

MEDIUM TERM DELEGATED AUTHORITY PROGRAM
EXPORT CREDIT GUARANTEES
DELEGATED AUTHORITY LENDER AGREEMENT

This Delegated Authority Lender Agreement (this “Agreement”) is dated as of _____, _____ between _____ (the “Lender”) and the Export-Import Bank of the United States, an agency of the United States of America (“Ex-Im Bank”).

WHEREAS, Ex-Im Bank has authorized the delegation of approval authority to commercial lenders with respect to certain medium term, export credit transactions under its guarantee and insurance programs (the “Delegated Authority Program”);

WHEREAS, the Lender has been authorized pursuant to the Delegated Authority Approval (as defined below) to participate in the Delegated Authority Program; and

WHEREAS, the Lender and Ex-Im Bank have entered into a Master Guarantee Agreement (Medium Term Credits – Medium Term Delegated Authority Program), dated as of _____, and referenced as MGA No. _____-D, as amended from time to time (the “MGA”).

Now therefore, the parties agree as follows:

SECTION 1. DEFINITIONS

1.1 Defined Terms.

“Aggregate Credit Limit” shall mean the maximum aggregate outstanding principal amount of all credits that may be guaranteed or insured by Ex-Im Bank and approved by the Lender under the Delegated Authority Program, and shall be set forth in the Delegated Authority Approval.

“Ancillary Services Fee Limit” shall mean the maximum aggregate amount of fees for Ancillary Services that the Lender may charge or finance with respect to any Approved Credit, and shall be set forth in the Delegated Authority Approval.

“Annual Credit Limit” shall mean, in respect of any fiscal year of Ex-Im Bank, the maximum aggregate principal amount of all credits that may be guaranteed or insured by Ex-Im Bank and approved by the Lender under the Delegated Authority Program during such fiscal year, and shall be set forth in the Delegated Authority Approval.

“Anti-Dumping or Countervailing Duty Orders” shall have the meaning set forth on the United States International Trade Commission’s internet website, and can also be found on Ex-Im Bank’s internet website.

“Approved Credit” shall mean an Eligible Credit for which the Lender has submitted to Ex-Im Bank a Delegated Authority Notice in accordance with Section 5.1.

“Authorized Officer” shall have the meaning set forth in Section 8.3.

“Authorized Officer Designation Notice” shall mean the Authorized Officer Designation Notice in the form attached as Appendix 7 hereto.

“Capital Goods or Services” shall mean goods or services that have a useful life generally in excess of one year, and include, but are not limited to, manufacturing equipment and licensing agreements.

“Cause” shall mean a determination by Ex-Im Bank in its reasonable judgment that the Lender (i) has acted in a fraudulent manner or with intentional misconduct in connection with any Approved Credit under this Agreement or (ii) has exercised its Delegated Authority or administered an Approved Credit in a manner which violates the requirements of the MGA, the Delegated Authority Approval or this Agreement.

“Country Limitation Schedule” shall mean the schedule, set forth on Ex-Im Bank’s internet website at www.eximbank.gov, published from time to time by Ex-Im Bank setting forth on a country by country basis whether and under what conditions Ex-Im Bank will provide coverage for the financing of export transactions to the countries listed therein.

“Delegated Authority” shall have the meaning set forth in Section 2.1.

“Delegated Authority Approval” shall mean the approval of delegated authority in the form of Appendix 1 attached hereto issued by Ex-Im Bank to the Lender, as amended from time to time.

“Delegated Authority Notice” shall mean a notice of approval of an Eligible Credit in the form of Appendix 2 attached hereto executed by an Authorized Officer, as amended from time to time.

“Delegated Authority Program” shall have the meaning set forth in the Preamble.

“Economic Impact Transaction” shall mean any export credit transaction that supports the export of Capital Goods or Services that will result in the production of an Exportable Good.

“Eligible Credit” shall mean a medium term export credit satisfying each of the criteria set forth in Section 4.1.

“End-User” shall have the meaning set forth in Appendix 4 attached hereto.

“Excluded Transaction” shall mean any transaction set forth in Appendix 5 attached hereto.

“Exportable Good” shall mean a good that (i) is produced by the Borrower, Purchaser or End-User, and (ii) may be exported.

“Individual Credit Limit” shall mean the maximum principal amount of any Approved Credit, and shall be set forth in the Delegated Authority Approval.

“Individual PSOR Limit” shall mean the maximum aggregate outstanding principal amount of all credits involving the same PSOR that may be guaranteed or insured by Ex-Im Bank and

approved by the Lender under the Delegated Authority Program, and shall be set forth in the Delegated Authority Approval.

“Lender Approved Country List” shall mean the list, set forth in the Delegated Authority Approval, specifying the country or countries in which and under what conditions the Lender is permitted to finance Eligible Credits.

“MGA” shall have the meaning set forth in the Preamble.

“Operative Notice” shall mean, with respect to each Approved Credit, the notice issued by Ex-Im Bank in the form of Appendix 3 attached hereto.

“Preliminary AD or CVD Injury Determinations” shall have the meaning set forth on the United States International Trade Commission’s internet website, and can also be found on Ex-Im Bank’s internet website.

“PSOR” shall have the meaning set forth in Section III of Appendix 6 attached hereto.

“Risk Retention” shall have the meaning set forth in Section 6.2.

“Section 201 Injury Determinations” shall have the meaning set forth on the United States International Trade Commission’s internet website, and can also be found on Ex-Im Bank’s internet website.

“Small Business Administration Regulations” shall mean the Small Business Size Regulations set forth in Title 13 of the Code of Federal Regulations, Part 121 (13 CFR, Section 121), which can be found on the Small Business Administration’s internet website.

“Small Business Transaction” shall mean any (i) Approved Credit involving an Exporter that constitutes a “small business” in accordance with the Small Business Administration Regulations, or (ii) Approved Credit where more than fifty percent (50%) of the U.S. Dollar value of the Goods and Services to be financed by such Approved Credit are supplied by one or more supplier that constitutes a “small business” in accordance with the Small Business Administration Regulations. In determining whether an entity constitutes a “small business” in accordance with the Small Business Administration Regulations, the criteria must be applied to the parent company, if any, of such entity.

“Transaction Documents” shall mean this Agreement, the Delegated Authority Approval, and, with respect to each Approved Credit, the Delegated Authority Notice, the Ex-Im Bank Application (including all supporting documents), the Disbursement Documents, each Debt Document, and any amendments or waivers with respect to any of the foregoing.

1.2 Other Terms; Rules of Construction.

Unless otherwise defined, the capitalized terms used herein shall have the meanings set forth in the MGA and the rules of construction set forth in Section 1.02 of the MGA are incorporated herein and shall apply to this Agreement as if fully set forth herein.

SECTION 2. DELEGATED AUTHORITY

2.1 Delegation of Authority. Subject to the terms and conditions of this Agreement, the Delegated Authority Approval and the MGA, Ex-Im Bank hereby delegates authority to the Lender to commit Ex-Im Bank's Guarantee with respect to Eligible Credits extended by the Lender to Borrowers under the Delegated Authority Program (the "Delegated Authority"). Such Delegated Authority shall expire on the expiry date set forth in the Delegated Authority Approval.

2.2 Credit Analysis and Administration. Ex-Im Bank has provided Delegated Authority to the Lender based upon Ex-Im Bank's reliance on the Lender's credit judgment. The Lender may exercise its Delegated Authority with respect to each Eligible Credit only after the Lender has analyzed the relevant Ex-Im Bank Application, including all supporting documents, and has determined that the PSOR of such Eligible Credit is creditworthy and offers a reasonable assurance of repayment of the Eligible Credit. Any Approved Credit guaranteed by Ex-Im Bank pursuant to the Lender's Delegated Authority shall be originated, administered and serviced by the Lender until such Approved Credit is repaid in full.

SECTION 3. CONDITIONS TO EFFECTIVENESS

3.1 Conditions Precedent to Effectiveness of this Agreement. As conditions precedent to the effectiveness of this Agreement, Ex-Im Bank shall have received, in form and substance satisfactory to it, (a) evidence of the authority (including specimen signatures) of each Person who, on behalf of the Lender, signed this Agreement, and (b) evidence of the authority of, as well as a completed Authorized Officer Designation Notice with respect to, each Authorized Officer who (i) will sign Delegated Authority Notices, (ii) will sign any other documents required by this Agreement, or (iii) will otherwise act as the Lender's representative in the performance of this Agreement.

3.2 Effectiveness of the Guarantee. The Guarantee issued with respect to any Approved Credit shall become effective upon Ex-Im Bank's issuance of an Operative Notice with respect to such Approved Credit. Ex-Im Bank shall use reasonable efforts to deliver an Operative Notice to the Lender within five (5) Business Days of receipt of (a) the accurate and fully completed relevant (i) Delegated Authority Notice, and (ii) Ex-Im Bank Application (attaching only the Anti-Lobbying Declaration and retaining for the Lender's records all the other supporting documents), (b) any relevant Ex-Im Bank waivers, and (c) any Exposure Fee due to Ex-Im Bank pursuant to the MGA.

