EXPOSURE FEE ADVICE VIETNAM PRIVATE SECTOR CREDITS

5

EXPOSURE FEE LEVEL

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

TRANSACTION RISK INCREMENT: See Public

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	(	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	B 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	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-COUN	TRY (LOCAL CUR	RENCY) RA	TINGS:						
TRANSACTION RISK INCREMENT:	2	2	2	2	2	2	2	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,Aa2	A1,A2,A3	Baa1,Baa2	Baa	B 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	C		C/D	D	D/E	E
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 - FINANCIAL INSTITUTIONS: *TRANSACTION RISK INCREMENT:							REMENT:	2	
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OT	HER THAN FINAN	CIAL INSTIT	UTIONS:		*TRANSA	CTION R	ISK INCI	REMENT:	3
D2. TRANSACTIONS OF \$10 MILLION OR LESS - OT E. UNRATED LARGEST (PROFITABLE) FINANCIAL		CIAL INSTIT		MAXIMUM	-				3 2
	INSTITUTION:				-				-
E. UNRATED LARGEST (PROFITABLE) FINANCIAL	INSTITUTION:				-			REMENT:	-
E. UNRATED LARGEST (PROFITABLE) FINANCIAL	INSTITUTION:			MAXIMUM	TRANSA	CTION R	ISK INCF	REMENT:	2
E. UNRATED LARGEST (PROFITABLE) FINANCIAL	INSTITUTION:	INSTITUTIO		MAXIMUM <1X	TRANSA <2X TRANS	CTION R <3X ACTION F	ISK INCF <4) RISK INC	REMENT: < <6X :REMENT:	2 >6X
E. UNRATED LARGEST (PROFITABLE) FINANCIAL	INSTITUTION:	. <u>INSTITUTIC</u> >	DNS:	MAXIMUM	TRANSA	CTION R	ISK INCF <4) RISK INC	REMENT: < <6X	2
E. UNRATED LARGEST (PROFITABLE) FINANCIAL F1. UNRATED BORROWERS/GUARANTORS OTHER DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW	INSTITUTION:	. INSTITUTIC > >	DNS: -25%	MAXIMUM <1X 2	TRANSA <2X TRANSA 2	CTION R <3X ACTION F 2	ISK INCI <4) RISK INC	REMENT: < <6X REMENT: 2 2 2	2 >6X 2
E. UNRATED LARGEST (PROFITABLE) FINANCIAL F1. UNRATED BORROWERS/GUARANTORS OTHER DEBT TO TANGIBLE NET WORTH OPERATING	INSTITUTION:	<u>INSTITUTIC</u> > > >	<u>DNS:</u> -25% -20%	MAXIMUM <1X 2 2	TRANSA <2X TRANSA 2 2	CTION R <3X ACTION F 2 2	<4) <4) RISK INC	REMENT: ( <6X REMENT: 2 2 2 2	2 >6X 2 3
E. UNRATED LARGEST (PROFITABLE) FINANCIAL F1. UNRATED BORROWERS/GUARANTORS OTHER DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE)	INSTITUTION:	<u>INSTITUTIC</u> > > >	DNS: -25% -20% -15%	MAXIMUM <1X 2 2 2	TRANSA <2X TRANSA 2 2 2 2	CTION R <3X ACTION F 2 2 2 2	<4) <4) RISK INC : : :	REMENT: ( <6X REMENT: 2 2 2 2 2 3	2 >6X 2 3 3
E. UNRATED LARGEST (PROFITABLE) FINANCIAL F1. UNRATED BORROWERS/GUARANTORS OTHER DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE) TO	INSTITUTION:	<u>INSTITUTIC</u> > > >	DNS: -25% -20% -15% -10%	MAXIMUM <1X 2 2 2 2 2	TRANSA <2X TRANSA 2 2 2 2 2 2	CTION R <3X ACTION F 2 2 2 2 2 2	<4) RISK INC : : : : : : : : :	REMENT:         X       <6X	2 >6X 2 3 3 3 3
E. UNRATED LARGEST (PROFITABLE) FINANCIAL F1. UNRATED BORROWERS/GUARANTORS OTHER DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE) TO	INSTITUTION:	<u>INSTITUTIC</u> > > >	DNS: -25% -20% -15% -10% >5%	MAXIMUM <1X 2 2 2 2 2 2 2	TRANSA <2X TRANSA 2 2 2 2 2 2 2 2 2	CTION R <3X ACTION F 2 2 2 2 2 3	<4) RISK INC SISK INC	REMENT:         X       <6X	2 >6X 2 3 3 3 3 3 3
