

SECTION I: NON-CONFIDENTIAL PROJECT INFORMATION

Host Countries:	OPIC- eligible countries globally, including those in Africa, Latin America, and Southeast Asia.
Name of Borrower:	Terra Bella Fund SCA SIF-SICAV (the “Fund”), a Luxembourg specialized investment fund
Sponsor:	Terra Global Investment Management LLC, a California limited liability company (“TGIM” or the “Fund Manager”) located in San Francisco, California, and Terra Global Investment Management LLC, SARL, (the “General Partner” or “GP”), a Luxembourg company. Both entities are wholly owned by Terra Global Capital LLC (“TGC”), a California limited liability company.
Project Description:	The Fund will seek to provide investors with superior long term financial returns by capitalizing projects that generate carbon credits by protecting tracts of forest from degradation and deforestation. Fund projects will be among the first to generate carbon credits from a process known as Reduced Emissions from Deforestation and Forest Degradation (“REDD”), and, if successful, the Fund could be a significant catalyst in the development of a secondary market for REDD carbon credits. The Fund will act as an intermediary, providing capital for the development of a portfolio of 15-25 projects, and receiving offset credits which it will sell directly or in international carbon markets. The Fund’s average investment in each project will be \$5-10 million. The portfolio will be diversified by geography, project developer, and forest location.
Total Fund Capitalization:	\$100 million
Proposed OPIC Loan:	OPIC loan or loan guaranty of up to \$40 million in principal plus accrued and accreted interest thereon
Term of Fund:	Twelve years from the final close, with the possibility of up to two one-year extensions with the consent of the Limited Partners.
Selection Process:	On March 31, 2011, OPIC issued a call for proposals for Impact Investment (the “Call”). The Call invited proposals for investment vehicles that intend to have positive social and/or environmental impacts while generating sustainable financial returns. The Call considered a wide variety of strategies, including but not limited to a focus on sectors such as water, healthcare, sanitation and waste management, education, housing, basic infrastructure, access to finance, renewable resources, and sustainable agriculture. Proposals from vehicles that invest in microfinance institutions or small and medium

	<p>enterprises (“SMEs”) were also considered. Additional consideration was given to proposals that included innovative business models, measurement of impact, or were targeting improvements in the social and/or environmental conditions of disadvantaged populations. The Call considered a range of investment structures, including private equity funds, funds-of-funds, debt facilities, and other hybrid vehicles.</p> <p>With the assistance of Cambridge Associates as an advisor, an OPIC Evaluation Committee established for the Call selected the Fund from among 88 respondents as having best met the criteria stated in the Call. The Fund advances the objectives of the Call by seeking to play a catalytic role in capitalizing projects and developing high quality carbon offsets for a nascent REDD market. The Fund will be supporting sustainable forest management, protection of biodiversity, and empowerment of local communities in some of the most vulnerable and important forests in Africa, Asia (including Oceania), and Latin America.</p>
Policy Review	
Developmental Effects:	<p>The Fund is expected to have a significant development impact, with the provision of capital to start-up entities in the sustainable forest and agriculture sector. The Fund will invest in local community projects that aim to reduce emissions in the Agriculture, Forest and Land-use carbon sector. The Fund will support its portfolio companies’ ability to implement emission reduction activities and to verify their carbon credits for sale on international markets. Each individual investment made under the Fund will be reviewed for its expected development impact.</p>
Environment:	<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 at and subject to the full scope of OPIC’s environmental and social assessment process as may be 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 a Social and Environmental Management System which will be used to assess the environmental and social impact of their own operations as well as the operations of their downstream investments and include the environmental and social objectives and principles that will be used to guide the Fund and downstream investments to implement measures that will eliminate risks, ameliorate damage, and enhance positive effects.</p>

U.S. Economic Impact:	The capitalization of the Fund has no potential for an adverse impact on the U.S. economy and an industry analysis is not necessary at this time. 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.
Workers Rights:	Each of the Fund's investments will be evaluated separately with regard to OPIC's worker rights requirements. Standard and supplemental worker rights requirements will apply to each portfolio company investment, as appropriate.
Human Rights:	OPIC issued a human rights clearance for the Fund on September 27, 2011.