SECTION 4. ELIGIBLE CREDITS

4.1 Eligible Credits. To be eligible for approval pursuant to Delegated Authority hereunder, the proposed medium term export credit must satisfy each of the following criteria:

(a) such credit shall comply with the terms set forth in the Delegated Authority Approval (including but not limited to the terms of the Aggregate Credit Limit, the Annual Credit Limit, the Individual PSOR Limit, the Individual Credit Limit, the Ancillary Services Fee Limit,

and the Lender Approved Country List);

(b) such credit shall comply in all respects with the policy and guideline criteria set forth in Appendix 4;

(c) such credit shall comply in all respects with the credit standards set forth in Appendix 6;

(d) such credit shall not constitute an Excluded Transaction;

(e) such credit shall have a repayment term of five (5) years or less; and

(f) in approving such credit, Lender shall comply with the requirements set forth in Section 8.04.

4.2 Compliance. For the avoidance of doubt, any failure of the credit or the Lender to comply with the criteria set forth in Section 4.1 above shall not give rise to (a) any right of claim denial under the MGA, other than as set forth in Sections 4.03, 4.04, 4.05, and 4.06 of the MGA; or (b) any right of indemnity as set forth in Section 9.07 of the MGA.

SECTION 5. DELEGATED AUTHORITY NOTICE PROCESS

5.1 Delegated Authority Notice. The Lender shall notify Ex-Im Bank of the Lender's approval of an Eligible Credit by delivering to Ex-Im Bank an accurate and fully completed Delegated Authority Notice (a) within five (5) Business Days of the Lender's entering into a commitment with respect to such Eligible Credit, and (b) that is dated no more than two (2) Business Days prior to the date of submission. The Lender shall include with the Delegated Authority Notice, an accurate and fully completed Ex-Im Bank Application (attaching only the Anti-Lobbying Declaration and retaining for the Lender's records all the other supporting documents), and any Ex-Im Bank waivers granted with respect to such Eligible Credit. The Lender may send such documents to the address or facsimile number provided below, or through an electronic submission system if so advised by Ex-Im Bank:

Address: Export-Import Bank of the United States
811 Vermont Avenue, N.W.
Washington, DC 20571
Attn: Vice President – Trade Finance and Insurance Division
Facsimile: (1-202) 565-3677
Telephone: (1-202) 565-3400

SECTION 6. RISK SHARING AND RETENTION

6.1. Risk Sharing. Subject to the terms and conditions set forth in the MGA, Ex-Im Bank and the Lender shall share the risk of loss with respect to each Approved Credit as follows: (a) for Small Business Transactions, Ex-Im Bank shall provide a Comprehensive Guarantee in respect of ninety-two percent (92%) of such Approved Credit and a Political Risk Guarantee in respect of eight percent (8%) of such Approved Credit, and (b) for any other Approved Credit,

Ex-Im Bank shall provide a Comprehensive Guarantee in respect of ninety percent (90%) of such Approved Credit and a Political Risk Guarantee in respect of ten percent (10%) of such Approved Credit.

6.2 Risk Retention by Lender. Subject to the terms and conditions of the MGA, the Lender shall hold the Political Risk Guaranteed Amount of each Approved Credit (the “Risk Retention”) for its own account, without recourse to any other party, security or other credit support, or enhancement, *except* (a) the Lender may collateralize the Risk Retention in compliance with the terms of Section 7.1 and (b) the Lender may transfer or participate up to fifty percent (50%) of the Risk Retention to the relevant Exporter or any local bank that has an existing creditor relationship with the relevant Borrower or any relevant Guarantor in respect of such Approved Credit.

SECTION 7. SECURITY AND RECOVERIES

7.1 Security. The Lender shall not separately collateralize the Risk Retention. The Lender may (a) separately collateralize the Comprehensive Guaranteed Amount of any Approved Credit, or (b) collateralize on a pari passu basis both the Comprehensive Guaranteed Amount of any Approved Credit and the Risk Retention.

7.2 Recoveries. Subject to the terms and conditions of the MGA, Ex-Im Bank shall (a) conduct recoveries in respect of any Approved Credit in the manner and with such timing as may be determined by Ex-Im Bank in its sole discretion; and (b) allocate to itself and the Lender any recovery proceeds (net expenses) on a pro-rata basis.

SECTION 8. ADDITIONAL LENDER UNDERTAKINGS

8.1 Maintenance of Records and Transaction Documents. The Lender agrees to (a) maintain at the address indicated in item 4 of the “Lender Information” sheet of the MGA (i) all Transaction Documents and (ii) accurate and complete records of all Approved Credits, and (b) retain all such documents and records relating to any Approved Credit for a period equal to the sum of (i) the repayment period of the relevant Approved Credit (as such period may be amended from time to time) plus (ii) ten (10) calendar years.

8.2 Inspections. Upon notice, the Lender will permit representatives of Ex-Im Bank to perform audits and make reasonable inspections of the Lender’s books, records and other information related to any Approved Credit or the Lender’s underwriting process, and shall cause its officers and employees to give full cooperation and assistance in connection therewith. The Lender shall, at the request of Ex-Im Bank, furnish to Ex-Im Bank copies of, and information with respect to, the Transaction Documents and any other records relating to any or all of the Approved Credits within ten (10) Business Days following receipt of such request.

8.3 Designation of Authorized Officers. The Lender shall at all times employ at least two (2) persons (both having the authority to enter into commitments or proposals for credits similar in size and scope to the Eligible Credits) who are designated as authorized officers (each, an “Authorized Officer”). At least one of the Authorized Officers shall be, at a minimum, a

senior officer with management responsibility for the Lender's trade finance program(s). All Authorized Officers shall have completed the Ex-Im Bank "Medium Term Delegated Authority Lender" training course except that the senior officer is not required to take such training as long as two (2) other Authorized Officers have taken such training. For each Authorized Officer, Lender shall provide Ex-Im Bank with a completed Authorized Officer Designation Notice. The Lender shall ensure that at least one Authorized Officer signs (a) each Delegated Authority Notice, (b) any other documents required by this Agreement and (c) any amendments or waivers with respect to any of the foregoing.

8.4 Economic Impact. In connection with each proposed Economic Impact Transaction, the Lender shall use best efforts to verify that as of the date of the related Delegated Authority Notice:

(a) such Economic Impact Transaction does not involve an Exportable Good that is substantially the same as a product subject to (i) Anti-dumping ("AD") or Countervailing Duty ("CVD") Orders, including suspension agreements arising from any AD or CVD investigations, (ii) Section 201 Injury Determinations, or (iii) Preliminary AD or CVD Injury Determinations; and

(b) the aggregate of (i) the financed amount (excluding the Exposure Fee) of such Economic Impact Transaction, and (ii) the U.S. Dollar amount of all Ex-Bank financing (excluding any Exposure Fees) authorized in the past twenty-four (24) months supporting other Economic Impact Transactions that involved the same Borrower, Purchaser or End-User and production of substantially the same Exportable Good, does not exceed U.S.\$10,000,000.

8.5 Exposure Fee. The Exposure Fee in respect of each Approved Credit shall be calculated pursuant to Appendix 4 hereto. The Lender shall collect all Exposure Fee amounts and shall allocate and pay to Ex-Im Bank ninety percent (90%) of such amounts and retain ten percent (10%) of such amounts.

8.6 Amendments to Delegated Authority Notice. The Lender shall not, without Ex-Im Bank's prior written consent, amend any of the terms or conditions specified in a Delegated Authority Notice. For any amendment, the Lender shall provide Ex-Im Bank with a complete copy of the amended Delegated Authority Notice within five (5) Business Days of the execution thereof. If any information set forth in any Delegated Authority Notice is or becomes incorrect or misleading, the Lender shall notify Ex-Im Bank within five (5) Business Days of the Lender's actual knowledge thereof.

SECTION 9. MISCELLANEOUS

9.1 Agreement and MGA. This Agreement supplements the MGA, and the terms herein shall, to the extent possible, be interpreted consistent with the terms of the MGA; *provided*, in the event of any inconsistency between the terms of this Agreement and the terms of the MGA, Section 1.02(e) of the MGA shall apply.

9.2 Reliance; Timeliness. Ex-Im Bank is entitled to rely on information and certifications provided, and analysis performed, by the Lender in connection with each Approved Credit, and is under no obligation to make an independent review or confirmation thereof. Time is of the essence with respect to the Lender's obligations hereunder. Ex-Im Bank shall use good faith efforts to comply with its obligations hereunder within the time specified, but shall in no event incur any liability to the Lender or any other person or entity for its failure to do so.

