

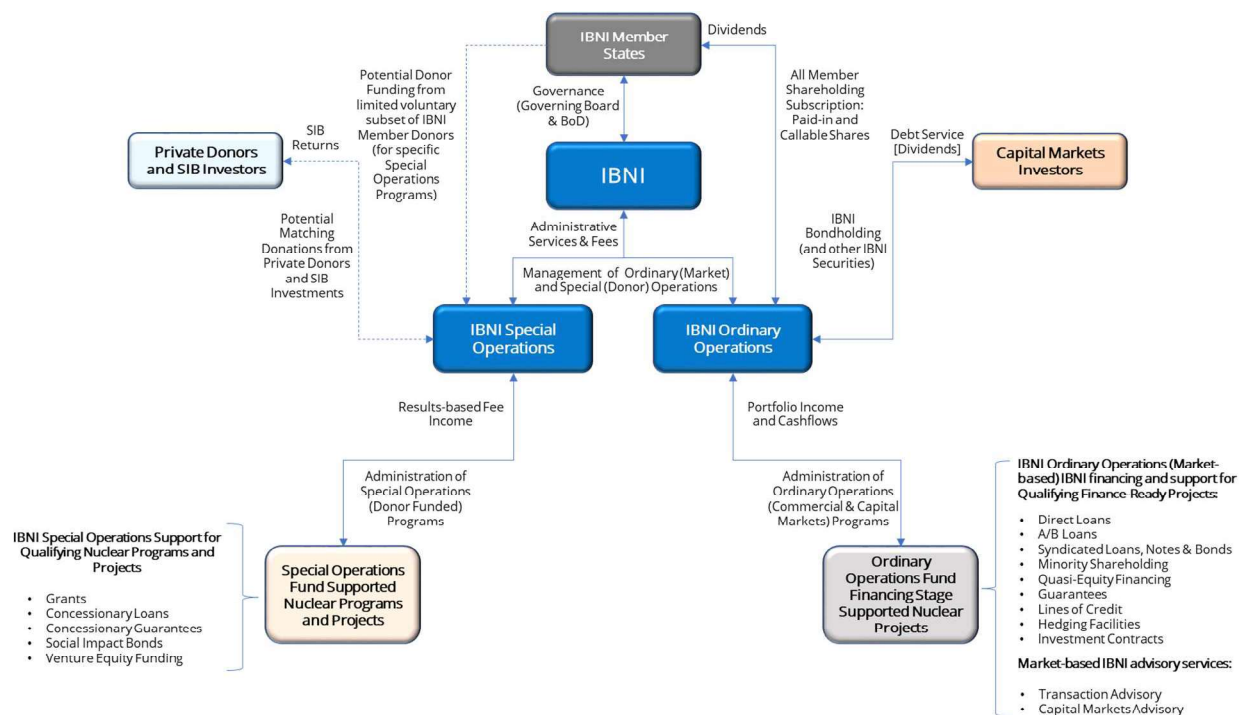
7. Proposed IBNI Operational Plans and Programs

Key Points

- IBNI’s proposed operational structure will be based on models currently in existence, utilized by MDBs that have been in existence for many decades.
- IBNI will have two major operational mandates:
 - Ordinary Operations Fund: All market-based programs.
 - Special Operations Fund: All donor-supported programs.
- IBNI shall be established as a results-based organization that can report specific and quantifiable achievements toward 2050 global net zero on behalf of its Member States.

As already briefly discussed in *Section 6 – Proposed IBNI Capitalization and Governance Structure*, it is proposed that IBNI will have two core operations and related funding sources. The following diagram, Figure 40, illustrates the proposed operational structure of IBNI.

FIGURE 40 - PROPOSED IBNI OPERATIONAL STRUCTURE



Source: IBNI-IO SAG



Initial Report and Action Plan

First, IBNI's Ordinary Operations Fund (IBNI OOF) will conduct all of the Bank's global capital markets and commercial activities. The OOF will be a professionally managed financial institution adhering to international banking industry best practices in terms of financial and operational risk mitigation and loss prevention. The IBNI OOF will have a fiduciary duty toward its shareholders (IBNI Member States) to prudently and efficiently manage the Bank's capital markets and commercial operations in order to achieve the Bank's 'patient investor' aims, while managing risks of financial loss. The OOF will also be managed to achieve shareholder returns commensurate with customary sovereign return thresholds. Furthermore, the OOF will have a fiduciary duty toward IBNI bondholders and its other capital markets investors to manage the Ordinary Operations Fund in a manner that maintains sufficient capitalization ratios, liquidity and operating ratios, loss prevention, reserves maintenance and other key parameters to ensure timely payment of principal and interest. As mentioned previously, it is anticipated that the IBNI OOF will be structured to achieve and maintain 'triple A' category credit ratings, similar to those ratings achieved and maintained by existing major MDBs. The details of IBNI OOF's proposed operations and programs are discussed in further detail below in *Section 7.1 – Proposed IBNI Ordinary Operations Plans and Programs*.

