



PROGRAM GUIDE

Introduction

If all the participants in your project, meaning you, your contractors, feedstock providers, off-takers *etc* can show track record and financial stability, the Crossway Capital Insurance Wrapped Project Finance (IWPF) program can, subject to all the usual conditions, deliver funding direct from the capital markets.

This means that your funding will be on the same terms as those able to show a minimum Moody's, S&P or Fitch 'A' rating, a pre-requisite for funding from pension funds and other professional capital market investors. Your funding will come on terms that simply cannot be matched in the mainstream fragmented and hazardous project finance market. Clients are now benefiting from 100% debt finance at rates linked direct to [30-day Libor](#).

IWPF is structured through a unique and powerful triumvirate of seasoned professional firms. We are not brokers but funders with discretion to invest up to \$350bn of project financing and re-financing per annum. Here's how IWPF works:

1. Crossway Capital is the intake manager for the IWPF program, ensuring that our capital markets partner (CMP) and the Lloyds of London insurance syndicate only get to see those deals that are suitable for the program.
2. IWPF's London-based CMP provides direct access to the capital markets. These are pension, fixed income, mutual and other funds whose primary investment criteria is the credit agency rating of the borrower. Their responsibility is to their policy-holders and so they seek to ensure risk-free opportunities that can only be met through an acceptable 'A' or better credit agency rating. This rating delivers terms which simply cannot be matched by the mainstream project finance market.
3. IWPF's Lloyds of London underwriting syndicate wraps your project in a series of interlinked insurance policy templates covering all aspects from EPC contractor performance, off-take, political/country risk, and other aspects directly tailored to your project. This endows your project with the Lloyds' 'A' credit agency rating demanded by the capital markets from where your funding is sourced.

What IWPF will fund

We are primarily interested in viable projects in the following sectors with a minimum deal value of \$/€/£100 million, with no maximum. These include:

- All renewable energy
- Airports/Ports
- Hotels and Resorts
- Infrastructure
- O&G
- Social housing and other social infrastructure
- Transport
- Re-financing of existing projects, M&A and other transactions.



Key Application Criteria

The key criteria for applicants to IWPF is that the project is 'shovel ready' in every respect and all parties involved can demonstrate solid track record and financial stability. You also need to show that revenues will be sufficient to cover debt repayments. To be sure your project is shovel ready please read the article [Shovel Ready... or Not](#) on LinkedIn.

Contractors must clearly demonstrate that they are capable of delivering to cost and time frames, and suppliers of feedstock or materials needed to make the project viable are able to meet demand.

Whilst all these areas are insured through IWPF, the underwriters will obviously look at all project participants in depth before producing their policies. The insurance premiums are added to the loan.

How to apply to IWPF

To ensure that you receive a first-class service and to eliminate any possible delays please comply with our procedures.

Step 1:

Please contact the following according to your region:

Americas: Howard Wilson, Regional Director howard@crosswaycapital.com.au

Asia Pacific: Johnny Jalin, CEO johnny@crosswaycapital.com.au

EMEA/MENA: David Rose, Regional Director david@crosswaycapital.com.au

You will be contacted directly with a short intake questionnaire which we will ask you to return with your executive summary, teaser or elevator pitch. For guidance on how to produce an executive summary please click [HERE](#).

The intake questionnaire will tell us if we can assist in principle. We will come back to you within a few days advising if we believe we can take your project forward. If this is the case you will be asked to sign our Engagement & Consultancy Agreement (ECA). There is no fee involved in this.

Step 2:

We will then arrange for a conference call with you after which you will be sent a combined fact-find/three-way NCNDA (Non-Circumvention and Non-Disclosure Agreement) for you to complete and sign. This document overrides the ECA you have signed with Crossway Capital.

The NCNDA is between yourself, Crossway and the Capital Markets Partner (CMP). At this stage we will also ask you for documentation supporting your project's '[shovel ready](#)' status. Each file name must clearly indicate what the file contains. Our CMP and the insurance syndicate need your documents prepared and presented in a straightforward manner. If your file is the PPA with XYZ energy, name the file 'XYZ energy PPA'.

Your files are assembled ready for review by CMP and the underwriters on Dropbox or, if you prefer, you can do this in your own data-room.

If your supporting documents meet the required criteria, the Dropbox or data-room link will be forwarded to CMP in the UK as a formal submission.

Step 3:

Our CMP has been a fixture in the City of London for many years and is deeply embedded in the global capital markets.

On acceptance by them your project will be discussed with the Lloyds syndicate to confirm your project is something they want to 'wrap'.

Once approved in principle by the underwriters there will be a conference call with you to move to the next steps. Following the call you will be sent a 'funding structure blueprint'. The actual blueprint will depend on the nature, location and other factors defining your project from a funding standpoint.

On your acceptance of the blueprint, and on your acceptance of its contents, you will be sent CMP's engagement and fee agreement (5% payable on funding) to sign. Crossway Capital is paid by the CMP, there is no fee charged to you by Crossway Capital.



Step 4:

The underwriting syndicate will review all your documentation in depth and produce a detailed and comprehensive questionnaire for you to complete.



Your project is credit enhanced with the 'A' rating assigned to the world's oldest and largest insurance market. Making it acceptable for funding through IWPF.

This is a critical part of the process and it is essential that you apply time and full diligence on the questionnaire. An accurate response to the questionnaire will avoid delays and question marks appearing over your project.

From the information you provide the premiums on the interlinked insurance wraps will be calculated and added to your capital requirement. Your funder are happy to add this premium to your loan as it provides unique reassurance for them.

There is a one-off fee that must be paid to the underwriters to prepare the insurance wraps for your project. The fee is dependent on the nature and complexity of your project but will not exceed GBP10,000. You will be advised of the fee within the terms of your engagement agreement with CMP. It is not due and payable until you sign and return the engagement agreement, at which point your funding process begins.

COSTS AND FEES

At no point will you be asked to pay any fees to Crossway Capital. We are part of the IWPF consortium and paid direct from the completion fee charged by CMP. The initial fee is the insurance wrap preparation cost of a maximum GBP10,000 as described *Step 4* above, paid on signing your engagement agreement with CMP. This is a direct cost for the underwriters, which they cannot incur without any commitment from the client.

As with any project financing you should anticipate legal, structuring and other professional fees incurred in closing your transaction to be in the order of \$50,000 to \$250,000 depending on the size and complexity of the project. These fees are not charged until your formal funding offer with the terms sheet is sent by CMP. These fees are not added on to the loan and must be paid prior to formal closing leading to first draw down.

