

**SECTION I: NON-CONFIDENTIAL PROJECT INFORMATION**

Host Countries:	OPIC eligible countries in frontier markets; targeted countries are those whose 2008 GDP per capita is below \$12,000 and above \$500 (“Frontier Markets”).
Name of Borrower:	Sarona Frontier Markets Fund 2 LP (the “Fund”), a private equity fund of funds to be formed as a Cayman Islands limited partnership
Sponsor:	Sarona Asset Management, Inc. (“Sarona” or the “Sponsor”), an Ontario for-profit corporation formed in 2009, with offices in Waterloo, Ontario, Canada. Sarona is owned by Gerhard Pries and Serge LeVert-Chiasson, two Canadian citizens, and Mennonite Economic Development Associates (“MEDA”), a non - profit corporation headquartered in Ontario, Canada.
Project Description:	The Fund will seek to provide investors with superior long term financial returns while seeking positive social and environmental impacts through investments in private equity investment funds (“Fund Investments”). These funds will invest in small and medium sized companies (“SMEs”) in Frontier Markets.
Total Fund Capitalization:	\$250 million
Proposed OPIC Loan:	OPIC loan guaranty of up to \$87.5 million in principal plus accrued and accreted interest thereon
Term of Fund:	Twelve years from the final close, with the possibility of three one-year extensions at the General Partner’s discretion
Selection Process:	<p>On March 31, 2011, OPIC issued a call for proposals for Impact Investment (the “Call”). The Call invited proposals for investment vehicles that intend to have positive social and/or environmental impacts while generating sustainable financial returns. The Call considered a wide variety of strategies, including but not limited to a focus on sectors such as water, healthcare, sanitation and waste management, education, housing, basic infrastructure, access to finance, renewable resources, and sustainable agriculture. Proposals from vehicles that invest in microfinance institutions or small and medium enterprises (“SMEs”) were also considered. Additional consideration was given to proposals that included innovative business models, measurement of impact, or were targeting improvements in the social and/or environmental conditions of disadvantaged populations. The Call considered a range of investment structures, including private equity funds, funds-of-funds, debt facilities, and other hybrid vehicles.</p> <p>With the assistance of Cambridge Associates as an advisor, an OPIC Evaluation Committee established for the Call selected the Fund from among 88 respondents as having best met the criteria stated in the Call. The Fund advances the objectives of the Call</p>

	<p>by attracting private capital to impact investment opportunities in Frontier Markets by investing in private equity funds in these markets (“Fund Investments”). The Fund Investments are expected to reduce poverty by providing capital to SME’s that create employment, capacity building, asset accumulation, and goods and services to underserved populations in Frontier Markets.</p>
<p><b>Policy Review</b></p>	
<p>Developmental Effects:</p>	<p>The Fund is expected to have a positive developmental impact, with investment in private equity funds that will invest in SME’s, microfinance institutions and start-ups in a variety of sectors. Each individual Fund Investment made under the Fund will be reviewed for its expected development impact.</p>
<p>Environmental and Social Effects:</p>	<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, downstream investments in private equity 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 the International Financial Corporation’s (“IFC”) performance standards.</p>
<p>U.S. Economic Impact:</p>	<p>Since this clearance pertains to the capitalization of a fund of funds, 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 investments in private equity funds 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 Investments will be evaluated separately with regard to OPIC worker rights and human rights approval criteria as may be warranted by the nature and scope of the investments. Standard and supplemental worker rights requirements will apply to each Fund Investment, as appropriate.</p>
<p>Human Rights:</p>	<p>OPIC issued a human rights clearance for the Fund on September 29, 2011.</p>