Second (and at a smaller scale), IBNI's Special Operations Fund (IBNI SOF) will conduct all of the Bank's donor-funded activities. Unlike the OOF, which will be designed to achieve the Bank's objectives through provision of prudent market-based financing and support to nuclear programs and projects, the SOF will instead focus on the administration of high-impact, results-oriented programs funded by donors. The donor funders to the IBNI SOF are envisaged to be primarily a subset of IBNI Member States who agree to voluntarily provide donor funding to specific programs administered by the IBNI SOF. Additionally, in some cases there may also be private sector and philanthropic donor matching funds for certain programs. The IBNI SOF will mainly be a grant funding and provider of other "subsidized" support for specific IBNI SOF programs and will not have a similar focus on loss prevention, risk and returns as will the OOF. Generally, the SOF programs will be focused on providing needed financial, technical and other types of support for pre-financing stage nuclear programs in developing economies and also supporting and accelerating early stage nuclear technologies. The details of IBNI SOF's proposed operations and programs are discussed in further detail below in *Section 7.2 – Proposed IBNI Special Operations Plans and Programs*.

It will be essential that the IBNI has the resources to attract, hire and retain best-in-class management and staff in order to fulfill the critical missions of the organization. IBNI will need to draw from a highly experienced, talented and resourceful pool of management and staffing resources from global, regional and local banking industry, MDBs and IFIs, IGOs, governments and corporations. The Bank needs to be an organization where management and staff are driven to achieve the highest possible levels of performance and outcomes on behalf of its IBNI Member State shareholders.

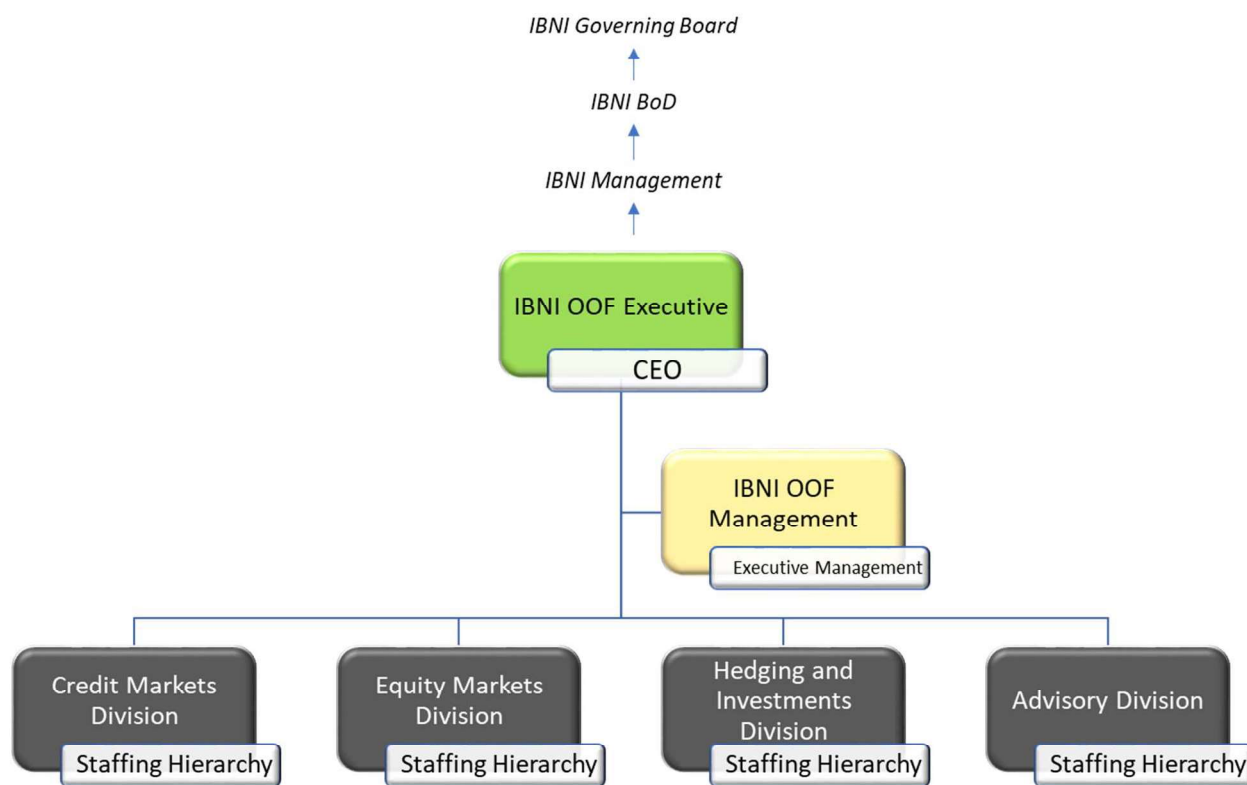
7.1 Proposed IBNI Ordinary Operations Plans and Programs

As discussed above, the predominant focus of the Bank will be on expanding global nuclear capacities through the added value provision of market-based financing and support activities conducted through IBNI's

Ordinary Operations Fund (OOF). The OOF will be managed, operated and accounted for as a segregated and distinct enterprise fund of IBNI. OOF’s dedicated management, staff and other resources will be funded exclusively by the financial resources of the OOF. The management of the OOF will be hired by and report to the IBNI management (and ultimately to the IBNI BoD and Governing Board). However, the OOF management will have a fair amount of latitude and autonomy in making commercial, risk management and other operational decisions within a defined IBNI framework.

