

SECTION I: NON-CONFIDENTIAL PROJECT INFORMATION

Host Countries:	Poland, Romania, Bulgaria, Ukraine and Czech Republic
Name of Borrower:	Accession Mezzanine Capital III L.P. or a subsidiary thereof (“AMC III” or the “Fund”), an English limited partnership.
Sponsor:	Mezzanine Capital Partners Limited (the “Sponsor”), a Jersey limited company.
Project Description:	The Fund will make mezzanine loans with equity warrants or options in small and medium-sized firms in Central and Eastern Europe (“CEE”).
Total Fund Capitalization:	The Fund has a total capitalization target of €300 million (approx. US\$ 405 million), including the proposed OPIC loan amount.
Proposed OPIC Loan:	OPIC loan guaranty of up to \$75 million in principal plus accrued and accreted interest thereon.
Term of Fund:	Ten years, with the possibility of two one-year extensions subject to approval by limited partners.
Selection Process:	<p>On November 1, 2011, OPIC announced a Global Engagement Call for proposals (the “Call”). The purpose of the Call is to finance one or more selected funds to facilitate the investment of risk capital to companies or projects within OPIC-eligible countries for new business development, existing company expansion, restructuring, and/or privatization. During the Call, OPIC has been guided by its present policy priorities and asset allocation strategy in its selection process to coordinate its response to policy initiatives and market needs, and to maintain a balanced portfolio.</p> <p>The OPIC Evaluation Committee selected the Fund from among 158 respondents to the GEC with the assistance of Altius Associates as investment consultant.</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>
Policy Review	
Developmental Effects:	The Fund will have a significant development impact throughout Central and Eastern Europe, as it provides long-term growth capital principally in the form of mezzanine debt (and where appropriate, associated equity tickets) in SMEs and larger enterprises in emerging Europe. The Fund will bring management experience to its target investments such as improved environmental and social governance, and improved financial reporting, corporate governance and internal controls.

	<p>The Fund provides longer term patient capital to emerging European firms, including the SME sector that is facing tight and declining availability of bank financing. By taking equity and near-equity mezzanine positions in its investments as well as assuming board positions (or observer seats), the Fund aligns its interests with the longer-term growth potential of the firms in which it invests. These enterprises are expected to contribute employment, wealth creation, and access to goods and services to formerly underserved populations in a region important to US foreign policy.</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 concerns the capitalization of the overall Fund, 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 analyzed individually for their impact on the U.S. economy in accordance with OPIC’s 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 10, 2012.</p>