E. UNRATED LARGEST (PROFITABLE) FINANCIAL F1. UNRATED BORROWERS/GUARANTORS OTHER DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE) TO	INSTITUTION: THAN FINANCIAI	<u>INSTITUTIC</u> > > >	25% 20% 15% 10% >5% >0%	MAXIMUM <1X 2 2 2 2 2 2 2 2 2	TRANSA <2X TRANSA 2 2 2 2 2 2 3	CTION R <3X ACTION F 2 2 2 2 3 3 3	<4) RISK INC SISK INC	REMENT:         (       <6X	2 >6X 2 3 3 3 3 3 3 3 3 3
E. UNRATED LARGEST (PROFITABLE) FINANCIAL F1. UNRATED BORROWERS/GUARANTORS OTHER DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT	INSTITUTION: THAN FINANCIAI	<u>INSTITUTIC</u> > > >	25% 20% 15% 10% >5% >0%	MAXIMUM <1X 2 2 2 2 2 2 2 2 2	TRANSA <2X TRANSA 2 2 2 2 2 2 3	CTION R <3X ACTION F 2 2 2 2 3 3 3	<4) RISK INC	REMENT:         (       <6X	2 >6X 2 3 3 3 3 3 3 3 3 3
E. UNRATED LARGEST (PROFITABLE) FINANCIAL F1. UNRATED BORROWERS/GUARANTORS OTHER DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT F2. UNRATED FINANCIAL INSTITUTION BORROWER TRANSACTION RISK INCREMENT:	INSTITUTION: THAN FINANCIAI	<u>INSTITUTIC</u> > > >	25% 20% 15% 10% >5% >0%	AXIMUM <1X 2 2 2 2 2 2 3 3	TRANSA <2X TRANSA 2 2 2 2 2 3 3 3	CTION R <3X ACTION F 2 2 2 3 3 3 3	<4) RISK INC	REMENT:         X       <6X	2 >6X 2 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3
E. UNRATED LARGEST (PROFITABLE) FINANCIAL F1. UNRATED BORROWERS/GUARANTORS OTHER DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT F2. UNRATED FINANCIAL INSTITUTION BORROWER TRANSACTION RISK INCREMENT: SHAREHOLDER'S EQUITY TO ASSETS	INSTITUTION: THAN FINANCIAI	<u>INSTITUTIC</u> > > >	25% 20% 15% 10% >5% >0%	MAXIMUM <1X 2 2 2 2 2 2 3 3 	TRANSA <2X TRANSA 2 2 2 2 2 3 3 3 2 2 2 3 3	CTION R <3X ACTION F 2 2 2 2 3 3 3 3 3 2 2 2 6%	(4) RISK INC 2 2 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	REMENT:	2 >6X 2 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3
E. UNRATED LARGEST (PROFITABLE) FINANCIAL F1. UNRATED BORROWERS/GUARANTORS OTHER DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT F2. UNRATED FINANCIAL INSTITUTION BORROWER TRANSACTION RISK INCREMENT:	INSTITUTION: THAN FINANCIAI	<u>INSTITUTIC</u> > > >	25% 20% 15% 10% >5% >0%	AXIMUM <1X 2 2 2 2 2 2 3 3	TRANSA <2X TRANSA 2 2 2 2 2 3 3 3	CTION R <3X ACTION F 2 2 2 2 3 3 3 3 2 2 >6% >1.5%	<4) RISK INC	REMENT: $\langle < 6X \\ REMENT:$ $2$ $2$ $2$ $2$ $2$ $3$ $3$ $3$ $3$ $3$ $3$ $3$ $3$ $3$ $3$ $3$ $3$ $3$ $4$ $-2$ $2$ $-2$ $4$ $-30.5\%$	2 >6X 2 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3
E. UNRATED LARGEST (PROFITABLE) FINANCIAL F1. UNRATED BORROWERS/GUARANTORS OTHER DEBT TO TANGIBLE NET WORTH OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT F2. UNRATED FINANCIAL INSTITUTION BORROWER TRANSACTION RISK INCREMENT: SHAREHOLDER'S EQUITY TO ASSETS NET INCOME TO ASSETS (2-YEAR AVERAGE)	INSTITUTION: THAN FINANCIAI	<u>INSTITUTIC</u> > > >	25% 20% 15% 10% >5% >0%	MAXIMUM <1X 2 2 2 2 2 2 3	TRANSA <2X TRANS/ 2 2 2 2 2 2 3 3 3 3 2 2 >7% >2.0%	CTION R <3X ACTION F 2 2 2 2 3 3 3 3 3 2 2 2 6%	<4) RISK INC ::	REMENT: $\langle < 6X \\ REMENT:$ $2$ $2$ $2$ $2$ $2$ $2$ $3$ $3$ $3$ $3$ $3$ $3$ $3$ $3$ $3$ $3$ $4$ $-2$ $6$ $-20.5\%$ $6$ $-120\%$	2 >6X 2 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3