9.3 Waivers. Waivers of any terms or conditions of this Agreement, the Delegated Authority Approval, the MGA or a Delegated Authority Notice shall be effective only if in writing and duly executed by an Authorized Officer and by Ex-Im Bank following a written waiver request from an Authorized Officer to Ex-Im Bank. The Lender shall maintain the fully executed copy of any such waivers in its records available for presentation to Ex-Im Bank upon request. To the extent that any such waiver purports to amend any of the terms or conditions set forth in a Delegated Authority Notice, such Delegated Authority Notice may only be amended in accordance with the terms of Section 8.6. Any waiver by Ex-Im Bank of any provision of this Agreement, the Delegated Authority Approval, the MGA or a Delegated Authority Notice in connection with any Approved Credit shall be limited to the particular Approved Credit and shall not constitute a waiver or amendment of such provision for any other purpose.

9.4 Amendment, Modification, Suspension and Termination.

(a) Ex-Im Bank reserves the right to amend, modify or supplement any term or condition of this Agreement or any Delegated Authority Approval by written notice to the Lender; *provided* that such amendment, modification or supplement shall not affect the validity and continued effectiveness of the Guarantee for any Approved Credit for which Ex-Im Bank has issued an Operative Notice.

(b) Ex-Im Bank may immediately suspend the Lender's right to exercise Delegated Authority by written notice to the Lender (i) in the event Ex-Im Bank does not have funds to conduct some or all of its activities, or (ii) if the Lender fails to fulfill any of its responsibilities under this Agreement or the MGA; *provided* that any such suspension shall not affect the validity and continued effectiveness of the Guarantee for any Approved Credit for which Ex-Im Bank has issued an Operative Notice.

(c) Either the Lender or Ex-Im Bank may terminate this Agreement for any reason upon ten (10) days' written notice to the other party; *provided* that such termination shall not affect the validity and continued effectiveness of the Guarantee for any Approved Credit for which Ex-Im Bank has issued an Operative Notice.

(d) Ex-Im Bank may terminate this Agreement for Cause immediately upon written notice to the Lender; *provided* that any such termination shall not affect the validity and continued effectiveness of the Guarantee for any Approved Credit for which Ex-Im Bank has issued an Operative Notice.

9.5 MGA Sections Incorporated by Reference. The following sections of the MGA are hereby incorporated by reference: Sections 10.01 (Governing Law; Waiver of Jury Trial),

10.02 (Notices), 10.04 (Benefit of Agreement), 10.06 (Amendment or Waiver), 10.09 (Reliance on Lender's Evidence of Authority), Section 10.10 (Counterparts), Section 10.11 (English Language) and Section 10.12 (Severability).

9.6 Appendices Incorporated. Appendices 1 thru 7 are incorporated into and made part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, in duplicate, and delivered as of the date set forth on the cover page hereto.

EXPORT-IMPORT BANK OF THE
UNITED STATES

By: _____
(Signature)

Name _____
(Print)

Title: _____
(Print)

LENDER:

(Print Full Name of Lender)

By:¹ _____
(Signature)

Name: _____
(Print)

Title: _____
(Print)

[By: _____
(Signature)

Name: _____
(Print)

Title: _____
(Print)]

Issued in connection with MGA No. _____-D

¹ Provide for one or more signatures to the extent needed to bind the Lender.

APPENDICES:

Appendix 1 – Form of Delegated Authority Approval

Appendix 2 – Form of Delegated Authority Notice

 Exhibit 1 – Form of Fee Letter

 Exhibit 2 – Form of Additional Exporter and Supplier Information

 Exhibit 3 – Copy of Ex-Im Bank Medium-Term Exposure Fee Calculator Sheet

Appendix 3 – Form of Operative Notice

Appendix 4 – Policy and Guideline Criteria

Appendix 5 – Excluded Transactions

Appendix 6 – Credit Standards

Appendix 7 – Form of Authorized Officer Designation Notice

[FORM OF DELEGATED AUTHORITY APPROVAL]

_____, 20__

[Lender]

[Address of Lender]

Re: MGA No. _____-D

Ladies and Gentlemen:

The Export-Import Bank of the United States (“Ex-Im Bank”) hereby delegates authority to [Lender] to issue Guarantees on behalf of Ex-Im Bank under the Medium Term Delegated Authority Program (the “Program”). Such authority shall be subject to the limitations set forth in this approval, the Master Guarantee Agreement (Medium Term Credits – Medium Term Delegated Authority Program), dated as of _____, and referenced as MGA No. ____ - D, as amended from time to time (the “MGA”) between [Lender] and Ex-Im Bank, and in the Delegated Authority Lender Agreement, dated as of _____, as amended from time to time (the “Delegated Authority Lender Agreement”) between [Lender] and Ex-Im Bank. Unless otherwise defined herein, the capitalized terms used herein shall have the respective meanings specified in the MGA or the Delegated Authority Lender Agreement, as the case may be.

The Lender’s Delegated Authority shall be subject to and must comply with the following Eligible Credit limitations:

Aggregate Credit Limit: U.S.\$ _____

Annual Credit Limit: U.S.\$ _____

Individual PSOR Limit: U.S.\$ _____

Individual Credit Limit: U.S.\$ _____

Ancillary Services Fee Limit: The U.S. Dollar amount equal to ____% of the Total Financed Amount of the relevant Transaction

Lender Approved Country List:

This Delegated Authority Approval will expire on September 15, [_____]² and shall have no further force and effect as of the close of business of such date.

² End of current fiscal year to be inserted.

If you should have any questions, please contact _____ of the Trade Finance and Insurance Division (Telephone: (1-202) 565-_____; Facsimile: (1-202) 565-_____).

EXPORT-IMPORT BANK OF THE UNITED STATES

By _____
(Signature)

Name _____
(Print)

Title _____
(Print)

AGREED TO THIS ____ DAY OF _____, 20__

[LENDER]

By _____
(Signature)

Name _____
(Print)

Title _____
(Print)

[FORM OF DELEGATED AUTHORITY NOTICE]

_____, 20__

Export-Import Bank of the United States
811 Vermont Avenue, NW
Washington D.C. 20571

Attn: Vice President
Trade Finance and Insurance Division

Re: MGA No. _____ - D

Ladies and Gentlemen:

We hereby notify the Export-Import Bank of the United States (“Ex-Im Bank”) that, pursuant to the Delegated Authority granted by Ex-Im Bank to the undersigned institution (the “Lender”) under the Delegated Authority Lender Agreement, dated as of _____, as amended from time to time between the Lender and Ex-Im Bank (the “Delegated Authority Lender Agreement”), and the Delegated Authority Approval, dated as of _____, we have approved an Ex-Im Bank Guarantee to be issued under the Master Guarantee Agreement (Medium Term Credits – Medium Term Delegated Authority Program), dated as of _____, and referenced as MGA No. _____-D, as amended from time to time (the “MGA”) between [Lender] and Ex-Im Bank, for an Eligible Credit on the basis set forth below. Unless otherwise defined herein, the capitalized terms used herein shall have the respective meanings specified in the MGA, or the Delegated Authority Lender Agreement, as the case may be.

An accurate and fully completed Ex-Im Bank Application (attaching only the Anti-Lobbying Declaration and retaining for the Lender’s records all the other supporting documents), any Ex-Im Bank waivers granted with respect to such Eligible Credit, Fee Letter (if any) (Exhibit 1), Additional Exporter and Supplier Information (Exhibit 2), and copy of Ex-Im Bank Medium-Term Exposure Fee Calculator Sheet (Exhibit 3) are attached to this Delegated Authority Notice.

1. Participants³

- Primary Source of Repayment (PSOR) _____
Address: _____

³ If there is more than one entity in any category of participants listed below, provide relevant information for each entity.

- Borrower: _____
Address: _____
- Borrower's Country: _____
- Guarantor(s): _____
Address: _____
- Guarantor's Country: _____
- Purchaser: _____
Address: _____
- Purchaser's Country: _____
- Exporter(s): _____
Address: _____
- [- Ancillary Services
Provider: _____
Address: _____]
- [- Local Cost Provider: _____
Address: _____]

2. Goods and/or Services

- Exporter:⁵ _____
- Supply Contract Ref. Number: _____
- U.S.\$ value of Supply Contract: US\$ _____
 - U.S. Content: US\$ _____
 - Foreign Content: US\$ _____
 - Net Contract Price: US\$ _____
- Goods and/or Services Provided: _____
- [- Ancillary Services Provider: _____
- Supply Contract Ref. Number: _____
- U.S.\$ Value of Supply Contract: US\$ _____
 - U.S. Content: _____
 - Foreign Content: _____
- Ancillary Services Provided: _____]
- [- Local Cost Provider: _____
- Local Cost Provider Supply
Contract Ref. Number(s): _____
- U.S.\$ Value of Supply Contract: US\$ _____
- Local Cost Goods
and Services Provided: _____]

⁴ Local Costs and Services can only be included if the Lender obtains prior written consent from Ex-Im Bank.

