



Submitting a Proposal

1. Question: Is Form 256 the correct form to apply to the Call? Are there any other forms that need to be submitted?

OPIC response: Form 256 is the correct form to apply to the Call. Applicants will need to complete Form 256 and to include the required attachments in their applications. The required attachments include (i) an updated marketing presentation; (ii) a comprehensive track record to be completed using the OPIC template which can be downloaded from the application; and (iii) other documents that the applicant thinks will be useful in OPIC's assessment of the fund (e.g., a private placement memorandum).

Qualifications & Selection Criteria

2. Question: Does OPIC consider first time fund managers? If so, is a track record of making emerging market private equity investment compulsory to apply to the Call?

OPIC response: Yes; first time managers are eligible to apply to the Call. Although a previous track record of long-term risk investments in emerging markets is not required to apply to the Call, a manager's relevant experience and the performance of past investments will be weighed heavily in OPIC's evaluation process.

3. Question: What is a "MoC" and how does one calculate the blended, unweighted MoC of the Senior Team over their entire careers?

OPIC response: The multiple on contributed capital (MoC), also known as the total value to paid-in multiple (TVPI), is calculated by dividing a fund's cumulative distributions and residual value by the paid-in capital.

To calculate the blended, unweighted MoC of the senior team, first calculate the MoC for each senior team member; second, aggregate the scores for each Senior Team member; third divide that composite score by the number of senior team members.

OPIC Participation in Selected Funds

4. Question: Explain how the waterfall works with OPIC's Unlevered Facility?

OPIC Response: Prior to the earlier of either (a) the date of the sale of the fund's last asset or (b) the OPIC loan maturity date (typically set at the end of the fund's primary

term), the waterfall will work as follows: First, OPIC and the LPs will receive distributions from the fund on a pro rata basis. Second, OPIC and the LPs will receive a pro rata distribution of proceeds to cover Facility Interest (in OPIC's case) and Preferred Return (in the LPs' case) until OPIC has received its total Facility Interest due; thereafter, OPIC will stop receiving payments and the LPs will continue to receive distributions until their Preferred Interest has been paid in full. Third, the Fund will pay the GP catch-up amount to the GP. Fourth, remaining profit will be split according to the fund's GP carry formula, with the GP carry amount (typically 20%) going to the GP, and the remainder (typically 80%) going to the LPs and OPIC, which split the proceeds on a pro rata basis (see FAQ #6 below).

However, if any OPIC principal and Facility Interest remains outstanding at the earlier of either (a) the date of the sale of the fund's last asset or (b) the OPIC loan maturity date, the OPIC loan will become senior in the waterfall until the loan amount is fully repaid. Thereafter, and provided additional proceeds remain, distributions to the LPs and the GP will resume.

For further detail about the waterfall mechanics and OPIC terms, [please click here](#).

5. Question: Does OPIC need to be a first close investor?

OPIC Response: OPIC does not need to be a party to the first close; in the past, it has participated in first close, second close, and final close rounds. Still, OPIC prefers to participate in a fund's first close if it is possible to do so.

6. Question: How does OPIC's Profit participation work?

OPIC response: OPIC will receive a share of the fund's profits that is proportionate to its capital contribution. For example, assume (i) a fund has earned \$1,000 in profit; (ii) OPIC contributed 25% of the fund's total capital; and (iii) the GP's carry is 20%; OPIC's share of the profits would be 25% of \$800 (80% of \$1,000), or \$200.

7. Question: The Call Language states that OPIC financing is denominated in US dollars. Will OPIC consider making a commitment to an investment vehicle denominated in another currency, for example Euros?

OPIC response: OPIC's commitment to funds are in USD and repayable in the same. OPIC will consider making a commitment to a Fund denominated in another currency; however, OPIC's commitment to funds are in USD and repayable in the same.