

## SECTION I: NON-CONFIDENTIAL PROJECT INFORMATION

Host Countries:	Predominately South Africa
Name of Borrower:	Medu Capital Fund III (“Medu III” or the “Fund”), to be based in a jurisdiction approved by OPIC.
Sponsor:	Medu Holdings (Pty) Ltd. (the “Sponsor”), organized under South African law and based in Johannesburg.
Project Description:	The Fund will make growth equity investments in small to mid-market companies that are established and profitable. The Fund’s investment strategy focuses on enhancing corporate governance, improving operational and financial performance, and facilitating the evolution of family-run, entrepreneurial companies into sustainable, institutional-quality entities.
Total Fund Capitalization:	The Fund has a total capitalization target of US\$ 300 million, including the amount of the proposed OPIC loan.
Proposed OPIC Loan:	OPIC loan guaranty of up to \$65 million in principal plus accrued and accreted interest thereon.
Term of Fund:	Ten years, with the possibility of two one-year extensions subject to limited partner approval.
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 investment consultant Altius Associates.</p> <p>The Fund advances the objectives of the Call as it invests risk capital that facilitates new business development and existing company expansion.</p>
<b>Policy Review</b>	
Developmental Effects:	This Fund is expected to have a positive developmental impact on the host region of Sub-Saharan Africa. The Fund will seek to add value to portfolio companies by strengthening the corporate governance and strategic frameworks of the businesses. This will be accomplished by establishing a fully-functional board of

	<p>directors and relevant subcommittees, improving the quality and timeliness of financial and other business reporting, developing company growth plans, implementing appropriate management incentive schemes, monitoring company compliance with environmental and social policies, and planning for management development and succession.</p>
<p>Environment and Social:</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 downstream 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 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 Management System which will 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>
<p>U.S. Economic Impact:</p>	<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>
<p>Workers Rights:</p>	<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 for each OPIC-supported investment, as appropriate.</p>
<p>Human Rights:</p>	<p>OPIC issued a human rights clearance for the Fund on May 16, 2012.</p>