

SECTION I: NON-CONFIDENTIAL PROJECT INFORMATION

Host Countries:	Predominantly Central and Eastern Europe (CEE) with opportunistic investments in the countries of the Commonwealth of Independent States (CIS), Turkey, and Russia.
Name of Borrower:	ALPHA CEE III, L.P., formed under Cayman Islands law, or an affiliate (the "Fund").
Sponsor:	Alpha Associates, Ltd., a Swiss limited company based in Zurich.
Project Description:	The Fund will pursue the same fund-of-funds strategy as its predecessor funds targeting primary and secondary fund investments as well as direct co-investments primarily in Central and Eastern Europe.
Total Fund Capitalization:	The Fund has a total capitalization target of €300 million (approximately \$415 million), including the amount of the proposed OPIC loan.
Proposed OPIC Loan:	OPIC loan guaranty of up to \$70 million in principal plus accrued and accreted interest thereon.
Term of Fund:	Twelve years, with three optional one-year extensions, subject to Advisory Committee approval.
Selection Process:	<p>On October 22, 2013, OPIC announced a Global Engagement Call for Proposals (the "Call"). The purpose of the Call was to finance one or more selected funds to facilitate the investment of risk capital in companies or projects within OPIC-eligible countries, in order to provide for new business development, existing company expansion, restructuring, and/or privatization. OPIC's selection process for the Call has been guided by OPIC's current policy priorities, asset allocation strategy, market needs, and OPIC's goal of maintaining a balanced portfolio.</p> <p>The OPIC Evaluation Committee selected the Fund from among 196 respondents to the Call with the assistance of an investment consultant, TorreyCove Capital Partners. Due diligence on the Fund was performed both in Washington DC as part of the Evaluation Committee interviews in February, and on-site in Zurich, Switzerland, on March 6th and 7th, 2014.</p>

	The Fund will advance the objectives of the Call by providing capital to a region suffering from a scarcity of funds that has been exacerbated by recent regional geopolitical instability.
Policy Review	
Developmental Effects:	<p>The Fund is expected to make a positive developmental impact in Central and Eastern Europe. The Fund will focus on investment in private equity funds, which provide growth and expansion capital to small, middle market and large companies in the CEE region, as well as small and middle market buyouts. These companies lack access to capital through the capital markets and the availability of bank financing for companies in their growth stage is extremely limited. Investor sentiment toward CEE, especially, has been slow to improve in the wake of the Eurozone crisis. Funds in the region raised \$1.4 billion in 2013, a decline of 74 percent from \$5.2 billion raised in 2012.¹</p> <p>Alpha Associates is an active fund-of-funds manager who will track environmental, social and governance standards across both its fund and direct co-investment portfolio. Each of the Fund's OPIC-supported investments will be evaluated separately for their potential development impacts.</p>
Environment and Social:	<p>The capitalization of a fund-of-funds is screened as a Category D activity for the purposes of environmental and social impact assessment. Although no further assessment is warranted at this stage in the transaction, each of the Fund's Target Funds will be screened at and subject to OPIC's environmental and social assessment process as may be warranted by the nature and scope of the investments.</p> <p>The Fund has a Social and Environmental Management System in place that is consistent with the requirements of IFC Performance Standard 1.</p>
U.S. Economic Impact:	Each of the Fund's OPIC-supported investments will be evaluated separately for their impact on the U.S. economy.
Worker Rights:	Each of the Fund's Target Funds will be evaluated separately with regard to specifics of operation and compliance with OPIC worker rights and human rights approval criteria. Standard and

¹ Emerging Markets Private Equity Association, 2013.

	supplemental worker rights language for each subproject will be included in the subproject's Consent Notice.
Human Rights:	OPIC issued a human rights clearance for the Project on May 12, 2014.