

**Call for Proposals
to the
Overseas Private Investment Corporation
An Agency of the United States Government
for a U.S. Bank Guaranteed Loan Facility**

The Overseas Private Investment Corporation (“OPIC”) is seeking proposals from regulated U.S. banks (each a “Bank” and together, the “Banks”) who may be interested in establishing a risk-sharing facility with OPIC (each a “Guaranteed Loan Facility” or “GLF”) pursuant to which OPIC will provide a partial credit guaranty for loans (the “Downstream Loans”) made by the Bank(s) to U.S. businesses or their subsidiaries (with a primary emphasis on Small Business (as such term is defined herein)), for eligible activities and operations in developing countries and emerging markets outside the U.S. where OPIC services are available.

OPIC has engaged an independent advisor to assist in evaluating proposals received in response to this Call for Proposals (this “Call”).

Key Dates	
Call Issued	March 26, 2013
Q&A Period	April 26, 2013, 5:00 PM EST
Proposals Due	May 23, 2013, 5:00 PM EST
Phase I Review Period & Credit Committee Review	May 28 – June 28, 2013
Notice to Banks selected for Phase II (Due Diligence/Preliminary Negotiation)	July 1, 2013
Commencement of Phase II	July 8, 2013

OPIC reserves the right to extend its interview and due diligence calendar as appropriate.

Anticipated GLF Terms	Eligible Downstream Loans
<p>a. <u>Risk-Share</u>: A risk-share to be determined based on Downstream Loan credit quality, with preference given to Downstream Loans that will benefit U.S. Small Businesses (as such term is defined herein) and also potentially for activities in low-income countries.</p> <p>b. <u>Facility Size per Bank</u>: No more than \$200 million.</p> <p>c. <u>Eligible Banks</u>: Any Bank participating in a GLF will need to meet the eligibility criteria identified herein.</p> <p>d. <u>Loan Funding</u>: All Downstream Loans must be funded by private sector capital obtained by the Bank.</p> <p>e. <u>Underwriting</u>: The Bank will be responsible for the credit underwriting of each Downstream Loan; provided that all Downstream Loans must meet the conditions set forth herein, as well as certain minimum credit eligibility criteria (to be agreed). OPIC will rely on such underwriting as well as OPIC’s policy review (described below).</p>	<p>i. <u>Small Business</u>: A more advantageous risk-share will be given to Downstream Loans that benefit Small Businesses (as such term is defined herein).</p> <p>ii. <u>Structure (U.S. Collateral)</u>: It is anticipated that the Downstream Loans would be made to a U.S. parent company for investment in a subsidiary/project in an OPIC-eligible country, or would otherwise be secured by collateral based in the U.S. and/or a full guarantee by the U.S. parent company.</p> <p>iii. <u>Policy & Geographic Restrictions</u>: Downstream Loans must satisfy the policy review and policy/geographic restrictions identified below. A more advantageous risk-share may be given to Downstream Loans that benefit activities in low income countries.</p> <p>iv. <u>U.S. Nexus</u>: Any recipient of a Downstream Loan must satisfy the U.S. nexus test identified below.</p> <p>v. <u>Downstream Loan Size</u>: Maximum \$20 million.</p>

Purpose of the Call

OPIC seeks to provide one or more selected Banks with a partial credit guaranty to cover eligible Downstream Loans primarily benefiting U.S. Small Businesses (as such term is defined herein) and exclusively for operations or activities in OPIC-eligible countries with a per capita annual gross national income less than \$15,000.¹ In its

¹ See Annex A for current list of OPIC-eligible countries with a per capita annual gross national income less than \$15,000.

selection process, which is being performed through a competitive process, OPIC will seek to respond to policy initiatives and market needs. In addition, through its selection process, OPIC will seek to establish a balanced, diversified portfolio. To this end, OPIC may announce future calls for proposals at its discretion. Also, depending on the results of this Call, OPIC anticipates a future call for proposals for non-bank financial institutions, including credit unions.

