

**EXPOSURE FEE ADVICE  
FINLAND  
PRIVATE SECTOR CREDITS**

EXPOSURE FEE LEVEL 1

**A. SOVEREIGN (e.g., Finance Ministry Guarantee):** TRANSACTION RISK INCREMENT: 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	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	Ba1,Ba2	Ba3	B1,B2	B3
SHORT-TERM (S&P, others)	A-1+	A-1	A-2	A-3	B		C	
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-COUNTRY (LOCAL CURRENCY) RATINGS:**

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,Ba2	Ba3	B1,B2	B3
SHORT-TERM (S&P, others)	A-1+	A-1	A-2	A-3	B		C	
SHORT-TERM (Moody's)		P-1	P-2	P-3				
FINANCIAL STRENGTH (Moody's)	A/B	B	B/C	C	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	B	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: 0

**D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHER THAN FINANCIAL INSTITUTIONS:** \*TRANSACTION RISK INCREMENT: 1

**E. UNRATED LARGEST (PROFITABLE) FINANCIAL INSTITUTION:** MAXIMUM TRANSACTION RISK INCREMENT: 0

**F1. UNRATED BORROWERS/GUARANTORS OTHER THAN FINANCIAL INSTITUTION**

**S:**

DEBT TO TANGIBLE NET WORTH	<1X	<2X	<3X	<4X	<6X	>6X
	TRANSACTION RISK INCREMENT:					
OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT	>25%	2	2	3	4	5
	>20%	2	3	4	5	5
	>15%	3	4	5	5	5
	>10%	4	5	5	5	5
	>5%	5	5	5	5	5
	>0%	5	5	5	5	5
	<0%	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 RISK INCREMENT HAS BEEN PRE-APPROVED

Effective: 10/01/1998

# EXPOSURE FEE ADVICE

## FINLAND

### PUBLIC SECTOR CREDITS

EXPOSURE FEE LEVEL 1

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

TRANSACTION RISK INCREMENT: 0

**B. POLITICAL ONLY COVER:**

TRANSACTION RISK INCREMENT: See Private Sector Chart

**C1. BORROWERS/GUARANTORS with RATED/TRADED CROSS BORDER (HARD CURRENCY) 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	Ba1,Ba2	Ba3	B1,B2	B3
SHORT-TERM (S&P, others)	A-1+	A-1	A-2	A-3	B		C	
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-COUNTRY (LOCAL CURRENCY) RATINGS:**

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,Ba2	Ba3	B1,B2	B3
SHORT-TERM (S&P, others)	A-1+	A-1	A-2	A-3	B		C	
SHORT-TERM (Moody's)		P-1	P-2	P-3				
FINANCIAL STRENGTH (Moody's)	A/B	B	B/C	C	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	B	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: 0

**D2. TRANSACTIONS OF \$10 MILLION OR LESS - OTHER THAN FINANCIAL INSTITUTIONS:**

\*TRANSACTION RISK INCREMENT: 1

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

MAXIMUM TRANSACTION RISK INCREMENT: 1

**F1. UNRATED BORROWERS/GUARANTORS OTHER THAN FINANCIAL INSTITUTION**

**S:**

DEBT TO TANGIBLE NET WORTH		<1X	<2X	<3X	<4X	<6X	>6X
		TRANSACTION RISK INCREMENT:					
	>25%	2	2	3	4	5	5
OPERATING CASH FLOW (2-YEAR AVERAGE) TO DEBT	>20%	2	3	4	5	5	5
	>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 RATING HAS BEEN PRE-APPROVED

Effective: 10/01/1998