

## SECTION I: NON-CONFIDENTIAL PROJECT INFORMATION

Host Country:	Brazil
Name of Borrower(s):	DGF Capital III, consisting of one or more entities to be formed in a jurisdiction to be agreed, pursuant to charter documents acceptable in form and substance to OPIC (the “Fund”).
Sponsor:	DGF Investimentos Gestão de Fundos Ltda., incorporated in Brazil (“DGF” or the “Firm”).
Project Description:	The Fund will make growth capital investments in Brazilian lower middle market SMEs primarily in business services, information technology, healthcare, and consumer goods sectors.
Total Fund Capitalization:	\$200 million, including the OPIC loan.
Proposed OPIC Loan:	OPIC loan guaranty of up to \$66 million in principal plus accrued and accreted interest thereon.
Term of Fund:	Ten years, with the possibility of two one-year extensions subject to the general partner’s discretion, or longer extensions subject to the consent of at least a majority vote of the limited partners.
Selection Process:	<p>On November 1, 2011, OPIC announced a Global Engagement Call for proposals (the “Call”). The purpose of the Call is to finance one or more selected funds to facilitate the investment of risk capital to companies or projects within OPIC-eligible countries for new business development, existing company expansion, restructuring, and/or privatization. During the Call, OPIC has been guided by its present policy priorities and asset allocation strategy in its selection process to coordinate its response to policy initiatives and market needs, and to maintain a balanced portfolio.</p> <p>The OPIC Evaluation Committee selected the Fund from among 158 respondents to the Call with the assistance of Altius Associates as investment consultant.</p> <p>The Fund will advance the objectives of the Call by providing growth equity capital to Brazilian companies operating in the lower middle market.</p>
<b>Policy Review</b>	
Developmental Effects:	This Fund is expected to have a positive developmental impact on the host country, Brazil. Through its investments in local companies, the Fund will introduce significant operational and governance improvements to the private sector. For example, the Fund will seek to expand company product lines, promote investment in new equipment and facilities, improve corporate governance standards, improve financial reporting and controls,

	<p>improve financial management, and recruit additional managers and professionals as needed. The Fund will enforce corporate, social and environment responsibility on its downstream investments. Furthermore, OPIC will review each of the Fund's investments to assess their respective developmental impacts on the host country.</p>
Environment and Social:	<p>The capitalization of a fund is screened as a Category D activity for the purposes of environmental and social assessment. Although no further assessment is warranted at this stage in the transaction, downstream investments made by the Fund will be screened and subject to the full scope of OPIC's environmental and social assessment process, including public disclosure within the host country of Environmental and Social Impact Assessments for Category A projects, conditionality and monitoring, as is warranted by the nature and scope of the downstream investments.</p> <p>Under OPIC's environmental and social policies, the Fund will be required to establish an Environmental and Social Management System, which will be used to assess the environmental and social impact of its own operations as well as the operations of its downstream investments, and will include the environmental and social objectives and principles that will be used to guide the Fund and its downstream investments to implement measures that will eliminate risks, ameliorate damage, and enhance positive effects. The Fund will also be required to establish a grievance mechanism.</p>
U.S. Economic Impact:	<p>Since this approval process pertains to the capitalization of the Fund, there is no potential for an adverse impact on the U.S. economy at this time and an industry analysis is not necessary. However, the Fund's portfolio company investments will be analyzed individually for their impact on the U.S. economy and U.S. employment in accordance with OPIC guidelines.</p>
Workers Rights:	<p>Each of the Fund's OPIC-supported investments will be evaluated separately with regard to specifics of operation and compliance with OPIC worker rights and human rights approval criteria. Standard and supplemental worker rights language will be applied to each OPIC-supported investment, as appropriate.</p>
Human Rights:	<p>OPIC issued a human rights clearance for the Fund on May 10, 2012.</p>