISK INCREMENT:	0	0	0	()	0	0	0	1
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	Ba1,	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/B	IC B	IC B/C	IC C	C IC	C/D IC	D IC	D/E	IC E
INDIVIDUAL (IBCA)	A/B	В	B/C	C		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 - FINA	NCIAL INSTITUTI	ONS:		,	*TRANSA	CTION R	ISK INCRE	EMENT:	0
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHE	R THAN FINANC	IAL INSTIT	UTIONS:		*TRANSA	CTION R	ISK INCRE	EMENT:	1
E. UNRATED LARGEST (PROFITABLE) FINANCIAL IN	STITUTION:		ſ	MAXIMUM	TRANSA	CTION RI	SK INCRE	MENT:	1
F1. UNRATED BORROWERS/GUARANTORS OTHER TI	HAN FINANCIAL I	NSTITUTIO	NS:						
DEBT TO TANGIBLE NET WORTH				<1X	<2X	<3X	<4X	<6X	>6X
		TRANSAC			ACTION F	TION RISK INCREMENT:			
			250/	0	0	0	0	0	0
OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT		>25% >20%		0	0	0	0	0	0
		>15%		0	0	0	0	1	1
		>10%		0	0	0	1	1	1
		>5%		0	0	1	1	1	1
			>0%	0	1	1	1	1	1
			<0%	1	1	1	1	1	1
F2. UNRATED FINANCIAL INSTITUTION BORROWERS	/GUARANTORS:								
TRANSACTION RISK INCREMENT:				0	0	0	0	0	1
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 RATI	NG HAS BEEN P	RE-APPRO	VED				Effective	: 04	10/2009