The following organigram illustrates the proposed management and staffing structure of the OOF.

FIGURE 41 - IBNI ORDINARY OPERATIONS FUND PROPOSED ORGANIGRAM



Source: IBNI-IO SAG.

The overriding objective of IBNI will be to assist IBNI Member States in achieving net zero by 2050 (and meet the commitments under NDC pledges) in the most economically efficient manner through the optimal expansion of safe, affordable and reliable nuclear generation capacities. At the IBNI OOF level, this objective translates into providing specific products and services to project sponsors in IBNI Member States that will allow nuclear energy capacities to be delivered better, safer, fast and cheaper. Therefore, the entire suite of market-based financing and support products and services offered through the OOF will be specifically tailored to achieve precisely these outcomes in each and every nuclear project supported by IBNI. The

following diagram illustrates the product and service categories that IBNI may offer to assist clients (nuclear project sponsors and IBNI Member States) to achieve these aims.

FIGURE 42 - VALUE-ADDED PRODUCT AND SERVICE CATEGORIES OFFERED BY IBNI ORDINARY OPERATIONS FUND



Source: IBNI-IO SAG

IBNI OOF market-based financing and other support packages will be competitively offered to finance-ready project applicants, on an equal opportunity, open and inclusive basis, within all IBNI Member states that have executed comprehensive long-term Net Zero Cooperation and Framework Agreements (NZCAFAs), as described in *Section 5 – IBNI Standards & Criteria*. IBNI will develop a highly transparent project evaluation methodology for determining which programs and projects will be prioritized based on their relative merits measured against standardized criteria. IBNI’s evaluation methodology will include both quantitative and qualitative evaluations of the following elements:

- **IBNI Standards.** Both the IBNI Member State’s and the proposed project’s adherence to all of the IBNI Standards elements (pass/fail).
- **IBNI Criteria.** The degrees to which both the IBNI Member State and the proposed project conform to each of the IBNI Criteria elements (quantitative and qualitative scoring).

- **Quantum of IBNI OOF Financing and Support.** The total risk-adjusted quantum of financing and support requested by the applying project sponsor (quantitative scoring).
- **Necessity for IBNI OOF Financing and Support (“Additionality”).** Demonstration that there is insufficient availability of financing other support available at similar or better cost and terms (which would otherwise allow the project to be delivered as safe, as fast and as cheap), if the requested IBNI financing and support is not granted (quantitative and qualitative scoring).

In general, all of the above evaluation elements are designed to allow IBNI (OOF) to optimally utilize its limited funding resources and capacities to deliver the most capital efficient and impactful worldwide nuclear capacity expansion solutions contributing toward achieving global net zero by 2050.

By requiring all hopeful nuclear project applicants to compete for scarce IBNI financing and support, it is also essential to emphasize that a ‘market-based mechanism’ is to be applied, which will require applicants and their IBNI Member State governments and institutions to exercise a great deal of discipline and high level of commitment toward their net zero pathways. The objective of all applicants will be to achieve the maximal scoring on the evaluated components of their applications for IBNI support.

It is also envisaged that cost-free information will be published and universally available to all IBNI Member States, project sponsors, stakeholder, advisors and the general public regarding all the current OOF financing and support products, programs and services. IBNI staff and resources will also maintain the capacity to provide free advice to potential applicants and IBNI Member States regarding all products, programs and services offered by IBNI⁸². The following tables (Tables 3 and 4) provide a summary of the main types of financing and support product and services that IBNI OOF will be able to offer in relation to nuclear programs and projects it supports in IBNI Member States.

TABLE 3 - MARKET-BASED FINANCING AND SUPPORT PRODUCTS OFFERED BY IBNI ORDINARY OPERATIONS FUND

Product	Description
Direct Loans	<p>Direct “A-Loans” will be originated by and held⁸³ on the books of IBNI (OOF). In general, Direct Loans allow for the greatest amount of structuring flexibility and a comparatively very low cost of capital. The following is an illustrative summary of the potential terms and pricing of a IBNI Direct Loan:</p> <ul style="list-style-type: none"> • <i>Purpose and Type:</i> Full range of long-term permanent (amortizing, bullet and sculpted); semi-perm; short-term; revolving, construction, maintenance, life-extensions, refinancing/reconstruction, contingency, working capital and reserve • <i>Term:</i> up to 40-years • <i>Mode:</i> Fixed or Variable

⁸² In addition, OOF will provide fee-based transaction advisory services as set forth in Table 4.

⁸³ However, as part of OOF’s capital markets operations it will routinely sell, securitize or bundle its de-risked performing loans and other receivables to commercial institutions, institutional and capital markets investors. Sales proceeds, including gains would then be “recycled” which will provide additional resources and capacities for OOF to finance and support additional projects (or could be applied toward generating returns to IBNI Member State shareholders, as could be decided by the Governing Board).