⁵ Provide the requested information with respect to each Exporter and the relevant Supply Contract. Please note that multiple Supply Contracts may be aggregated if they involve the same parties (i.e., the Exporter and Purchaser are identical in each). Supply Contracts involving affiliated, but legally distinct, Exporters should generally not be aggregated.

3. Terms of Ex-Im Bank Guarantee

- Financing Type: Medium Term Credit
- Comprehensive Guarantee Percentage:⁶ _____
- Political Risk Guarantee Percentage:⁷ _____
- Amount of Principal Guaranteed: US\$ _____
- Reference Rate of Interest:⁸ _____
- Guaranteed Interest Rate:⁹ _____
- Initial Eligibility Date: _____
- Final Disbursement Date: _____
- Guarantee Availability Date: _____

4. Exposure and Commitment Fees

- Exposure Fee: [US\$ _____ per \$100][US\$ _____]
- Exposure Fee Amount: ___ Financed ___ Not Financed
- Exposure Fee Payment method: ___ As Disbursed ___ Up Front
- Commitment Fee: one-eighth of one percent (1%) per annum of the undisbursed principal amount of the Approved Credit to Borrower accruing from _____ and payable semiannually on each _____ and _____, beginning with the Interest Payment Date occurring on _____, 20__.

5. Amounts (Total for all Supply Contracts)

- U.S. Content: US\$ _____
[- Ancillary Services US\$ _____]
- Foreign Content: US\$ _____
- Net Contract Price: US\$ _____
- Cash Payment (____%): US\$ _____
- [- Local Cost Financed Portion: US\$ _____]
- Exposure Fee: US\$ _____
- Total Financed Amount: US\$ _____

6. Terms of Loan to Borrower

⁶ The Comprehensive Guarantee Percentage is ninety percent (90%) for non-Small Business Transactions and ninety-two percent (92%) for Small Business Transactions.

⁷ The Political Risk Guarantee Percentage is ten percent (10%) for non-Small Business Transactions and eight percent (8%) for Small Business Transactions.

⁸ If the Reference Rate (either before or after giving effect to a Interest Rate Switch) is a basis other than LIBOR (as defined in the MGA), specify such Reference Rate(s).

⁹ State the Guaranteed Interest Rate(s) (including any rate in effect after the exercise of a floating rate Interest Rate Switch, if any).

- Principal shall be repayable semiannually in not more than _____ (___) approximately equal installments on each _____ and _____, beginning on _____, 20__ (the “Repayment Dates”).
- Interest shall be payable semiannually on each _____ and _____, beginning _____, 20__ (the “Interest Payment Dates”).
- Documentation: _____¹⁰
- Security: _____¹¹

7. Special Conditions¹²

8. Policy Criteria

- Small Business: This Approved Credit [DOES][DOES NOT] constitute a Small Business Transaction.
- Additionality: To the best of the Lender’s knowledge following due inquiry:¹³
 - [Foreign companies are competing, or are expected to compete, for the sale transaction supported by this Approved Credit];¹⁴
 - [Foreign companies manufacture comparable goods and services that are sold in the Purchaser’s or End-User’s country with export credit agency support available.];¹⁵
 - [There is limited availability of private financing available from either external or domestic sources.]

9. Lender Certifications

We hereby certify that:

(a) this Delegated Authority Notice has been prepared in accordance with the terms and conditions set forth the Delegated Authority Lender Agreement and the MGA;

(b) we and each of our Principals individually, have not within the past three (3) years been (i) debarred, suspended, declared ineligible from participating in, or voluntarily excluded from participation in, a Covered Transaction, (ii) formally proposed for debarment, with a final determination still pending, (iii) indicted, convicted or had a civil judgment rendered against us for any of the offenses listed in the Regulations, or (iv) delinquent on any substantial debts owed

¹⁰ Describe all the Debt Documents to be used (e.g. global, single disbursement, or serial promissory notes, credit agreement or any other similar instrument). Multiple Guarantors are required to guarantee the credit on a joint and several basis.

¹¹ Describe any security (and related security interest) granted in connection with this Approved Credit.

¹² Include any special conditions required by the Lender or Ex-Im Bank.

¹³ Include one of the three options listed below.

¹⁴ Provide company name, country, and (if known/applicable) the supporting export credit agency.

¹⁵ Provide company name, country, and (if known/applicable) the supporting export credit agency.

to the U.S. Government or its agencies or instrumentalities as of the date of execution of this certification; or we have received a written statement of exception from Ex-Im Bank attached to this certification, permitting participation in this Covered Transaction despite an inability to make certifications (i) through (iv) in this paragraph; and

(c) we have not and will not knowingly enter into any agreements in connection with the Goods and Services with any individual or entity that has been debarred, suspended, declared ineligible from participating in, or voluntarily excluded from participation in a Covered Transaction.

(d) we have either: (i) obtained a first priority security interest in the Goods or, (ii) we have obtained a written agreement from the Borrower pursuant to which the Borrower agrees that it will not create nor permit the creation of or existence of any mortgage, pledge, hypothecation, lien or any other encumbrance upon the Goods until such time as the Loan is paid in full.

All capitalized terms not defined in this Lender certification paragraph shall have the meanings set forth in the Government-wide Non-procurement Suspension and Debarment Regulations - Common Rule (Regulations).

[LENDER]

By _____
(Signature)

Name _____
(Print)

Title _____
(Print)

[FORM OF FEE LETTER]

[Letterhead of Borrower]

Date _____

Export-Import Bank of the United States
811 Vermont Avenue, N.W.
Washington, DC 20571
Attention: Vice President – Trade Finance and Insurance Division

[Lender]
[Address of Lender]

Re: Undertaking with Respect to Ex-Im Bank Commitment Fees

Ladies and Gentlemen:

On [date of Ex-Im Bank Application referred to below], [Lender] (the “Lender”) submitted a “Preliminary Commitment and Final Commitment Application” form (the “Ex-Im Bank Application”) to the Export-Import Bank of the United States (“Ex-Im Bank”) in connection with the Lender’s financing to [Borrower] (the “Borrower”), to be guaranteed by Ex-Im Bank, in support of the acquisition of the goods and/or services described below (the “Goods and Services”) for a Net Contract Price of U.S.\$ _____.¹⁶

Description of Goods and Services:

_____ 17

In order to induce Ex-Im Bank to provide a guarantee with respect to a transaction covered by the Ex-Im Bank Application, the Borrower hereby undertakes unconditionally that, if Ex-Im Bank provides a guarantee with respect to such transaction, the Borrower will pay or cause to be paid to Ex-Im Bank a guarantee commitment fee with respect to the transaction whether or not the transaction is consummated (including, without limitation, whether or not any credit agreement is executed or any promissory note or other evidence of debt is issued). Ex-Im Bank’s commitment fee shall be paid on the uncanceled and undisbursed balance of the export

¹⁶ Provide “Contract Price” on Goods and Services listed in Item 17 of the Lender’s Ex-Im Bank Application.
¹⁷ Provide “Goods and Services Description” on Goods and Services listed in Item 16 of the Lender’s Ex-Im Bank Application.

financing credit that the Lender proposes to establish in connection with the transaction, at the rate per annum specified in the relevant transaction notice delivered by the Lender to Ex-Im Bank. The commitment fee shall be computed on the basis of the actual number of days elapsed (including the first day but excluding the last), using a 360-day year, accruing from the date specified in the relevant transaction notice from the Lender to Ex-Im Bank detailing the Commitment Fee to the “Final Disbursement Date” specified in that notice. The commitment fee shall be payable on the dates specified in the notice.

The Borrower acknowledges and agrees that, unless the Borrower has canceled any remaining undisbursed balance of the export financing credit, Ex-Im Bank’s commitment fee shall continue to accrue and become due and payable as described above during any period in which the Lender’s utilization of the Ex-Im Bank guaranteed facility is suspended.

This Undertaking with Respect to Ex-Im Bank Commitment Fees shall be governed by and construed and enforced in accordance with the laws of the State of New York.

Very truly yours,

[BORROWER]

By _____
(Signature)

Name _____
(Print)

Title _____
(Print)

[FORM OF ADDITIONAL EXPORTER AND SUPPLIER INFORMATION]

1. Exporter(s)¹⁸

- North American Industry Classification System (NAICS) codes: _____
- Amount of Annual Sales: US\$ _____
- Number of Employees: _____
- Small Business: Y/N ¹⁹

2. Supplier(s)²⁰

- North American Industry Classification System (NAICS) codes: _____
- Amount of Annual Sales: US\$ _____
- Number of Employees: _____
- Small Business: Y/N

¹⁸ Provide the requested information with request to each Exporter.