Description of OPIC

OPIC is the U.S. Government's development finance institution. It mobilizes private capital to help solve critical challenges in developing countries and emerging markets outside the U.S. and in doing so, advances U.S. foreign policy. Because OPIC works with the U.S. private sector, it helps U.S. businesses gain footholds in emerging markets supporting the enhancements of revenues, jobs and growth opportunities both at home and abroad. OPIC achieves its mission by providing investors with financing, guarantees, political risk insurance and support for private equity investment funds. For more information on OPIC and its programs, please visit our website at www.opic.gov.

Downstream Loans

Geographic Focus: The Guaranteed Loan Facility is intended to cover Downstream Loans to US entities to support activities and operations in those countries where OPIC's programs are open and where *the per capita annual gross national income is less than \$15,000 (See Annex A)*. Downstream Loans to US entities to support activities and operations in countries with a lower per capita annual gross national income may be eligible for a more advantageous risk share. OPIC reserves the right to give special consideration to specific geographies and sectors in order to balance its investment portfolio and to address policy objectives and to announce such priorities.

Credit Underwriting: The Bank would be responsible for the credit underwriting of each Downstream Loan; provided that in order to be eligible for coverage under the Guaranteed Loan Facility, all Downstream Loans must meet the conditions set forth herein, as well as certain minimum credit eligibility criteria (to be agreed). If such minimum eligibility criteria are satisfied, OPIC would rely on such underwriting by the Bank, together with OPIC's review of the Downstream Loan for compliance with policy requirements (described below).

OPIC Policy Review: Each Downstream Loan will be subject to a policy review, regardless of the country in which the Downstream Loan is to be used, the activity size or sector, or U.S. investor, to ensure that the activities and operations supported by the Downstream Loan:

- Are [environmentally and socially](#) sustainable
- Respect [human rights](#), including [workers rights](#)
- Have no negative impact on the [U.S. economy](#)
- Encourage positive host country [development effects](#)

For more information regarding OPIC's policies, please see: <http://www.opic.gov/doing-business-us/OPIC-policies>

OPIC Policy Restrictions: Downstream Loans may not be used for outsourcing outside the U.S., so-called "run-away plants" or the restricted activities described in **Annex B** to this Call. Likewise, Downstream Loans may not be used for any activity likely to have significant adverse impact on the environment (taking into account, among other factors, the sensitivity of the impacted ecosystem) or human health or safety, including without limitation the types of operations listed in **Annex C**.

Small Business Definition: A more advantageous risk-share will be given to GLFs and Downstream Loans that benefit Small Business. OPIC defines a Small Business to be: (a)(i) An entity or individual with annual revenues during the last fiscal year of less than \$400 million; or (ii) for entities/individuals without revenues, net worth of less than \$100 million; or (b) an entity or individual with 500 or fewer employees.

US Nexus: Any recipient of a Downstream Loan must be: (i) organized in the U.S. with at least 25% ownership directly or indirectly by U.S. citizens (or green card holders); or (ii) organized outside of the U.S. with majority (greater than 50%) ownership directly or indirectly by U.S. citizens (or green card holders).

Any beneficiary of a Downstream Loan (if not the direct recipient of the Downstream Loan), must be at least 25% owned directly or indirectly by: (a) U.S. citizens (or green card holders); (b) entities organized in the U.S. with at least 25% ownership directly or indirectly by U.S. citizens (or green card holders); or (ii) entities organized outside of the U.S. with majority (greater than 50%) ownership directly or indirectly by U.S. citizens (or green card holders).

OPIC Selection Process

The selection process under this Call will be as follows:

(1) *Non-Qualifying Proposals:* OPIC will evaluate each proposal to determine if it was submitted in accordance with the requirements set forth in this Call. OPIC reserves the right to reject all non-qualifying proposals at that time, after which the proposing Banks will be so notified. OPIC also reserves the right to reconsider at a later date any non-qualifying proposals.

(2) *Phase I: Selection of Finalists:* The remaining proposals will be reviewed by OPIC staff. Based on the Selection Criteria set forth below, and in consultation with OPIC's internal Credit Committee, OPIC staff will select finalists for further consideration. OPIC reserves the right not to select any of the Banks that apply and to reconsider at a later date those Banks not selected in Phase I.