Product	Description
	<ul style="list-style-type: none"> • <i>Currency Denominations:</i> Major world currencies where IBNI has capital markets operations (this will evolve as IBNI’s operations expand globally) • <i>Pricing:</i> IBNI cost of capital, plus credit margins and fees (based on specific sovereign credit and project scoring)
A/B Loans	<p>A/B-Loan structures are loan structures where IBNI serves as the primary lender for the entire loan. The A-Loan portion of the loan will be held on IBNI (OOF)’s books and simultaneously participations in the remaining (B-Loan) portion will be sold to IBNI’s network co-financiers. While the pricing and structuring flexibility of the B-Loan component will be limited to consensus views from other co-financiers, this structure may add incremental financing capacity for the borrower and also diversifies credit risk away from IBNI. Similar to the case that currently exists with established MDBs, it is expected that IBNI would attain ‘<i>preferred creditor status</i>’ with a large universe of local, regional and global financial institutions and investors, that would routinely participate in IBNI B-Loan programs. Margins and terms on B-Loans are expected to be superior to what is otherwise available in the financial markets.</p>
Syndicated Loans, Notes and Bonds	<p>Syndicated B-Loans are loans, notes or bonds that are underwritten, syndicated, arranged, placed or agented by IBNI to other network financial institutions, investors and other institutions. In most syndicated financings, IBNI would typically also serve as the lead “anchor” direct lender (or “A/B Lender”) in the financing and IBNI would work with one or more commercial lender(s) or investment bank(s) that facilitate the structuring, underwriting, syndicating, arrangement, placement or agenting the remainder of the loan to a universe of other participating lender or investor co-financiers. IBNI’s “anchor” lender role will be seen as critical in convincing other institutions and investors to participate and at more favorable pricing and terms than what would otherwise be the case.</p>
Minority Equity Participations	<p>IBNI will offer minority (up to 49%) common equity shareholding in the nuclear project companies in projects that it supports. IBNI shall be precluded from maintaining a majority shareholding position in any project. In general, having IBNI OOF take on a minority common shareholder role will be the least preferred option (generally lender and quasi-equity roles are preferred) but will be considered under some circumstances if there is a strong fundamental justification. For example, in some cases, IBNI may be willing to accommodate inter-shareholder risk allocation where IBNI would inject a disproportionate higher share of project equity injections in the early stages of a project construction period and a lower share in later periods. In other cases, IBNI may be willing to provide “contingent equity” financing, where IBNI would provide additional shareholder equity in the case of construction delays and cost overruns. In situations where IBNI were to participate as a minority shareholder, it would expect concessions from its co-shareholders in terms of lower equity returns (lower equity risk premiums) and lower energy costs than would otherwise be the case.</p>
Quasi-Equity Financing	<p>Quasi-Equity facilities generally include preferred equity, mezzanine financing, convertible loans, subordinated loans and other similar facilities that are ‘in between’ senior debt and common equity claims on revenue and assets. Where there is a strong rationale to do so, IBNI will offer these types of financing facilities (usually as a part of a larger IBNI financing structure that also includes other types</p>

Product	Description
	<p>financing and support for a project) in an effort to achieve financial feasibility and lowest cost of capital. In general, it will be preferred by IBNI to provide quasi-equity financing rather than minority shareholding (common) equity commitments, in cases where projects may have certain ‘gaps’ between the project’s capital funding and contingency requirements and other available sources of debt and equity financing. In comparison to shareholder (common) equity, quasi-equity offers IBNI a stronger claim on revenue and assets, lowering the project cost of capital which is aligned with IBNI’s goal of driving down the cost of nuclear generation. Pricing on IBNI ‘quasi equity’ financing will be generally between the cost of shareholder (common) equity and senior debt but will be driven by the specific circumstances including the type of product, terms and risk factors.</p>
<p>Guarantees (Letters of Credit)</p>	<p>IBNI (OOF) will offer various types of commercial guarantee instruments applicable for nuclear projects. IBNI guarantee instruments will generally be in the form of commercial letters of credit (standby or direct-pay), providing either or both credit enhancement (based on IBNI’s targeted ‘AAA’ ratings) and/or liquidity support. IBNI guarantee instruments can be used to provide a credit/liquidity wrap for third-party loan and bonds, sovereign guarantees (where the sovereign has an insufficient credit rating), guarantee in-lieu of cash reserve deposits, payment and performance guarantees from equity sponsors and contractors and for other project purposes.</p>
<p>Lines of Credit</p>	<p>Lines of Credit are credit facilities are typically in the form of revolving credit facilities that can be flexibly drawn and repaid in accordance with the borrower’s available funds. IBNI will offer lines of credit for various project purposes, including for project contingencies, working capital, debt service reserves, operating reserves, maintenance reserves, decommissioning reserves, taxes/VAT and other uses.</p>
<p>Hedging Facilities</p>	<p>Hedging facilities (contracts) consist of interest rate, currency, inflation and commodity financial derivatives products. IBNI will generally offer swaps, caps, floors, collars, puts, calls and futures contracts as appropriate for project risk mitigation purposes. IBNI (OOF), through its capital markets operations would enter into ‘back-to-back’ contracts with a network of qualified broker-dealer counterparties in these contracts (similar to the practice of other major existing MDBs). Based on IBNI’s targeted AAA credit ratings, credit spreads inherent within all such derivatives contracts will be minimized and therefore the benefits may be passed along to the program participants and the project.</p>
<p>Investment Contracts</p>	<p>Investment Contracts are products that offer a fixed or variable rate of return (interest earnings rate) for either a lump-sum project investment amount or fixed or variable schedule of investments over time. From a project perspective, there are numerous potential needs for re-investment. These include the re-investment of project bond proceeds; re-investment of debt service, operating, maintenance and decommissioning reserve accounts; and distributions accounts. As part of its capital markets operations, IBNI (OOF) will offer program participants with attractive market re-investment rates on contracts, based on the significant volumes of re-investment requirements that will result from operations of the entire OOF portfolio.</p>