¹⁹ Indicate whether the Exporter constitutes a “small business” in accordance with the Small Business Administration Regulations. In making such determination, the criteria set forth in the Small Business Regulations must be applied to the parent company, if any, of the Exporter

²⁰ Only provide the requested information with respect to each relevant supplier if asserting that the Eligible Credit constitutes a Small Business Transaction because more than fifty percent (50%) of the U.S. Dollar value of the Goods and Services to be financed under such Eligible Credit are supplied by one or more supplier that constitutes a “small business” in accordance with the Small Business Administration Regulations.

[COPY OF EX-IM BANK MEDIUM-TERM EXPOSURE FEE CALCULATOR SHEET]

[FORM OF OPERATIVE NOTICE]

_____, 20__

[Lender]
[Address of Lender]

Re: Ex-Im Bank Transaction No. _____ - [Country]

Ladies and Gentlemen:

We hereby acknowledge receipt of your Delegated Authority Notice dated _____, ____ in connection with the Approved Credit to [name of Borrower] and notify you that this Approved Credit is “operative” and has been assigned the above referenced Ex-Im Bank Transaction Number. Unless otherwise defined, the capitalized terms used herein shall have the meanings set forth in the Master Guarantee Agreement (Medium Term Credits – Medium Term Delegated Authority Program), between [Lender] and Ex-Im Bank, dated as of _____, and referenced as MGA No. _____-D, as amended from time to time, or the Delegated Authority Lender Agreement, between [Lender] and Ex-Im Bank, dated as of _____, as amended from time to time, as the case may be.

EXPORT-IMPORT BANK OF THE UNITED STATES

By _____
(Signature)

Name _____
(Print)

Title _____
(Print)

Medium Term Delegated Authority Program Policy and Guideline Criteria

The Lender must ensure that each Eligible Credit satisfies all of the following criteria:

I. PARTICIPANTS

A. Exporter and Supplier

1. “Exporter” must be a U.S. entity that contracts with the Purchaser for the export sale of Goods and Services. The Exporter must be domiciled in the U.S. and is responsible for executing the Exporter’s Certificate. Some transactions may include multiple Exporters. A provider of Ancillary Services is an Exporter.
2. “Supplier” must be a U.S. company that an Exporter procures from or contracts with for the manufacture of any of the goods or performance of any of the services to be exported and that comprise the Goods and Services. If the Exporter either directly produces Goods and/or provides a Service, including procurement or subcontracting of Goods, the Exporter is also a Supplier.
3. Credit Information Requirement: For each Exporter and Supplier, the Lender must obtain a credit agency report dated within six (6) months of the Delegated Authority Notice, which report provides a favorable review of the Exporter or Supplier, as the case may be, and which does not contain:
 - (a) Lawsuits that individually or in the aggregate are likely to have a material adverse effect on the financial performance or operations of the Exporter or Supplier, as the case may be;
 - (b) Unpaid taxes, unless the Lender receives verification that the Exporter or the Supplier, as the case may be, has fully paid its taxes and the Exporter or Supplier does not have any unresolved tax issues;
 - (c) A history of payments which is very slow or exhibits a deteriorating trend;
 - (d) Poor financial condition (evidenced by a deficit net worth, deficit working capital or net losses), unless the Lender has credible information that sufficiently mitigates these concerns; or
 - (e) Material adverse information on the business or principals, which calls into question the ability of the Exporter or Supplier, as the case may be, to continue as a going concern, or the ability of the principals to properly administer their duties in overseeing the business.

4. Capabilities Requirements. For each Exporter and Supplier, there shall be no ownership relationship with the Purchaser, Guarantor, Borrower or End-User, nor shall there be any conflicts of interest associated with any business dealings between or among any Exporter or Supplier and the foregoing that would adversely impact the repayment of a credit.

(a) Each Exporter and Supplier must have a business history of at least three (3) years; and have the operational and technical expertise and capacity to perform their respective roles under the Supply Contract as evidenced by (i) information indicating that the principals have the technical and operational experience in the relevant field, and (ii) descriptive information contained in a credit agency report, or on the Exporter's and Supplier's internet website, or other descriptive information deemed credible by the Lender.

(b) The contract price must:

(i) be consistent with each Exporter's and Supplier's sales history and production capability, as evidenced by (A) the most recent financial statement of the Exporter or Supplier reflecting a contract price that is less than fifty percent (50%) of the amount of the revenue, or (B) in the absence of such financial statement, credible information that the Exporter or Supplier has the capability to perform its respective duties under the transaction, including evidence of prior export experience, or satisfactory execution of transactions of like scale and complexity; and

(ii) in the case of any Exporter that is an aggregator, not include a markup in excess of ten percent (10%) relative to the list price of the Goods or market value of the Services provided by the Exporter or any Supplier.

B. Finder

1. "Finder" is an entity, such as an agent or a broker, that receives payment from the Lender or Exporter in connection with a transaction by providing expert assistance on behalf of the Lender or an Exporter in (a) facilitating the export sale of the Goods and Services to the Borrower, (b) facilitating the provision of a credit to the Borrower by the Lender in connection with the aforementioned export sale, or (c) working to minimize the likelihood of a default under the credit to the Borrower.

2. Finder Requirements:

(a) A Finder (including any of its affiliates) shall not be involved in the preparation of any financial statements provided in connection with any Ex-Im Bank application, or be affiliated with any credit bureau, accounting firm or other authority which is relied upon by the Lender.

(b) The Finder shall not act on behalf of any party to the transaction other than the Lender or the Exporter.

(c) The Finder's compensation must be reasonable and appropriate given the scope of work performed by the Finder.

(d) In the case of an Exporter's Finder, the Finder's commission must be consistent with those customarily paid in the relevant industry for similar services and with commissions paid to other finders of the Exporter.

(e) In connection with the Lender's Finder, compensation must be based on a documented agreement between the Lender and Finder.

(f) The Lender or the Exporter must (i) have either an established relationship with the Finder or have completed sufficient due diligence on a prospective Finder to conclude that the Finder is competent in performing its duties, and (ii) require the Finder to adhere to a code of conduct that ensures compliance with the Foreign Corrupt Practices Act of 1977, 15 U.S.C. 78dd-1, et seq.

(g) The Finder shall not have any material ownership or ongoing business relationship with the Purchaser, Borrower, Guarantor or End-User.

C. Borrower, Guarantor, Purchaser, End-User

1. "Borrower" must be the entity that agrees to repay the credit.
2. "Guarantor" must be the person or entity that guarantees the repayment of the credit.
3. "Purchaser" must be the foreign entity that contracts with the Exporter for the purchase of the Goods and Services. The Purchaser may also be the Borrower or the Guarantor.
4. "End-User" must be the foreign entity that uses the Goods and Services. The End-User may also be the Borrower, the Guarantor, or the Purchaser.
5. "Borrower's Country" must be the jurisdiction in which the Borrower is organized.
6. "Purchaser's Country" must be the jurisdiction in which the Purchaser is organized.
7. "Guarantor's Country" must be the jurisdiction in which the Guarantor is organized.

II. GOODS AND SERVICES

- A. Eligible "Goods" and "Services" are limited to the following:

1. Capital goods that are machinery and equipment or other fixed assets that have a useful life in excess of one year and are customarily eligible to receive commercial finance payment terms in excess of one year.
2. Spare parts that are a normal complement to the capital goods included in the Supply Contract, provided that the U.S. dollar value of the spare parts is no more than fifteen percent (15%) of the U.S. dollar value of the Supply Contract.
3. Services that are provided in connection with capital goods in the Supply Contract are eligible if they are related to the capital goods and customarily sold as a complement to the capital goods.
4. Service exports that are associated with (but sold separately from) capital goods in the Supply Contract are eligible only to the extent that (a) the sale supports a capital project; (b) the sale does not constitute an ongoing or recurring sale to support a Purchaser's operations; and (c) the service will have a useful life and maintain its value to the Purchaser for at least the Repayment Term of the Eligible Credit.
5. Stand-alone service exports where (a) the sale does not constitute an ongoing or recurring sale to support a Purchaser's operations; and (b) the service will have a useful life and maintain its value to the Purchaser for at least the Repayment Term of the credit.
6. Ancillary Services (services related to the structuring, evaluation and documentation of the financing, e.g., those rendered by banks, law firms, and financial advisors). Fees related to Banking Services provided by a foreign Lender shall be treated as U.S. Content.

B. Offensive or defensive military articles, goods or services, shall not be eligible as Goods or Services. In assessing the application of this exclusion, the Lender must review the identity of all the parties involved in the transaction, the nature of the goods and services, and the intended use of such goods or services, *provided, that*, if the goods are designed primarily for military use, they are presumed to be ineligible military articles notwithstanding their ultimate usage, and *provided further*, that if the transaction involves a Borrower, Purchaser or End-User that is a military or national defense organization, the related goods and services are presumed to be ineligible military goods and services.