(3) *Phase II: Due Diligence/Preliminary Negotiation:* Upon determination of preliminary approval for the selected Banks, OPIC will notify the approved Banks and begin the due diligence phase (i.e., Phase II). Finalists may be invited to an evaluation interview in Washington, D.C., and may be expected to be available for onsite due diligence visits by OPIC. Finalists may also be asked to provide additional written information or data to supplement the initial information provided in response to this request. Phase II will include preliminary negotiations of terms with the approved Banks.

(4) *Phase II Recommendations:* Upon completion of Phase II, OPIC will make its recommendation regarding the terms of the GLFs negotiated with the approved Banks to OPIC's Credit Committee, Investment Committee and finally OPIC's Board, as appropriate in OPIC's estimation. OPIC reserves the right not to recommend any of the Banks after conducting due diligence in Phase II and to reconsider at a later date any of such Banks.

OPIC Phase I Selection Criteria

Proposals will be in the form of responses to the Proposal Form accompanying this Call. The Proposal Form has three primary parts, titled *Eligibility Requirements*, *Evaluation Factors* and *Evidence of Additionality*. Each section will be evaluated as follows:

Eligibility Requirements

The responding Banks must meet or exceed each of the following seven eligibility requirements in order for the proposal to be considered:

1. **Organization:** The Bank must be organized under the laws of the United States, any State or territory thereof, or the District of Columbia.
2. **Ownership:** The Bank must be majority U.S. owned, i.e., greater than 50% equity owned directly or indirectly by U.S. citizens.
3. **Bank Asset Quality/Capital Adequacy Ratio:** Tier 1 Capital Ratio must exceed 9%, as reported most

- recently to the relevant U.S. regulatory authorities.
4. Regulation: The Bank must be regulated by U.S. authorities.
 5. Bank Expected Commercial Loan Loss: The Expected Loss on the Bank's total commercial loan portfolio must be less than 1%, as reported most recently to the relevant U.S. regulatory authorities.
 6. Small Business Lending Experience: At least 5% of the Bank's commercial loan portfolio must be in loans made to "small businesses" (defined solely for purposes of this Eligibility Requirement as business loans of \$1 million or less), as reported most recently to the relevant U.S. regulatory authorities.
 7. Bank Credit Risk-Rating Policy and Procedures: The Bank's commercial lending risk-rating policy and procedures must be acceptable to OPIC.

Evaluation Factors

Each Bank responding to this Call will be ranked according to the following criteria. Please note that these criteria have not been listed in order of importance and may not all be given the same weight by OPIC in conducting its ranking.

1. Total Assets: Total assets, as reported most recently to the relevant U.S. regulatory authorities.
2. Total Commercial Loans Outstanding: Total commercial loans, as reported most recently to the relevant U.S. regulatory authorities.
3. Bank Non-Performing Assets: The Bank's non-performing assets as a percentage of total risk-weighted assets, as reported most recently to the relevant U.S. regulatory authorities.
4. Bank Asset Quality/Capital Adequacy Ratio – Tier 1 Capital Ratio: The Bank's core equity as a percentage of risk-weighted assets, as reported most recently to the relevant U.S. regulatory authorities.
5. Bank Expected Commercial Loan Loss: The expected loss on the Bank's total commercial loan portfolio, as reported most recently to the relevant U.S. regulatory authorities.
6. Bank Default Rate: The percent of default on the Bank's total commercial loan portfolio, as reported most recently to the relevant U.S. regulatory authorities.
7. Bank Asset Recovery Rate: The percentage of asset loss given default for the Bank's total commercial loan portfolio, as reported most recently to the relevant U.S. regulatory authorities.
8. Small Business Lending Experience: The percentage of loans made to "small businesses" (defined solely for purposes of this Evaluation Factor as business loans of \$1 million or less) as compared to the Bank's total commercial loan portfolio, as reported most recently to the relevant U.S. regulatory authorities.
9. Earning Assets to Total Assets: The ratio of the Bank's total commercial loans to total bank assets, as reported most recently to the relevant U.S. regulatory authorities.
10. International Lending Experience: The percentage of loans (in U.S. dollars) made to entities/operations/activities located outside of the U.S. and Canada as compared to the Bank's total commercial loan portfolio.
11. Lending in OPIC-eligible countries: The number of commercial loans made by the Bank to entities/operations/activities in OPIC-eligible countries where the per capita annual gross national income is less than \$15,000.
12. Rate of Growth of International Lending over the last 3 Years: The accumulated growth rate of the Bank's loan portfolio for entities/operations/activities located outside of the U.S. and Canada.
13. OPIC experience: Past experience as a lender for an OPIC guaranteed credit facility.
14. Does the Bank have past experience with the Export-Import Bank's buyer financing programs under its medium- and/or long-term guaranty loan programs and/or project financing programs, and/or does the Bank have experience with the SBA guaranteed lending program for export working capital and international trade?