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

Effective: 04/10/2009

**EXPOSURE FEE ADVICE** 

## VIETNAM

#### PUBLIC SECTOR CREDITS EXPOSURE FEE LEVEL 5 SOVEREIGN (e.g., Finance Ministry Guarantee): TRANSACTION RISK INCREMENT: A. **B. POLITICAL ONLY COVER:** TRANSACTION RISK INCREMENT: C1. BORROWERS/GUARANTORS with RATED/TRADED CROSS BORDER (HARD CURRENCY) DEBTS: TRANSACTION RISK INCREMENT: 0 0 0 LONG-TERM (S&P, others) AA+,AA,AA-A+,A,A-BBB+,BBB LONG-TERM (Moody's) A1,A2,A3 Baa1,Baa2 Aa1,Aa2 SHORT-TERM (S&P, others) A-1 A-1+ A-2 SHORT-TERM (TBW) TBW-1 TBW-2 TBW-3 SHORT-TERM (Moody's) P-1 P-2 SPREAD (bp) over T-YIELD < 40 70 140 SPREAD (bp) over LIBOR < 10 40 90 C2. BORROWERS/GUARANTORS with INTRA-COUNTRY (LOCAL CURRENCY) RATINGS: TRANSACTION RISK INCREMENT: 0 0 0 LONG-TERM (S&P, TBW) AA+,AA,AA-A+,A,A-BBB+,BBB LONG-TERM (Moody's) Aa1,Aa2 A1,A2,A3 Baa1,Baa2 SHORT-TERM (S&P, others) A-1+ A-1 A-2 P-1 P-2 SHORT-TERM (Moody's) FINANCIAL STRENGTH (Moody's) A/B в B/C **INTRA-COUNTRY ISSUER (TBW)** IC A/B IC В IC B/C IC INDIVIDUAL (IBCA) A/B В B/C BBB+,BBB INDIVIDUAL (Capital Intelligence) AA+,AA,AA-A+,A,A-D1. TRANSACTIONS OF \$10 MILLION OR LESS - FINANCIAL INSTITUTIONS: **D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHER THAN FINANCIAL INSTITUTIONS:**

BBB-B-BB+,BB BB-B+,B **\*TRANSACTION RISK INCREMENT:** 0

0

0

R

400

370

0

R

C/D

C/D

C/D

MAXIMUM TRANSACTION RISK INCREMENT:

BB+,BB

Ba1,Ba2

BB+,BB

Ba1,Ba2

0

BBB-

Baa3

A-3

P-3

250

220

0

BBB-

Baa3

A-3

P-3

С

С

С

IC

TBW-4

See Private Sector Chart

1

BB-

Ba3

600

570

1

BB-

Ba3

D

D IC

D

IC

2

С

900

870

2

С

D/E

D/E

D/E

B+,B

B1,B2

B+,B

B1,B2

3

B-

B3

1500

1470

3

B-

B3

Е

Е

Е

1

1

IC

# **\*TRANSACTION RISK INCREMENT:**

## E. UNRATED LARGEST (PROFITABLE) FINANCIAL INSTITUTION:

## F1. UNRATED BORROWERS/GUARANTORS OTHER THAN FINANCIAL INSTITUTIONS:

DEBT TO TANGIBLE NET WORTH		<1X	<2X	<3X	<4X	<6X	>6X		
	TRANSACTION RISK INCREMENT:								
	>25%	0	0	0	0	1	2		
OPERATING 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		
DEBI	>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/GUARANTORS:									
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%		

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

Effective: 04/10/2009