C. The Goods and Services in a Supply Contract must be shipped from the U.S. to a Purchaser.

III. SUPPLY CONTRACTS

A. "Supply Contract" must be in writing in the English language (or accompanied by an English translation obtained by the Lender), signed by the Exporter and Purchaser for the purchase of Goods and/or Services, and evidence a U.S. dollar denominated obligation of the Purchaser to pay the Exporter for the Goods and Services.

B. The Supply Contract must contain a detailed description of the Goods and Services, prices, payment terms, and any post-shipment responsibilities of the Exporter, such as installation and commissioning. The U.S. dollar value of the Supply Contract must include the aggregate price for all Goods and Services including U.S. Content, Foreign Content, Local Costs and Excluded Goods and Services. Illustrative examples include (1) an agreement signed by the Exporter and accepted in writing by the Purchaser, (2) a pro forma invoice prepared by the Exporter and accepted in writing by the Purchaser, and (3) a purchase order prepared by the Purchaser and accepted in writing by the Exporter.

IV. FINANCED AMOUNT

A. “Total Financed Amount” is the maximum amount of financing for a credit. “Total Financed Amount” means the aggregate Net Contract Price for all Exporters less the Cash Payment plus the Exposure Fee, if included in the financing.

B. “Net Contract Price” is the total U.S. dollar amount of the Supply Contract less the total dollar amount of Excluded Goods and Services less the dollar amount of Local Costs. Net Contract Price includes only the U.S. Content and the Foreign Content.

C. “Excluded Goods and Services” is the aggregate price of all goods and services that are not eligible for or excluded from Ex-Im Bank support (e.g., goods not shipped from the U.S.) This aggregation does not include Local Costs.

D. “Local Cost Goods and Services” are all goods originating in the Purchaser’s Country and all services provided by residents of the Purchaser’s Country as well as import taxes and customs duties. For more information, refer to the “Local Cost Policy” at www.exim.gov.

E. “Local Costs” is the aggregate price of all Local Cost Goods and Services.

F. “Foreign Content” shall only consist of the following:

1. The cost of any labor, materials, or components of non-U.S. origin that are incorporated into a product included in the Supply Contract and shipped from the U.S.
2. The cost of a product of non-U.S. origin included in the Supply Contract and shipped from the U.S. (any mark-up included in the Supply Contract constitutes U.S. Content).
2. The cost of non-U.S. personnel employed directly by a U.S. company for Services performed under the Supply Contract (Services provided by U.S. personnel temporarily assigned in the host country are U.S. Content);
3. Travel on non-U.S. transportation carriers;
4. Ocean freight or air freight costs for Goods shipped on vessels or aircraft of non-U.S. registry.

5. Premiums for marine and hazard insurance placed outside of the U.S. with non-U.S. companies.

6. Inland freight costs if included in the Exporter's invoice price.

G. "U.S. Content" is the Net Contract Price less Foreign Content. For more information refer to "Foreign Content Policy for Medium- and Long-Term Exports" at www.exim.gov.

H. "Cash Payment" is the cash payment made by the Borrower to the Exporter in an amount no less than the greater of (1) fifteen percent (15%) of the Net Contract Price, or (2) the Foreign Content. The Cash Payment must be made at the time of or prior to Disbursement, and may not be included in the Total Financed Amount.

V. REPAYMENT TERM

Eligible Credits must have payment terms that adhere to the following rules and definitions:

A. "Repayment Term" means the period from the Starting Point of Credit to the final repayment date of the Approved Credit.

B. The maximum eligible Repayment Term is generally determined by the aggregate Net Contract Price of the Transaction as follows:

<u>Net Contract Price</u>	<u>Maximum Repayment Term</u>
1. <\$80,000	2 years
2. \$80,000 to \$174,999	3 years
3. 175,000 to \$349,999	4 years
4. \$350,000 to 11,764,705	5 years

C. Exceptions: the maximum eligible Repayment Term shall be shorter than the terms set forth above if either of the following apply:

1. If the Goods and Services are purchased for resale by the Purchaser, the maximum eligible Repayment Term is two (2) years. The Lender must, in any such transaction, impose a mandatory prepayment requirement on the Borrower, requiring prepayment to the Lender of any amounts received by the Borrower as a result of its sale of the Goods.

2. If the Goods and Services have an expected benefit or useful life that is shorter than the maximum eligible Repayment Term derived in Section V.B. above, then the maximum eligible Repayment Term is the term of the expected benefit or the useful life.

D. "Starting Point of Credit" means the date that signifies the completion of the Exporter's responsibility under the Supply Contract, excluding any acceptance, retention, and/or warranty periods. The latest eligible Starting Point of Credit is determined by transaction characteristics as follows:

1. Single shipment

(a) No installation required: Shipment date

(b) Installation by Exporter or Supplier: Date of completion of installation (the Supply Contract must evidence that the Exporter or Supplier is responsible for installing the products at the End-User's facilities in order for installation to be an eligible Starting Point of Credit)

2. Multiple shipments

(a) Individually-usable/stand-alone products: Mean shipment date during a shipment period (date of first shipment to last shipment) that does not exceed one year

(b) Products, which are not individually usable: Final shipment date

E. Installments:

1. Frequency of installments: Principal and interest must be paid in successive, semi-annual or quarterly installments.

2. The first repayment date is the date on which the first installment of principal is due from the Borrower. The first repayment date shall not be later than six (6) months after the Starting Point of Credit if there are semi-annual installments, and shall not be later than three (3) months after the Starting Point of Credit if installments are quarterly.

3. Number of installments is equal to the Repayment Term multiplied by the frequency of installments (i.e. multiply by two (2) for semi-annual installments, and multiply by four (4) for quarterly installments).

4. The amount of each principal installment is equal to the Total Financed Amount divided by the number of installments.

VI. UTILIZATION

Guarantee Utilization must adhere to the following rules:

A. The Utilization period lasts from the date of the Operative Notice until the Final Disbursement Date. Disbursements may be made under the transaction only during the Utilization period.

B. The "Final Disbursement Date" is the last date on which Disbursements may be made, and may be no later than four (4) months after the Starting Point of Credit.

C. The “Initial Eligibility Date” shall be no earlier than three (3) months before the date of the Delegated Authority Notice. The Initial Eligibility Date for any Good is the date such Good was shipped, as evidenced by the on-board date of the relevant bill of lading, and for any Service, is the date on which such Service was performed, as evidenced by the invoice of the provider of such Service.

D. The “Guarantee Availability Date” is the last day on which the Lender may request a Disbursement Approval, and shall be no later than one (1) month after the Final Disbursement Date.

VII. EXPOSURE FEE

“Exposure Fee” is a premium payable to Ex-Im Bank and the Lender for accepting the credit risk of a Transaction. The Exposure Fee is equal to the Net Contract Price less the Cash Payment multiplied by the relevant exposure fee percentage. The Exposure Fee is payable either (a) if financed and payable up front, no later than the date of the first Disbursement, (b) if not financed and payable up front, then on or prior to date of submission of the Delegated Authority Notice or (c) if payable “as disbursed”, on a pro-rata basis at the time of each Disbursement. If the Exposure Fee is financed, the entire amount of the Exposure Fee must be financed and must be included in the Total Financed Amount. The amount of the Exposure Fee shall be calculated by the Lender in accordance with the Ex-Im Bank Medium-Term Exposure Fee Calculator and the related Medium-Term Exposure Fee Advice, including associated instructions, definitions and/or guidance for usage, all of which can be found at Ex-Im Bank’s internet website at www.exim.gov.

Exposure Fee Percentage Calculation Procedures: The Lender should follow these steps to determine the exposure fee percentage for a transaction.

A. Step 1 – Determine values for the seven variables used in the calculation of exposure fee percentage:

1. *Exposure Fee Level*. This variable denotes the OECD country risk classification. The exposure fee level is a number from 1 to 7 and is shown, along with the corresponding country, at the top of the Medium-Term Exposure Fee Calculator. The OECD country risk classification is based on the country of the PSOR. However, if the PSOR is based in a country other than the country of the Borrower, the OECD country risk classification would be the classification pertaining to the country of the Borrower if it is higher than the classification of the country of the PSOR (or the country of the PSOR if it the classification is higher than the classification of the country of the Borrower).
2. *Percent of Cover*. This variable denotes the portion of the Total Financed Amount for which Ex-Im Bank is at maximally at risk. The “Percent of Cover” must be 100%.

3. Type of Product. This variable denotes the quality of the financing product which is “3” for “Guarantee.”

4. Repayment Term. See Section V of this Appendix 4.

5. Drawdown Period. This variable denotes the period, expressed in months, from the first Disbursement of the credit until the Starting Point of Credit. (e.g., the drawdown period of a single shipment associated with a single payment under a Supply Contract where no installation or additional services are required is zero). The drawdown period represents the period Ex-Im Bank has exposure to risk prior to the beginning of the Repayment Term.