Evidence of Additionality

Each proposal will be required to include evidence of the extent to which participation in a Guaranteed Loan Facility will increase the Bank’s lending to entities/operations/activities in OPIC-eligible countries above and beyond the level of lending that would occur without the existence of the GLF. This element will be evaluated based on a realistic assessment of likely positive impact.

Deadline for Proposals

All proposals must be submitted electronically by 5:00 P.M., Eastern Daylight Time, on Thursday, May 23, 2013. *OPIC reserves the right, in its sole discretion, to extend the deadline.*

How to Submit a Proposal

To submit a proposal, follow the instructions in the Proposal Form accompanying this Call.

Questions Relating to this Call

All questions concerning this Call must be received by OPIC by 3:00 p.m. EDT on Friday, April 26, 2013 (the “**Inquiry Deadline**”) in writing, via e-mail, or by facsimile to:

Gary Colyar, with a copy to Booker Weaver, at:

e-mail: gary.colyar@opic.gov

Fax number: 202-408-9866

e-mail: booker.weaver@opic.gov

Fax number: 202-408-5142

Subject line: OPIC Guaranteed Loan Facility Questions

Questions received in accordance with this section will be answered and posted to the website as soon as possible after the Inquiry Deadline. As all respondents will be able to view the questions and answers, respondents should be cognizant of divulging proprietary information in their questions. Questions submitted after the deadline for questions will not be considered.

Other

Costs: OPIC will not be liable for any costs incurred in connection with the submission of a proposal.

Rejection of Proposals: OPIC reserves the right not to select any of the proposals and to re-initiate this Call or to suggest that proposals be supplemented or combined without reinitiating the selection process. The issuance of this Call does not obligate OPIC to provide support to any proposal or any selected Bank.

Confidentiality: OPIC maintains strict confidentiality with respect to all business confidential information. OPIC will not, however, treat as confidential or proprietary general ideas and concepts contained within any proposal.

Minimum Requirements: Each proposal must provide substantially all of the information requested in the Proposal Form accompanying this Call.

Additional Information from OPIC: Periodically, OPIC may post additional information on FedBizOpps in the form of supplement to the Call. Any information so designated may supplement or modify and will be considered a part of, the information set forth in this Call.

Information on OPIC's Finance Programs: To obtain a description of OPIC's Finance Programs, please visit OPIC's website at www.opic.gov .

Annex A:
**Current List of OPIC-Eligible Countries with Per Capita
Gross National Income below \$15,000²**

<u>Country</u>
Afghanistan
Albania
Algeria
Angola
Anguilla
Antigua and Barbuda
Argentina
Armenia
Azerbaijan
Bangladesh
Barbados
Belize
Benin
Bolivia
Bosnia and Herzegovina
Botswana
Brazil
Bulgaria
Burkina Faso
Burundi
Cambodia
Cameroon
Cape Verde
Central African Republic
Chad
Chile
Colombia
Comoros
Congo, Dem. Rep.
Congo, Rep.
Cook Islands
Costa Rica
Cote d'Ivoire
Croatia
Djibouti
Dominica
Dominican Republic
East Timor

² Please note that the list of OPIC-eligible countries changes from time to time and should be verified on the OPIC website (<http://www.opic.gov/doing-business-us/OPIC-policies/where-we-operate>). Please also note that the list of countries with a per capita gross national income below \$15,000 also changes periodically and should be verified. This information may be found on the World Bank website (<http://data.worldbank.org/indicator/NY.GNP.PCAP.PP.CD>).