Source: IBNI-IO SAG

TABLE 4 - MARKET-BASED SERVICES OFFERED BY IBNI ORDINARY OPERATIONS FUND

Service	Description
<p>Transaction Advisory</p>	<p>Transaction Advisory Services (TAS) offered by IBNI (OOF) will be comprehensive advisory services offered to either the project sponsors or to the IBNI Member State (government/SOE). TAS will be tailored to the unique circumstances of the client and the situation of the nuclear programs. The key advantages of engaging IBNI as transaction advisor are that it will be the institution best positioned to help clients optimize conformity with IBNI S&C principles, maximize the benefit and utilization of IBNI financing and support products and achieve a successful transaction. Specifically, under TAS services, the following scope of services could be offered (which would be tailored to the specific circumstances of the client):</p> <ul style="list-style-type: none"> • IBNI Member State (government level) nuclear program advisors services <ul style="list-style-type: none"> ○ NZCAFA agreements, assist governments/SOEs in maximizing conformity to IBNI S&C • Project level advisory services <ul style="list-style-type: none"> ○ Project level, assist project sponsors and related stakeholders in maximizing conformity to IBNI S&C • Expert consultancy on IBNI financing programs and services • Transaction structuring and optimization • Program management • Contract negotiations • Contractor/subcontractor procurement • Financial modeling • Market sounding • ESG criteria and reporting requirements • Competitive procurement/tender development, management and execution • Capital markets advisory (see below) • Credit rating agency presentations/negotiations • Staff training and capacity building <p>IBNI will be able to engage either as sole advisor or as a co-advisor (typically along with another private sector institution). Clients will be encouraged to engage IBNI as early as possible in the development of the nuclear project or program. Clients will also be encouraged to appoint IBNI as the lead advisor, on the basis that it will then engage a team of other sub-consultants, such as local and international legal, technical, financial/commercial, economic/markets, tax/accounting, risk/insurance, public relations and other necessary areas of program and transactional expertise, as required. IBNI's TAS fees could be typically arranged under a variety of flexible formats, including success-fee based, retainer fee, fees-for-services or combinations of the former.</p>
<p>Capital Markets Advisory</p>	<p>Capital Markets Advisory Services (CMAS) offered by IBNI (OOF) will generally consist of specific services related to the structuring, negotiation and raising of third-party (together with IBNI) debt and equity financing for a nuclear project. IBNI CMAS may either be procured discretely by the project sponsors (or IBNI</p>

Service	Description
	<p>Member State) or as an integral part of the TAS described above. In general, CMAS services will involve the following elements (which would be tailored to the specific circumstances of the client):</p> <ul style="list-style-type: none"> • Debt capital raising: <ul style="list-style-type: none"> ○ Structuring and advising on debt capital structures ○ Financial modeling, sensitivities and stress case scenarios ○ Market sounding ○ Engaging co-advisors, underwriters, arrangers, agents ○ Credit rating agency presentations / negotiations ○ IBNI S&C and ESG compliance ○ Finance and inter-creditor agreement negotiations ○ Execution and signing • Equity capital markets: <ul style="list-style-type: none"> ○ Structuring and advising on equity/quasi-equity capital structures ○ Financial modeling, sensitivities and up-side scenarios ○ Market sounding ○ Engaging co-advisors, underwriters, arrangers, agents ○ IBNI S&C and ESG compliance ○ Shareholder/inter-shareholder agreement negotiations ○ Execution and signing <p>IBNI will be able to engage either as sole advisor or as a co-advisor (typically along with another private sector institution). IBNI's CMAS fees may be arranged under a variety of flexible formats, including success-fee based, retainer fee, fees-for-services, or combinations of the above.</p>