6. Financing of Exposure Fee. This variable denotes whether or not the Exposure Fee is to be included in the Total Financed Amount.

7. Timing of Exposure Fee Payment. This variable denotes whether the Exposure Fee is to be paid in full "Up Front" (i.e., prior to first Utilization) or "As Drawn" (i.e., at the time of each Disbursement).

B. Step 2 - Calculate exposure fee percentage: Enter the variables identified in Step 1 above in the Medium-Term Exposure Fee Calculator located on Ex-Im Bank's internet website. Press “Compute Fee” and the calculator will generate an exposure fee percentage for each of the seven credit classifications.

C. Step 3 - Select applicable exposure fee percentage: The applicable exposure fee percentage is the percentage set forth under the credit classification of CC3.

VIII. COMMITMENT FEE

A. “Commitment Fee” is Ex-Im Bank’s charge to the Borrower for maintaining the availability of the unutilized portion of a guaranteed credit.

B. The Commitment Fee is one-eighth (1/8) of one percent (1%) per annum assessed on the undisbursed and uncanceled balance of a credit. The Commitment Fee begins to accrue sixty (60) days after the date of the Delegated Authority Notice and continues to accrue until the earlier of (1) the date the undisbursed and uncanceled portion of the credit is zero, or (2) the Final Disbursement Date.

C. The Commitment Fee is payable in arrears on the Interest Payment Date, beginning with the first Interest Payment Date which occurs at least one hundred and five (105) days after the date of the Delegated Authority Notice.

Medium Term Delegated Authority Program Excluded Transactions

The following types of transactions are excluded from the Delegated Authority Program (but may be submitted for Ex-Im Bank review and processing under the standard medium term guarantee program):

- Lease transactions
- Transactions denominated in a currency other than U.S. dollars
- Transactions with progress payments or multiple repayment schedules
- Transactions involving used equipment or spare parts (except as a component of a related export of capital goods)
- Transactions involving local cost financing, unless otherwise agreed in writing by Ex-Im Bank
- Transactions involving new or used aircraft, aircraft engines, engine kits, spare parts for aircraft and engines, and all products and services related to cargo conversion, major modifications and refurbishment of aircraft
- Transactions in which the Borrower, Purchaser or End-User produces any of the goods on the “Sensitive Commercial Sectors and Products List” located at http://www.exim.gov/products/policies/sensitive_commercial_sectors_products.cfm
- Transactions involving the production of any type of processed steel product by the Borrower, Purchaser, or End-User
- Transactions involving the financing of interest during construction
- Transactions where (i) the Lender, Supplier or Exporter and (ii) either the Borrower or Guarantor are related
- Transactions involving a sovereign PSOR
- Transactions involving any nuclear-related power or fuel, equipment, materials or services
- Transactions involving agricultural commodities
- Transactions involving offensive or defensive military articles, goods or services, or a Borrower, Purchaser or End-User that is a military or national defense organization
- Transactions involving the export of capital goods or services to be used by the Borrower, Purchaser or End-User specifically for i) a new physical project, or ii) an existing physical project undergoing a significant change in output or function. A "physical project" is any commercial, industrial or infrastructure project at a specified,

identifiable location that involves construction, land clearing, logging or the extraction of a natural resource.²¹

- Transactions in which any Borrower, Guarantor, Purchaser, or End-User is located in a country in which Ex-Im Bank is legally prohibited from conducting its programs

²¹ For example, an export of trucks to a construction company for the company's ongoing and general use does not constitute a physical project, but the export of trucks to a mining company, which will use the trucks in conjunction with the development of a new mine, does constitute a physical project.

Medium Term Delegated Authority Program Credit Standards

The following medium-term credit standards shall serve as the basis for the analysis of individual transactions under the Medium Term Delegated Authority Program. For a medium term export credit transaction to be eligible for approval under Delegated Authority, it must comply in all respects with the credit standards and financial tests set forth herein, unless otherwise noted. In circumstances in which the Lender is permitted to mitigate noncompliance with certain standards, the Lender may apply any mitigation standards consistent with good industry practices, *provided that* collateral or other security arrangements shall not serve as a basis for mitigation.

The Lender may use its own internal credit standards in lieu of the standards set forth herein only if Ex-Im Bank has pre-approved such credit standards in writing.

The Lender is expected to conduct due diligence in accordance with good industry practices. Ex-Im Bank encourages each Lender to review and consider Ex-Im Bank's "Transaction Due Diligence Best Practices" published on Ex-Im Bank's internet website.

A glossary of certain defined terms used herein appears at the end of this Appendix.

Section I - Primary source of repayment is not a financial institution

A. Applicable to all transactions in this Section I (except where noted)

1. PSOR's domicile is acceptable according to the Country Limitation Schedule and the Lender Approved Country List.
2. PSOR has been in the same line of business for a minimum of five (5) years.
3. None of the PSOR, Related Entities, or any other known participants in the transaction (including, but not limited to, any guarantor, exporter, supplier, end-user, broker, finder or agent) shall appear on any U.S. Government prohibited parties list, including the U.S. Government's Specially Designated Nationals List (SDN) currently maintained at <http://www.treas.gov/offices/enforcement/ofac/sdn/index.shtml>; or Excluded Parties List System (EPLS) currently maintained at <http://www.epls.gov>
4. To the Lender's knowledge, there are no unresolved payment issues concerning debts owed by the PSOR to, or insured or guaranteed by, Ex-Im Bank, other export credit agencies, or other creditors.
5. Dun & Bradstreet ("D&B") or Veritas credit agency report:
 - (a) is current as of six (6) months from the date of the relevant Delegated Authority Notice ; and
 - (b) contains no material adverse information.

6. Creditor bank reference:
 - (a) is current as of six (6) months from the date of the relevant Delegated Authority Notice;
 - (b) provides a description of the type(s) of credit extended, amounts, and quality of performance; and
 - (c) for transactions over US\$5 million, PSOR should be able to demonstrate significant and satisfactory prior borrowing experience (which may include term debt, structured debt, bonds or finance leases in comparable amounts and tenor or working capital loans in comparable amounts.); *provided, however,*
 - (d) if a creditor bank reference is not available solely because the PSOR has never borrowed money from a bank, then two (2) supplier references which specify total annual sales, average outstanding balances, terms granted and performance history, shall satisfy this test.

7. Financial Statements:
 - (a) The Lender must obtain the PSOR's financial statements for the last three (3) fiscal years; and interim financial statements if the last FYE was more than 270 days from the date of relevant Delegated Authority Notice.
 - (b) FYE and interim financial statements should include detailed notes and be prepared in compliance with generally accepted accounting principles in PSOR's country of domicile, or with International Financial Reporting Standards (IFRS). For transactions with a financed amount greater than \$1 million, audited financial statements are required. All audited financial statements which are furnished may only contain qualifications that do not have a material bearing on the accuracy and reliability of such financial statements, or on the creditworthiness of the PSOR.
 - (c) Interim results show no material deterioration in the PSOR's financial condition.
 - (d) FYE and interim financial statements do not reveal any unusual or negative aspects or trends that cast doubt on their accuracy or reliability, or on the creditworthiness of the PSOR.
 - (e) All unaudited financial statements shall be certified as true and correct by the President, Chief Financial Officer or other duly authorized officer of the PSOR.

8. Guarantees:
 - (a) If the PSOR's revenue is less than \$50 million in the last fiscal year, personal guarantees are required of the individual who owns more than fifty percent (50%) of the PSOR; if no single individual owns fifty percent (50%) or more of the PSOR, personal guarantees of all individuals owning twenty percent (20%) or more of the PSOR are required.
 - (b) Corporate guarantees of any company with common ownership if more than twenty-five percent (25%) of the sales or purchases of the PSOR in last fiscal year were to/from such commonly-owned company.
 - (c) If the PSOR is a holding company, corporate guarantees of the PSOR's subsidiaries.
 - (d) If the PSOR is constituted of a combination of companies, corporate guarantees of all of the companies included in such combination.

- (e) If the PSOR is a start-up company, a guarantee from a guarantor that meets the credit standards set forth herein (i.e., the standards listed in this Appendix, or such other credit standards used by the Lender that have been pre-approved in writing by Ex-Im Bank).
- (f) If the ability of the PSOR to service its debt is materially dependent on cash flow from a major expansion or a new line of business, a guarantee from a guarantor that meets the foregoing credit standards is required.
- (g) All guarantees shall be joint and several.