Ecuador
Egypt, Arab Rep.
El Salvador
Equatorial Guinea
Eritrea
Ethiopia
Fiji
Gabon
Gambia, The
Georgia
Ghana
Grenada
Guatemala
Guinea
Guinea-Bissau
Guyana
Haiti
Honduras
Hungary
India
Indonesia
Iraq
Jamaica
Jordan
Kazakhstan
Kenya
Kiribati
Kosovo
Kyrgyzstan
Laos
Latvia
Lebanon
Lesotho
Liberia
Lithuania
Macedonia
Madagascar
Malawi
Malaysia
Maldives
Mali
Marshall Islands
Mauritania
Mauritius
Mexico
Micronesia
Moldova
Mongolia

Montenegro
Morocco
Mozambique
Namibia
Nepal
Nicaragua
Niger
Nigeria
Pakistan
Palau
Panama
Papua New Guinea
Paraguay
Peru
Philippines
Poland
Romania
Russia
Rwanda
Samoa
Sao Tome and Principe
Senegal
Serbia
Sierra Leone
Somalia
South Africa
South Sudan
Sri Lanka
St. Kitts and Nevis
St. Lucia
St. Vincent and the Grenadines
Suriname
Swaziland
Tajikistan
Tanzania
Thailand
Togo
Tonga
Tunisia
Turkey
Turkmenistan
Uganda
Ukraine
Uruguay
Uzbekistan
Vietnam
West Bank and Gaza
Yemen

Zambia
Zimbabwe

Annex B: Prohibited Activities

1. Activities that involve conversion or degradation of Critical Forest Areas or related Critical Natural Habitats. “Critical Natural Habitats” means (1) existing internationally recognized protected areas, areas initially recognized as protected by traditional local communities (e.g., sacred groves), and sites that maintain conditions vital to the viability of protected areas (as determined by the environmental assessment procedure); and (2) sites identified on supplementary lists by authoritative sources identified by OPIC (such sites may include areas recognized by traditional local communities (e.g., sacred groves), areas with known high suitability for biodiversity conservation and sites that are critical for vulnerable, migratory or endangered species; listings are based on systematic evaluations of such factors as species richness, the degree of endemism, rarity, and vulnerability of component species, representativeness and the integrity of ecosystem processes). “Critical Forest Areas” means a type of natural forest that qualifies as Critical Natural Habitat.
2. Activities involving the construction of large dams that significantly and irreversibly: (A) disrupt natural ecosystems upstream or downstream of the dam, or (B) alter natural hydrology, or (C) inundate large land areas, or (D) impact biodiversity, or (E) displace large numbers of inhabitants (5,000 persons or more) or (F) impact local inhabitants' ability to earn a livelihood.
3. Production or trade in any product deemed illegal under host country laws or regulations or international conventions and agreements or subject to international bans such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, and PCBs. Wildlife or products regulated under the Convention on International Trade and Endangered Species (CITES).
4. Activities that require resettlement of 5,000 or more persons.
5. Activities in or impacting natural World Heritage Sites (Areas of significant ecological value that have been internationally recognized as necessary for strict protection by members of the World Heritage Convention) unless it can be demonstrated through an environmental assessment that the project (i) will not result in the degradation of the protected area and (ii) will produce positive environmental and social benefits.
6. Activities in or impacting areas on the United Nations List of National Parks and Protected Areas unless it can be demonstrated through an environmental assessment that the project (i) will not result in the degradation of the protected area and (ii) will produce positive environmental and social benefits.
7. Extraction or infrastructure activities in or impacting: protected area Categories I, II, III, and IV (Strict Nature Reserve/Wilderness Areas and National Parks unless it can be demonstrated through an environmental assessment that the project (i) will not result in the degradation of the protected area and (ii) will produce positive environmental and social benefits. Natural Monuments and Habitat/ Species Management Areas), as defined by the International Union for the Conservation of Nature. Activities in IUCN Categories V (Protected Landscape/Seascape) and VI (Managed Resource Protected Area) must be consistent with IUCN management objectives. Areas protected by the Ramsar Convention are considered within the appropriate IUCN Category to which they are assigned.
8. Investments in activities responsible for the direct emissions of more than 100,000 tons CO_{2eq} per year of green house gases, unless explicitly pre-approved by OPIC.

