

**Banco Interamericano de Finanzas (“BIF”)
Project Abstract**

The proposed project is based on the Facility of Subordinated Debt LACC (RG-X1088) approved in the directory in August 2010 and consists of a subordinated financing (that describes as Tier II Capital under the requirements as the local regulation of Peru) by an approximated amount of US\$20 million for Banco Interamericano de Finanzas.

The facility presents an objective triple: (i) to fortify the solvency and to improve the efficiency in the use of capital when granting a subordinated credit which qualifies as Tier II under the Peruvian regulation; (II) to improve the liquidity and exchange position of the bank; and (III) to finance the growth of the housing portfolio, hoping to achieve a positive economic and social impact given to the little depth of this instrument in the Peruvian financial system and the habitacional deficiency that still exists in the country.

The project is consistent with the Bank's strategy in Peru that seeks to focus support for projects without sovereign guarantee, among others, to the financial sector of the country. Additionally, the project is consistent with the strategy of the Department of Structured and Corporate Finance and Financial Markets Division which aims to facilitate the development of a solid financial system that is considered critical for the development of the region and that promotes the financing of high social impact.