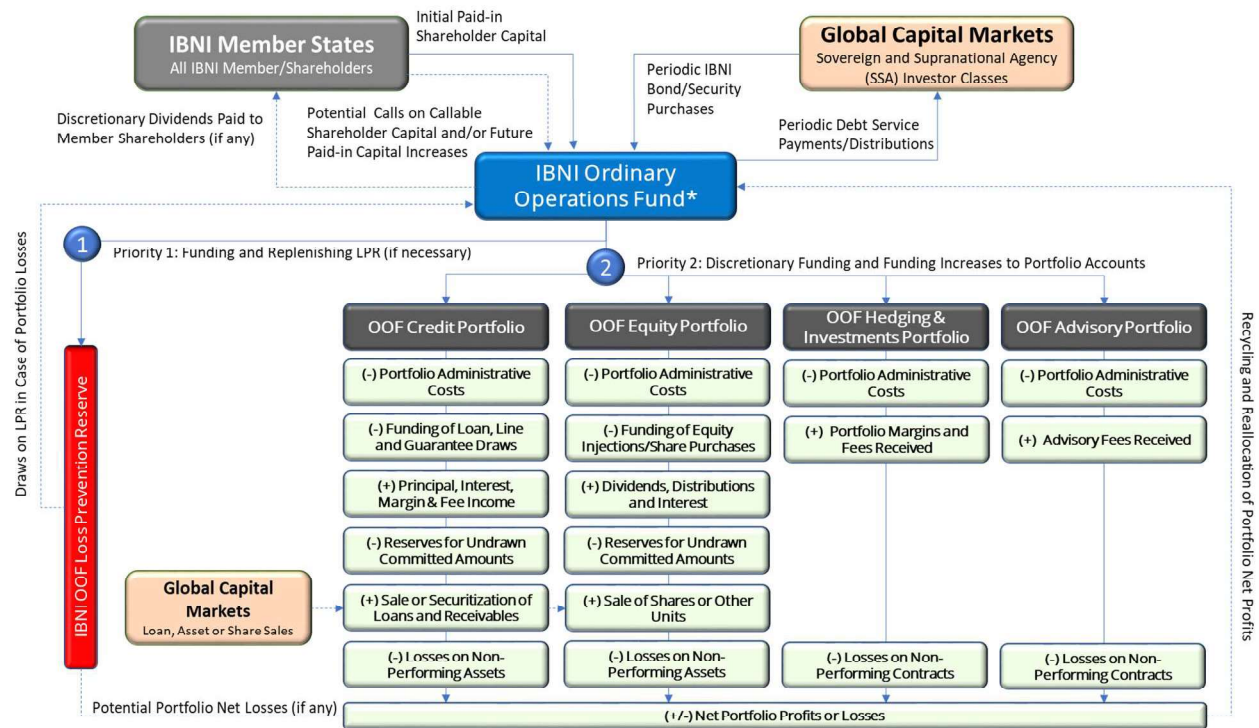
Source: IBNI-IO SAG

From an operations perspective, OOF's market portfolio structure should be allocated to its four key product and service divisions as set forth above in Figure 40:

- Credit Portfolio (Loans, Lines and Guarantees/Letters)
- Equity Portfolio (Minority Shareholding, 'Quasi-Equity' Investments)
- Risk Management and Investments Portfolio (Derivatives and Investment Contracts)
- Advisory Services

It will be critical for the market portfolio to be operated and managed in a manner that is consistent with best industry practices for credit maintenance (AAA long-term unsecured ratings), loss prevention, capital and liquidity thresholds and prudent banking practices. The following diagram illustrates the recommended operational, funding, reserves and cash flow structures of the OOF's portfolio and its four portfolio sub-components.

FIGURE 43 - IBNI ORDINARY OPERATIONS FUND OPERATING AND FUNDING DIAGRAM



Source: IBNI-IO SAG * While not shown in the diagram, IBNI OOF (at the fund level) will have internal administrative, staffing, other general overhead costs (including general and administrative fees payable to IBNI) and will also need to fund and maintain a senior debt service reserve account and potentially other reserve accounts.

7.2 Proposed IBNI Special Operations Plans and Programs.

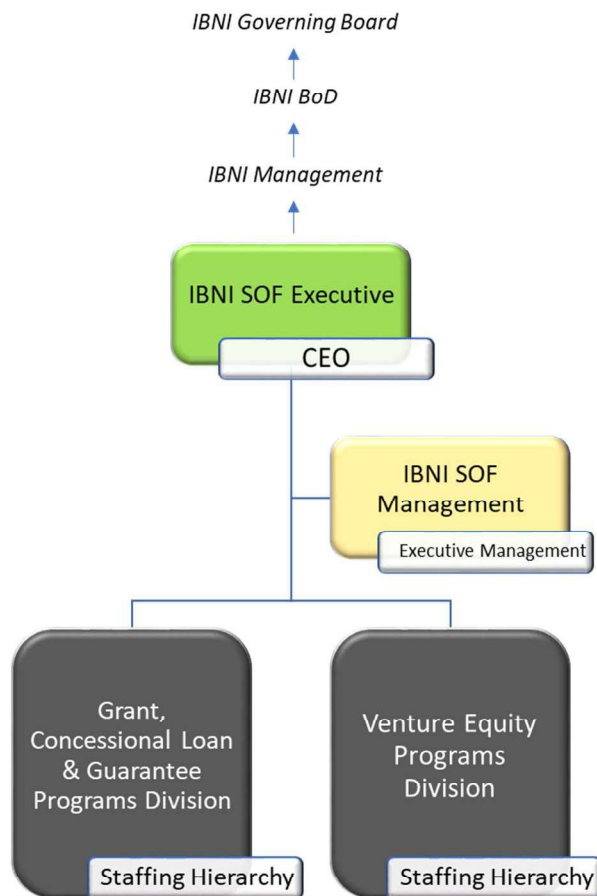
As mentioned above, the second key pillar of IBNI’s support activities will be related to administration of certain donor funded “Special Operations Programs” to be offered through the IBNI Special Operations Fund (IBNI SOF). Consistent with the practice of other existing MDBs, it is anticipated that various subsets of IBNI Member State coalitions will routinely provide donor funding for particular programs and initiatives (augmented, some instances, with fund provided by private or non-governmental donors). These coalitions of donors will wish to ensure that their donated funds will be used most effectively for specific nuclear energy related causes. The SOF will offer donor coalitions with a platform and resources to achieve that objective.