Annex C: Activities likely to have Adverse Impact on the Environment

1. Large-scale industrial plants
2. Large-scale industrial estates
3. Crude oil refineries (excluding undertakings manufacturing only lubricants from crude oil) and installations for the gasification and liquefaction of 500 tons or more of coal or bituminous shale per day.
4. Thermal power stations and other combustion installations with a heat output of 200 megawatts or more.
5. Cement manufacturing with an annual production rate of greater than one million dry weight tons.
6. Installations designed for the production, or enrichment of nuclear fuels, the reprocessing, storage or final disposal of irradiated nuclear fuels, or for the storage, disposal or processing of radioactive waste.
7. Integrated works for the initial smelting of cast-iron and steel; installations for the production of non-ferrous crude metals from ore, concentrates or secondary raw materials by metallurgical, chemical or electrolytic processes.
8. Installations for the extraction of asbestos and for the processing and transformation of asbestos and products containing asbestos: for asbestos-cement products, with an annual production of more than 20,000 tons finished product; for friction material, with an annual production of more than 50 tons finished product; and for other asbestos utilization of more than 200 tons per year.
9. Integrated chemical installations, i.e. those installations that manufacture, on an industrial scale, substances using chemical conversion processes, in which several units are juxtaposed and are functionally linked to one another and which are for the production of: basic organic chemicals; basic inorganic chemicals; phosphorous-, nitrogen- or potassium based fertilizers (simple or compound fertilizers); basic plant health products and of biocides; basic pharmaceutical products using a chemical or biological process; explosives.
10. All activities that pose potentially serious occupational or health risks.
11. Construction of motorways, express roads and lines for long-distance railway traffic 10 km or more in a continuous length; airports or airport expansions with a basic runway length of 2,100 meters or more
12. Pipelines, terminals, and associated facilities for the large-scale transport of gas, oil, and chemicals.
13. Sea ports and also inland waterways and ports for inland-waterway traffic that permit the passage of vessels of over 1,350 tons; trading ports, piers for loading and unloading connected to land and outside ports (excluding ferry piers) that can take vessels of over 1,350 tons.
14. Waste-processing and disposal installations for the incineration, chemical treatment or landfill of hazardous, toxic or dangerous wastes.
15. Construction or significant expansion of dams and reservoirs not otherwise prohibited.
16. Groundwater abstraction activities or artificial groundwater recharge schemes in cases where the annual volume of water to be abstracted or recharged amounts to 10 million cubic meters or more.
17. Industrial plants for the (a) production of pulp from timber or similar fibrous materials; (b) production of

paper and board with a production capacity exceeding 200 air-dried metric tons per day.

18. Peat extraction.
19. Quarries, mining, or processing of metal ores or coal.
20. Major exploration and development of on-shore oil and gas reserves.
21. Exploration and development of off-shore oil and gas reserves.
22. Installations for storage of petroleum, petrochemical, or chemical products with a capacity of 200,000 tons or more.
23. Large-scale logging.
24. Large-scale power transmission.
25. Municipal wastewater treatment plants servicing more than 150,000 people.
26. Municipal solid waste-processing and disposal facilities.
27. Large-scale tourism and retail development.
28. Large-scale land reclamation.
29. Large-scale primary agriculture/silviculture involving intensification or conversion of previously undisturbed land.
30. Plants for the tanning of hides and skins where the treatment capacity exceeds 12 tons of finished products per day.
31. Installations for the intensive rearing of poultry or pigs with more than: 40,000 places for poultry; 2,000 places for production pigs (over 30 kg); or 750 places for sows.
32. All activities with potentially major impacts on people or which pose serious socio-economic risk.
33. Housing developments that contain more than 2,500 residential units.
34. Activities, not categorically prohibited, but located in or sufficiently near sensitive locations of national or regional importance to have perceptible environmental impacts on:
 - Wetlands;
 - Areas of archeological significance;
 - Areas prone to erosion and/or desertification;
 - Areas of importance to ethnic groups/indigenous peoples;
 - Primary temperate/boreal forests;
 - Coral reefs;
 - Mangrove swamps;
 - Nationally-designated seashore areas;

- Managed resource protected areas, protected landscape/seascape (IUCN categories V and VI) as defined by IUCN's Guidelines for Protected Area Management Categories; additionally, these activities must meet IUCN's management objectives and follow the spirit of IUCN definitions.

