Appendix 2 to Expression of Interest

LIST OF DOCUMENTS ATTACHED

1) Project proposal:

a) Description of the Applicant:
   
   (aa) Short description of the Applicant’s institution (date of establishment, number of employees, shareholders etc.), legal status, and applicable regulatory framework;
   
   (bb) Geographical area of operation and branch network in Lithuania;

b) Information on the Applicant’s present activities:
   
   (aa) Commitment to SME lending in Lithuania:
   (i) Total volume and number of new SME loans granted by the Applicant annually over the last three calendar years;
   (ii) Share of newly granted SME loans in its total loan portfolio both in terms of volume and number (on an annual basis over the last three calendar years);
   (iii) Volume of the outstanding SME loan portfolio with minimum maturity of 12 months as of the last day of the quarter preceding the date of the Expression of Interest;
   (iv) SME lending strategy, product range offered in the SME lending segment, etc.;

   (bb) Interest rates and pricing of the current SME loan products (in terms of maturity, purpose, collateral, etc.):
   (i) Interest rate (split in the cost of funding and margin over the cost of funding);
   (ii) Up-front fees and any other non-interest bearing payments;

   (cc) Internal risk assessment (rating/scoring) systems/procedures for SME lending, availability of default probabilities and recovery rate estimates (quantitative data available on the loan by loan basis in terms of expected default rates and recoveries)

   (dd) Minimum, maximum and average level of collateral on current portfolio.

c) Information on the implementation of the Financial Instrument by the Applicant:
Information on the Reference Portfolio (as defined in Annex 2):
(i) Type of product to be included in the Reference Portfolio;
(ii) Industry and geographical breakdown of the Eligible Assets (as defined in Annex 2);
(iii) Average amount and maturity of the Eligible Assets;

Terms and conditions of the Additional Portfolio (as defined in Annex 2):
(i) Proposed volume of the Additional Portfolio, expressed as multiple of the Guaranteed Tranche;
(ii) The targeted market of the Eligible SMEs;
(iii) Lending criteria, terms and conditions (including the planned pricing policy);
(iv) Estimate of the expected timing for implementation;
(v) Justification for the contribution from the JEREMIE Holding Fund (e.g. increased lending volume, new target groups, new lending products, better lending conditions, etc.) with respect to the Additional Portfolio.

Information on the operational budget of the Financial Instrument, in particular:
(i) Amount foreseen by the Applicant for Reporting, Marketing and Publicity, and Verification Agent (as defined in Annex 2);
(ii) Amount foreseen for external rating costs related to the Financial Instrument as part of the Management Costs (as defined in Annex 2);

Applicant’s previous experience with financial instruments similar to the Financial Instrument;

2) Annual reports for the last three financial years;
3) Certified copy of banking license or other proof of Applicant’s authorisation to operate as banking institution in Lithuania;
4) Information on the actual external rating of Applicant, including the relevant rating report(s), provided by at least one of the following rating agencies: Moody’s Investor Service Limited, Standard & Poor’s, a division of The McGraw-Hill Companies, Inc. or Fitch Ratings Ltd. on the Applicant or on the mother company (if available);
5) Appropriate evidence of the representative’s authorisation to act for and on behalf of the Applicant (signatory powers);
6) Declaration on absence of conflict of interest as per template provided in Appendix 3, duly signed;
7) Statement regarding situations of exclusion as per template provided in Appendix 4, duly signed.

The Applicant may be requested to submit additional information to complement its Expression of Interest before or during the due diligence process, in particular:

a) Information on the Applicant’s present operating principles and procedures applying to SME lending:
   (i) Origination;
   (ii) Risk assessment procedures (internal rating / scoring system); mapping of the internal rating to external rating agency scale;
   (iii) Loan approval and delegation procedures;
   (iv) Collateral requirements (valuation, haircuts);
   (v) Monitoring procedures;
   (vi) Recovery procedures (what steps are taken and when; which departments are involved);
   (vii) Risk management: methods utilised for loss forecasting, provisioning and credit risk management on portfolio level;

b) Track-record of SME lending (for at least the past five years, if available):
   (i) Non-performing loan rates (outstanding non performing loans /outstanding loan amount) as of the end of each year and as of the last quarter (March 2009) for the past 5 years;
   (ii) Details on annual defaults (before recoveries) and net losses (after recoveries) and bad debt provisions;
   (iii) Default analysis: static pool vintage analysis of originated loans (see example table below) broken down by currency, where relevant;

Static Pool analysis
EXAMPLE TABLE:

<table>
<thead>
<tr>
<th>Loan details</th>
<th>Defaults occurred after 0, 1, 2 … years (as % of originated volume)</th>
<th>Cumulative Default Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>year of origin</td>
<td>Loan volume originated</td>
<td>0</td>
</tr>
<tr>
<td>2000</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>2001</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>2002</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>2003</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>2004</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>2005</td>
<td>%</td>
<td>%</td>
</tr>
</tbody>
</table>
(iv) Average time lags between the granting of the loan, the payment default by the borrower and the establishment of the final loss (recovery period);

c) Any further information as deemed necessary.

There is no set expectation on the documents’ length, but the Applicants are encouraged to be concise.

The information shall be sufficiently detailed in order for EIF to form a comprehensive view on the Applicant’s credit policy with regard to credit risk assessment procedures, internal controls, servicing of the loans, as well as your portfolio management.