B. PSOR does not have a long-term hard currency rating

1. Key financial tests (if any ratio is not met, explain why it is not judged to be material to the PSOR's ability to repay the obligation)
 - (a) Net Cash Provided by Operations/Debt Service: $\geq 1:1$
 - (b) EBITDA/Debt Service: $\geq 150\%$
 - (c) Operating Profit: Positive for last two (2) fiscal years
 - (d) Net income: Positive last two (2) fiscal years
 - (e) Total Liabilities/Tangible Net Worth: $\leq 175\%$
 - (f) PSOR's Total Debt to the Lender (including Ex-Im Debt)/Tangible Net Worth: $\leq 40\%$
 - (g) Positive net working capital in each of the last three (3) fiscal years.

Note: (a) and (b) above, must be satisfied in all cases and may not be mitigated. The PSOR must also meet at least three (3) of the remaining key financial tests, and any missed financial tests must be mitigated with a detailed explanation provided.

2. Other financial tests (if any test is not met, explain why it is not judged to be material to the PSOR's ability to repay the obligation)
 - (a) Contract price of export(s) being financed: $\leq 30\%$ of gross depreciable fixed assets reflected on the balance sheet of the most recent fiscal year
 - (b) Average Cash Balance Based on Balance Sheets of Last Two Fiscal Years/Cash Down-payment: $\geq 1:1$
3. Calculation of key financial tests

The key financial tests should be calculated from spreads according to generally acceptable industry practices; the calculations should be based on local currency spreads translated to U.S. dollars using either the year-end or average exchange rates published by the International Monetary Fund.

C. PSOR has a hard currency long-term rating

1. The rating is no riskier than Standard and Poor's long-term B, Moody's long-term B2, or Fitch long-term B.
2. Last rating date cannot exceed twelve (12) months from the date of relevant Delegated Authority Notice.

3. Market indications are reliable and relate to comparable risk (in terms of security and payment priority)

Section II – Primary source of repayment is a financial institution

A. Applicable to all transactions in this section (except where noted)

1. PSOR's domicile is acceptable according to the Country Limitation Schedule and the Lender Approved Country List.
2. PSOR has been in the same line of business for a minimum of five (5) years.
3. None of the PSOR, Related Entities, or any other known participants in the transaction (including, but not limited to, any guarantor, exporter, supplier, end-user, broker, finder or agent) shall appear on any U.S. Government prohibited parties list, including the U.S. Government's Specially Designated Nationals List (SDN) currently maintained at <http://www.treas.gov/offices/enforcement/ofac/sdn/index.shtml>; or Excluded Parties List System (EPLS) currently maintained at <http://www.epls.gov>
4. To the Lender's knowledge, there are no unresolved payment issues concerning debts owed by the PSOR to, or insured or guaranteed by, Ex-Im Bank, other export credit agencies or other creditors.
5. D&B or Veritas credit agency report (not required for financial institutions that have a long-term hard-currency rating):
 - (a) is current as of six (6) months from the date of the relevant Delegated Authority Notice ; and
 - (b) contains no material adverse information.
6. Creditor bank reference:
 - (a) is current as of six (6) months from the date of the relevant Delegated Authority Notice ; and
 - (b) provides a description of the type(s) of credit extended, amounts, and quality of performance.
7. Financial Statements
 - (a) The Lender must obtain the PSOR's audited financial statements for the last three (3) fiscal years; and interim financial statements if the last FYE was more than 270 days from the date of relevant Delegated Authority Notice. Audited financial statements may only contain qualifications that do not have a material bearing on the accuracy and reliability of such financial statements, or the creditworthiness of the PSOR.
 - (b) FYE and interim financial statements should include detailed notes and be prepared in compliance with generally accepted accounting principles in PSOR's country of domicile, or with International Financial Reporting standards (IFRS).
 - (c) Interim results show no material deterioration in the PSOR's financial condition.

(d) FYE and interim financial statements do not reveal any unusual or negative aspects or trends that cast doubt on their accuracy or reliability, or on the creditworthiness of the PSOR.

(e) All unaudited financial statements shall be certified as true and correct by the President, Chief Financial Officer or other duly authorized officer of the PSOR.

B. PSOR does not have a long-term hard currency rating

1. Key financial tests (if any ratio is not met, explain why it is not judged to be material to the PSOR's ability to repay the obligation)

(a) Liquid Assets/total Assets: $\geq 10\%$

(b) Borrowed Funds/Net Loans: $\geq 100\%$

(c) Net Income/Average Total Assets: $\geq 1\%$

(d) Loan Loss Reserves/Non-Performing Loans: $\geq 80\%$

(e) Shareholders' Equity/Total Assets: $\geq 8\%$

(f) Ex-Im Bank Debt /Shareholders' Equity: $\leq 40\%$

Note: (a) and (d) above, must be satisfied in all cases and may not be mitigated. The PSOR must meet at least two (2) of the remaining key financial tests, and any missed financial tests must be mitigated with a detailed explanation provided.

2. Calculation of key financial tests

The key financial tests should be calculated from spreads according to generally acceptable industry practices; the calculations should be based on local currency spreads translated to U.S. dollars using either the year-end or average exchange rates published by the International Monetary Fund.

C. PSOR has a long-term hard currency rating

1. The rating is no riskier than Standard and Poor's long-term B, Moody's long-term B2, or Fitch long-term B.

2. Last rating date can not exceed twelve (12) months from the date of the relevant Delegated Authority Notice.

3. Market indications are reliable and relate to comparable risk (in terms of security and payment priority).

Section III – Definitions

A. Financial Tests

1. Primary source of repayment is not a financial institution

Operating Profit and **Net Income** are as reported in the financial statements.

EBITDA (Earnings before interest, taxes, depreciation, and amortization) is as reported in the financial statements.

Debt Service is interest paid during the most recent fiscal year + CMLTD (Current maturities of long-term debt) at the end of the most recent fiscal year. Include in Debt Service the amount of the Ex-Im Bank financing that would be classified as CMLTD + twelve (12) months of interest on the Ex-Im Bank financing.

Operating Cash Flow/Debt Service: Operating cash flow as defined using the FASB 95 Indirect Method under U.S. GAAP + interest expense in the last fiscal year/Debt service, as defined above.

Ex-Im Bank Debt: The Lender's total extensions of credit to a PSOR supported by Ex-Im Bank guarantees and/or insurance.

Total Liabilities are as reported in the financial statements.

Tangible Net Worth is shareholders' equity (as reported) *less* intangible assets such as goodwill, patents, and licenses.

Net Working Capital is the difference between current assets and current liabilities.

2. Primary source of repayment is a financial institution

Shareholders' Equity, Total Assets, and Net Income are as reported in the financial statements.

Borrowed Funds are interbank borrowings + notes, bills, and bonds payable.

Net Loans are loans and advances - general and specific loan loss reserves.

Liquid Assets are cash + short-term marketable and trading securities + government securities + due from banks.

Loan Loss Reserves are general and specific reserves available to absorb loan and other credit losses.

Non-Performing Loans are loans which are not producing current income + loans with a high probability of restructuring or loss of principal.

B. Other Terms

PSOR: the entity that is the borrower and/or guarantor, and whose financial statements form the basis of evaluation of reasonable assurance of repayment. The PSOR, which can be a sole proprietorship or other legal entity, may be:

- A buyer
- A holding company, or parent operating company, and its subsidiaries
- A combination (a group of companies sharing common ownership, and which are engaged in similar and/or complementary lines of business)

Note: *Financial statements of holding companies and parent operating companies must be consolidated, and Related Entity accounts and transactions must be eliminated. Similarly, for a combination, combined financial statements must reflect the elimination of Related Entity accounts and transactions.*

Related Entity : a subsidiary of a holding company or parent operating company, or a company or other form of business organization with which the PSOR shares common ownership.

Start-up Company: a company that has been in the same line of business for less than five (5) years.

[FORM OF AUTHORIZED OFFICER DESIGNATION NOTICE]

To: Export-Import Bank of the United States
811 Vermont Avenue, N.W.
Washington, D.C. 20571
Attention: Vice President – Trade Finance and Insurance Division

AUTHORIZED OFFICER DESIGNATION NOTICE

Pursuant to the Delegated Authority Lender Agreement, dated as of _____, as amended from time to time between the undersigned institution (“Lender”) and the Export-Import Bank of the United States (“Ex-Im Bank”), the following officers of Lender, whose names and specimen signatures appear below, have completed the Ex-Im Bank “Medium Term Delegated Authority Lender” training course on the date(s) set forth below and are hereby designated as Authorized Officers.

Table with 3 columns: AUTHORIZED OFFICERS, SPECIMEN SIGNATURES, DATE TRAINING COMPLETED. It contains four rows of blank lines for data entry.

The total number of Authorized Officers designated by the Lender is _____.

Name of Lender: _____

By: _____ Date: _____
(Signature)

Name (Type or Print): _____

Title (Type or Print): _____

This Notice supercedes any prior Authorized Officer Designation Notice(s).