

## REPORT FROM OPIC MANAGEMENT TO BOARD OF DIRECTORS

### SECTION I: NON-CONFIDENTIAL PROJECT INFORMATION

Name of Fund:	Clearwater Capital Partners Investments IV, L.P. (the “Fund”)
Sponsor:	Clearwater Capital Partners LLC (“Clearwater” or the “Fund Manager”)
Fund Description:	<p>The Fund will invest in a diversified portfolio of public and private debt instruments of financially stressed and distressed issuers that are domiciled or do business primarily in OPIC-eligible countries in Asia.</p> <p>Investments are expected to fall into three broad categories of debt: stressed secondary senior debt, distressed secondary debt, and investments in debt pools and portfolios of non-performing commercial and consumer loans. As with prior funds, the Fund Manager will invest in a diversified portfolio of primarily cash-generating instruments that provide natural exits, which are sourced from niche segments of the Asian distressed market at low entry valuation levels, where borrowers have demonstrated an ability and willingness to pay creditors.</p>
Total Fund Capitalization:	\$450 million.
Proposed OPIC Loan:	OPIC loan guarantee of up to \$150 million in principal plus accrued and accreted interest thereon.
Term of Fund:	Up to seven years, with an option to extend up to two additional years. Base interest will accrue and compound semi-annually and will be due and payable on the Maturity Date.
Selection Process:	<p>This is a successor fund with an existing, successful Fund Manager. In order to continue to support top tier fund managers, OPIC management approved a procedure whereby OPIC could commit funding to successor funds of existing successful OPIC managers without a call for proposal process. In accordance with procedures approved by OPIC management, OPIC worked with private equity advisor Franklin Park to conduct due diligence on the Manager and the new Fund and interviewed the team. Full character risk due diligence review is underway.</p>

<p>Developmental Effects:</p>	<p>The Fund is expected to have a significant developmental impact on the pan Asia region. The Fund will provide financial solutions to SMEs in the form of rescue financings and workouts. In financial restructurings, the Fund takes a hands-on approach, acting as a mediator between the company and its creditors. Due to the ongoing global credit crisis, both the Asian banking sector and private sector are underserved by both foreign and domestic financial intermediaries. The Fund is expected to have developmental impacts because it will facilitate the establishment of efficient market mechanisms that allow companies to fix their balance sheets, and permit banks to exit non-performing loans. In its operational restructurings, the Fund will play an active role in company operations, take board seats, appoint new management, re-evaluate company strategy, and increase operating efficiencies.</p>
<p>Environment:</p>	<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, each and every down-stream investment 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 Impact Assessments for Category A projects, conditionality and monitoring, as may be warranted by the nature and scope of the downstream investments.</p>
<p>U.S. Economic Impact:</p>	<p>Since this project concerns an investment fund vehicle, there is no potential for an adverse impact on the U.S. economy at this time, and an industry analysis is not warranted. However, future Fund downstream investments will be individually analyzed for their impact on the U.S. economy in accordance with OPIC’s guidelines. OPIC will assess the U.S. economic impact of each of the facility’s downstream investments upon receipt of the completed application prior to OPIC consent. This evaluation will include the downstream investment’s impact on the specific U.S. industry, employment, and balance of payments, as well as the</p>

	destination of the downstream investment's production and identification of any trade-related performance requirements imposed by the host country.
Workers Rights:	Each of the Fund's subprojects 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 for each subproject will be included in the subproject's Consent Notice.
Human Rights:	In consultation with the Department of State, the project received a Human Rights Clearance on January 14, 2010.