OPIC Call for Proposals
U.S. Bankers' Guaranteed Loan Facility
Additional Information and Frequently Asked Questions

The questions and answers below were developed to provide applicants with general guidelines regarding the structure and management of the Guaranteed Loan Facility. Final terms will be established prior to OPIC's commitment to finance each Guaranteed Loan Facility.

1) Form and Structure	
What structure does OPIC expect the Guaranteed Loan Facility to have?	The Guaranteed Loan Facility will be in the form of a partial credit guarantee covering qualifying loans, that are underwritten and funded by the Bank, to U.S. entities for activities and operations in the countries where OPIC's programs are open ("OPIC-eligible countries", identified on the OPIC website at this link: http://www.opic.gov/doing-business-us/OPIC-policies/where-we-operate) and where <i>the per capita annual gross national income is less than \$15,000.</i>
2) Indicative Terms of the Guaranteed Loan Facility	
What are the anticipated OPIC fees and expenses to be paid by the Bank?	<ul style="list-style-type: none"> - Retainer Fee - Annual Guarantee Fee - Facility Fee - Policy Review/Monitoring Fee <p>Each of such fees will be determined by OPIC in negotiations with the Banks. Also, OPIC's legal expenses relating to documentation for the Guaranteed Loan Facility will be paid by the participating Banks.</p>
What is the proposed term of the Guaranteed Loan Facility?	Up to fifteen years.
How are the interest rates charged by the Bank to the Downstream Loan borrowers determined? What about repayment terms?	The Bank can charge the borrower a market-based, risk-adjusted interest rate provided it is reasonable and within a range to be established by OPIC. The Bank can set its own principal repayment terms but the term must be shorter than the term of OPIC's guaranty obligations under the Guaranteed Loan Facility, i.e., the sub-loan needs to mature before the GLF.
3) Matters requiring OPIC consent:	
Does OPIC participate in credit decisions of the Bank?	Prior to granting the Guaranteed Loan Facility, OPIC will evaluate each Bank's underwriting policies and procedures and will agree with the Bank certain minimum credit eligibility criteria, but OPIC will not participate in the underwriting of the Downstream Loans.
What is the scope of OPIC's review of each Downstream Loan? Is it based on commercial grounds, or solely on compliance with OPIC's policies?	OPIC's review will be focused on compliance with OPIC investment policies and will not include a review of the credit or commercial merits of proposed Downstream Loan. OPIC's investment policies relate to issues regarding environmental, health and human safety, worker rights, human rights, host country developmental impacts, and U.S effects (e.g., displacement of U.S. jobs), as well as certain proscribed industries (e.g. military production, tobacco). These will be

	detailed in Guaranteed Loan Facility documentation.
4) Other Issues:	
<i>Is there any activity or operation to which the Bank may not lend under the Guaranteed Loan Facility?</i>	<p>OPIC will not support investments that fail to respect fundamental internationally recognized workers' rights, constitute a major environmental, health or human safety hazard, have negative U.S. effects such as displacement of U.S. jobs, or are involved in certain proscribed industries (e.g. military production, tobacco) or have no or little developmental impact on the host country.</p> <p>In particular, Downstream Loans may not be used for outsourcing outside the U.S., so-called "run-away plants" or the restricted activities described in Annex B to this Call. Likewise, Downstream Loans may not be used for any activity likely to have significant adverse impact on the environment (taking into account, among other factors, the sensitivity of the impacted ecosystem) or human health or safety, including without limitation the types of operations listed in Annex C.</p>
<i>How many Guaranteed Loan Facilities will be selected from the Call?</i>	OPIC is seeking to establish a number of Guaranteed Loan Facilities with Banks, but OPIC reserves the right not to select any proposal.
<i>Will we be required to submit any additional information?</i>	<p>After reviewing your proposal, should our due diligence proceed, you may be asked to:</p> <ol style="list-style-type: none"> 1. complete and return one or more additional information requests; 2. complete a U.S. Sponsor Disclosure Report (visit the following website and create an account to view this form: https://www3.opic.gov/opicforms/controller.aspx); 3. visit OPIC's offices for an interview; 4. make your staff available for additional detailed due diligence; and 5. make available to OPIC information regarding past and current relevant credit activity including the opportunity to visit sites and to review the management reporting systems and reports on, and the financial records of, selected borrowers.