

## CIGP Answers to Climate Change Guarantee RFP Questions:

**Question 1: *How will the guarantee fee will assessed, specifically addressing the mechanics during the ramp-up period prior to the full deployment of the guarantee?***

CIGP's guarantee fees to date have been based on the full committed guarantee amount, starting from the execution date of the CIGP Guarantee Agreement. The guarantee fee will be charged quarterly in advance on an actual days over 365 day basis.

**Question 2: *Will the guarantee be cash-funded (i.e., provide capital to the fund) or solely be a back-stop that could be called if needed?***

The CIGP guarantee is a committed unfunded credit enhancement that is backed by foundations' balance sheets.

**Question 3: *CIGP indicated that they would prefer a second-loss position. What is CIGP's expectation for the amount of first-loss protection in a given project?***

Loss sharing is an integral part of the CIGP guarantee structure. All guarantee qualified beneficiaries must have some loss-share, albeit not always equal or proportional. CIGP will work with qualified beneficiaries to mutually determine the appropriate first-loss amount. This will be informed by the qualified beneficiaries' lending and/or investing or project-management history and understanding historical project performance and/or financial loss rates on similar type investing/lending activities.

**Question 4: *What ability or rights would a qualified beneficiary have to cancel the guarantee prior to the set end date if performance results no longer necessitated the guarantee? Would there be any fees or penalties?***

The qualified beneficiary can cancel the guarantee at any time. There will be no fees or penalties in the event of a guarantee being canceled by the qualified beneficiary.

**Question 5: *Can qualified beneficiaries determine at their own discretion the specific investment/lending terms of the proposed eligible guaranteed investments? Or do these terms need to be cleared with CIGP?***

CIGP and the qualified beneficiary would mutually agree upon parameters for the loans, including minimum investment/credit and or transaction structure requirements. The qualified beneficiary can then use its own discretion determining underlying investments/loans/transaction structures within those parameters. CIGP does not underwrite individual deals after the guarantee agreement is signed—it only confirms eligibility as determined within the guarantee agreement.