In general, the SOF will operate on a not-for-profit basis⁸⁴. However, it is recommended that the SOF should be established as a performance- and results-driven organization, whereby measurable performance indicators will be established and agreed up-front with the donors based on the specific objectives of each of

⁸⁴ It is intended that all receipts of principal, interest, fees, dividends, gains from sale of shares/assets will be recycled back into the SOF portfolio programs in accordance with donor funding agreements.

the donor-funded programs. Results-driven performance will be a key element in providing the proper incentives for both internal (SOF management and staff) as well as external contractors to optimally perform and achieve the best possible outcomes for each dollar of donor funding. The following organigram illustrates the proposed management and staffing structure of the SOF.

FIGURE 44 - IBNI SPECIAL OPERATIONS FUND PROPOSED ORGANIGRAM



Source: IBNI-IO SAG.

It is envisaged that many of the donor funded programs may also be enhanced through private sector funded Social Impact Bonds (SIB) initiatives (or similarly climate and sustainability impact bond programs). An SIB program is a type of hybrid investment between a grant and a concessional loan/bond. The SIB provides the investor with the ability to recover capital and earn a return based on the degree to which the SIB program performance objectives (results) have been achieved. SIB programs are expected to be a good complement for many of the SOF concessional grant, loan and guarantee programs which may very well attract additional and incremental private sector capital available to fund these programs. A number of the major MDBs have already successfully initiated SIB programs which complement many of their donor-funded and market-based initiatives.



Initial Report and Action Plan

The SOF should strive to operate as flexibly and adaptively organization as possible. In essence, it will take direction from the IBNI Member State donors and work with those donor groups to most efficiently and effectively achieve the desired outcomes (results).

It is envisaged that the Special Operations Assistance programs will offer qualified applicants with certain types of assistance in the following forms:

- **Grants.** Funds granted to the recipient that are required to be applied to a particular funding purpose, program or project in accordance with the grant funding contract. Grants are not required to be repaid*
- **Concessional Loans and Guarantees.** Loans and guarantees provided to the recipient with below-market interest rates or fees and other favorable terms that are not generally available in commercial lending markets. Concessional loans and guarantees are required to be applied to a particular funding purpose, program or project in accordance with the concessional loan or guarantee contract. IBNI (SOF) will offer the following types of Concessional Loans and Guarantees:
 - **Low-Interest Loans.** Concessional loans where the full amount of principal and interest is required to be repaid.
 - **Forgivable Loans.** Concessional loans where the requirement for repayment of all or a portion of the outstanding principal and interest may be waived under certain circumstances*. However, under ordinary circumstances the loan would be required repaid in full.
 - **Guarantees.** Concessional loan guarantees issued to a recipient, which allow the recipient to attain a loan from a commercial lender that would either not otherwise be available or would be unaffordable or at unfavorable terms. Any draws on the guarantee are required to be fully repaid, with interest in accordance with the terms of the guarantee.
- **Social Impact Bonds (SIBs).** SIB provides are purchased by a private investor and offer the ability to recover capital and earn a return based on the degree to which the SIB program performance objectives (results) have been achieved. In general the SIB investor will have some material degree of control over third-party contractors implementing the program. Note that this category may also include 'Climate Impact Bonds' and 'Sustainability Impact Bonds' and other potential impact bond programs and concepts.
- **Venture Equity (VE).** Venture equity programs offer venture capital (equity) funding to innovative nuclear technology and nuclear fuel cycle companies at various stages of development from seed stage, until growth stage. In addition to donor funding for VE programs, it is anticipated that the SOF VE program will attract other private venture capital co-investors who may invest either in the SOF diversified VE portfolio or as JV partners in specific early-stage companies.

Note: In the case of a default (either by the recipient of the assistance under the terms of the specific grant or loan agreement or in the case of a cross-default by the IBNI Member State under the NZCAFA) all grant amounts disbursed and any forgiven loan amounts will become due and payable (accelerated).



