BUSINESS PLAN OR PRELIMINARY INFORMATION MEMORANDUM

Since DFC supports a variety of transaction structures in many different sectors/industries and countries, it is not possible to provide a standard business plan template. The following checklist details the items that applicants should consider as they prepare their business plans.

Investment/Transaction Summary

- **Investment/Transaction Description/Status**: Describe the purpose for which the DFC loan/guaranty is to be used and any development activities completed to date -- investment made to date, market or feasibility studies performed, status of documentation/permits/government consents, environmental studies, past and ongoing consultations with project-affected communities (including disadvantaged and vulnerable groups), etc.

- **Financial Plan and Credit Support**: Describe the proposed DFC and other lender debt -- loan amount, tenor, grace period -- and source, timing and amount of DFC or other equity contributions, grants or other funding; describe any proposed collateral and other credit support.

Key Parties and Technical Assistance

- **Owners/Shareholders, Guarantors, Management, Contractors, Regulators**: Provide detailed information on the key parties associated with the transaction, fully explain their role(s), and explain the relationships among them. If certain characteristics (e.g. a strong credit rating) or capabilities/experience (e.g. a strong track record in a given market or industry) are important to that party being considered a good candidate to fulfill their role in the transaction, please highlight that information.

- **Technical Assistance**: If technical assistance (provided either by the DFC or other parties) is a key factor in the successful development of the investment, please explain the role that it will play.

Sector/Target Market/Economics

- **Sector/Industry**: Describe the competitive environment in which the investment is being made and any recent or emerging trends that may affect its success.

- **Product/Services**: Describe the ultimate products or services that this investment will produce, in what quantity, and whether for the local market or for export (and if for export, to which countries).

- **Economic/Technical Specifications**: If relevant, provide economic assumptions, technical parameters, construction plans/schedule, equipment/land to be procured, off-take arrangements, etc.

- **Agreements**: List any key contractual arrangements necessary to the success of the investment such as concession or franchise/royalty agreement(s), construction contract(s), offtake agreement(s), environmental impact studies, feasibility studies, marketing studies, technical assistance agreement(s), management services agreement(s), lease(s), etc. (and attach electronically if available).

Legal, Economic, Political Environment and Government Participation

- **Licenses/Permits**: List all licenses, permits, consents, approvals, environmental requirements etc. required by the country/local government and the status of such documentation.

- **Legal Regime**: List local laws, regulations or pending reforms that will impact the investment or the sector.

- **Economic/Political Climate**: Describe relevant economic and political factors in the country/region where the investment is located.

- **Government/Multilateral Participation**: Describe any government or multilateral involvement in the investment or the sector and any government incentives such as tax holidays.

- **Litigation or Dispute Resolution**: Describe any litigation or community dispute or complaint resolution processes that have occurred or are occurring involving any of the key parties that could affect this investment.
Transaction Strengths/Risks and Risk Mitigation

- **Strengths** Describe those factors that contribute to the long-term viability of the investment/transaction.
- **Risks** Describe risks such as credit risks, sector/market risks and competition, operational and management risks, political/economic risks, legal/regulatory risks and environmental, social and human rights risks and what steps the Borrower / Guaranteed Party will take to mitigate such risks and provide access to accountability and remedy for negative project impacts on individuals and communities.