



SUBCONTRACTS INDIA

OUTSOURCING, OFFSHORING & FACILITATING EXPERTS



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DPLC FUNDING PROGRAM

What is the DPLC Funding Program: The DPLC Funding Program provides funding via local banks. The project owner deposits his guarantees with the local bank. The local bank accepts them and issues a Letter of Intent to the project owner, with copy to the Provider, accepting the guarantees, the project and the DPLC Funding Program.

The project owner forwards a copy to the Provider. The Provider issues, via their Investment Bankers in the USA, a firm Term Sheet. Once signed the Provider's Investment Bankers issue a firm contract which the bank signs. Once signed, the bank issues an irrevocable, revolving, confirmed DPLC on the bank's balance sheet to the Provider's Investment Bankers.

Once this is done, the Investment Bankers forward the capital to the bank which activates the DPLC, and the bank is now responsible for distributing the capital towards the project, and for the repayment via the DPLC.

To do that the bank signs a traditional loan agreement with the project owner and a fixed and floating charge agreement over his assets. The bank will charge a fee on top of the annual interest rate provided by the Provider's Investment Bankers

Loan Characteristics: The DPLC Funding Program provides loans to the bank for specific projects. The loan is issued to the bank on the bank's balance sheet. The bank, in turn, takes a guaranty in the project owners' assets.

The Provider can structure loans with repayment from 1 to 40 years, with up to 3 years grace period, with up to 15 years of interest only payments (included grace period), followed by 15 years of interest plus capital repayments. The options are available to project sponsors as per the project requirements.

The loans can be terminated at any time without penalty, paying back the principal.

Once the Provider receives the signed Term Sheet from the local bank the loan process takes typically 4 to 6 weeks.

Origin of Funds: The DPLC Funding Program provides loans to the bank via AAA rated banks in the USA and via the USA capital markets. The Provider uses the DPLC to create finance instruments that are substituting existing established facilities and thereby raising the capital.

As the DPLC is issued by the bank on the bank's balance sheet, the credit rating is superior, as the DPLC is also confirmed by the USA Corresponding Bank. This allows the Provider to access institutional funding using the DPLC's shadow rating.



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There is never any doubt that the funding will be provided if the bank issues the DPLC and confirms it with the corresponding bank in the USA, this as the institutional markets are constantly looking for high return investments to meet their commitments and obligations.

What if the project fails?

In the event that the project fails, the bank continues to pay the monthly dues, and the bank will resolve the issue against the project owners' assets.

If the bank and the project fails, the corresponding bank will continue paying and collect via the banks and the project owners' assets.

Funding Process:

- 1) Project owner contacts the Provider through Subcontracts India with a request for funding.
- 2) The Provider issues an Introduction Letter and Draft Letter of Intent, that the Provider requires the bankers to issue on their Letter Head to the project owner, to confirm they accept the project, the guarantees, and the DPLC funding program.
- 3) Once the Provider receives a copy, the Provider's Investment Bankers will issue a firm Term Sheet with interest rate subject to banks credit rating, country credit rating and corresponding bank's credit rating.
- 4) The bankers review and sign the Term Sheet with the project owner.
- 5) Once signed the Provider's Investment Bankers issue a loan contract to the bank.
- 6) The bank signs the loan contract and issues an irrevocable, confirmed and revolving DPLC.
- 7) Once issued the Provider's Investment Bankers forward the funds minus fees and grace period interest to the local bank, which activates the DPLC.
- 8) Parallel to this process the local bank signs a loan contract with the project owner defining his guarantees, the loan amount, the repayment, and how the loan will be distributed towards to project, with controls and combined mile stones.
- 9) The bank pays monthly for the loan until termination.

About the Provider:

The Provider is an independent consulting firm registered in the USA since 2007, focused on developing Natural Resources & Energy Projects Worldwide. They provide technical, commercial and financial support services with a focus on funding through Direct Payment Letter of Credits.

In addition the Provider assists Clients who require debt or equity structuring by taking a holistic approach to their needs that will allow their projects to move forward.