Initial Report and Action Plan

Each type of assistance will be available on a competitive, open and inclusive basis to qualified applicants in any IBNI Member State that has signed a comprehensive long-term Net Zero Cooperation and Framework Agreement (NZCAFA), as described in *Section 5 – IBNI Standards & Criteria*. IBNI will develop an objective and highly transparent evaluation methodology for determining which Special Operations Assistance (Donor Funded) applications will be prioritized based on their relative merits measured against standardized criteria. In general, IBNI’s evaluation methodology will include both quantitative and qualitative evaluations of the following elements:

- **IBNI Standards.** Both the IBNI Member State’s and the proposed project’s adherence to all the IBNI Standards elements (pass/fail).
- **IBNI Criteria.** The degrees to which both the IBNI Member State and the proposed project conform to each of the IBNI Criteria elements (quantitative and qualitative scoring).
- **Program-Specific Standards and Criteria.** IBNI SOF and the donors will determine (within a required framework) any additional program-specific standards and criteria that will apply for the specific grant program (quantitative and qualitative scoring).
- **Quantum of IBNI SOF Assistance.** The total risk adjusted quantum of assistance (grants, concessional loans and guarantees, and venture equity) requested by the applicant (quantitative scoring).
- **Necessity for IBNI SOF Assistance (“Additionality”).** Demonstration that there is insufficient availability of alternative funding sources necessary for the nuclear project or program development, if the requested IBNI financing and support is not granted (pass/fail).

Consistent with the organigram illustrated above in Figure 43, it is proposed that there will be two primary divisions within the SOF organizations, namely the Grant, Concessional Loan and Guarantee Program Division and the Venture Equity Program Division. Additional details regarding the activities of each division are, respectively, presented below in Tables 5 and 6.

TABLE 5 - IBNI SPECIAL OPERATIONS FUND GRANT AND CONCESSIONAL LOAN AND GUARANTEE ASSISTANCE PROGRAMS

Assistance Program	Description
Pre-Finance Stage Nuclear Assistance Program	IBNI (SOF) will offer a “Pre-Finance Stage Nuclear Program” to assist both early stage ‘newcomer’ nuclear program seeking to develop their first commercial reactor (such as in those states that are also participating in the IAEA’s INIR program) as well as applicants seeking to expand their nuclear programs in IBNI Member States with existing nuclear programs. IBNI Member States, SOEs and other stakeholders may apply for grants concessional loans and guarantees that will be used to fund both direct and indirect program cost related to developing national or regional nuclear energy programs or nuclear projects. Applicants in IBNI Member States that do not currently have existing nuclear energy programs, will also be required to participate in the IAEA’s INIR program as a condition to receiving grant this type of grant funding. Qualification and funding distributions may also be tied to relative performance and progression under the INIR Milestone Reviews. This program will also be open to applicants IBNI Member States seeking

Assistance Program	Description
	early-stage funding to develop new reactors or extend the lives of existing reactors (on as as-needed basis). It should be noted that this program can also be used to pay all or a portion of the IBNI (OOF) Transaction Advisory Services fees and other third-party expert advisory fees.
Finance Stage Nuclear Assistance Program	IBNI (SOF) will offer a “Pre-Financing Stage Nuclear Program” to provide additional supplemental assistance to qualified finance-ready nuclear project sponsors proposing to develop finance-ready nuclear projects. The purpose of this program is to provide supplemental grant, concessional loan and guarantees to project sponsors that have already qualified for one or more forms of market-based financing or support within the IBNI OOF programs. In certain cases, on as ‘as-needed basis’, qualified projects with residual financing, and/or affordability gaps may receive supplemental assistance in the forms of grants, concessional loans and/or guarantees.
Nuclear Innovation Assistance Program	IBNI (SOF) will offer a “Nuclear Innovation Assistance Program” to assist qualified applicants by providing grant, concessional loan and guarantee assistance for the research, development, licensing, demonstration and commercialization of innovative new nuclear technologies that offer promising scalable global applications for nuclear energy generation; nuclear applications for industry, medicine, agriculture, transport and science; and nuclear fuel cycle applications. The Nuclear Innovation Program shall include both nuclear fission and fusion technologies, as well as all generation technologies for electricity, hydrogen, heat, cooling, desalinated water and propulsion. The program is available to private sector, public sector and university/research/laboratory applicants. The Nuclear Innovation Assistance Program may also be combined with the “Nuclear Innovation Venture Equity” program described below.
Deep Geological Repository Assistance Program	IBNI (SOF) will offer a “DGR Assistance Program” to assist qualified applicants by providing grant, concessional loan and guarantee funding related to the development of new (or expansion or acceleration of development or enhancements of existing) DGR facilities and technologies for long-term storage of high-level radiological waste materials.

Source: IBNI-IO SAG

TABLE 6 - IBNI SPECIAL OPERATIONS FUND VENTURE EQUITY PROGRAM

Venture Equity Program	Description
Nuclear Innovation Venture Equity Program	IBNI (SOF) will offer a “Nuclear Innovation Venture Equity Program” to assist qualified start-up to growth-stage nuclear technologies and fuel cycle companies which offer promising scalable global applications for nuclear energy generation; nuclear applications for industry, medicine, agriculture, transport and science; and nuclear fuel cycle applications. The program will offer venture capital (equity) funding to qualified companies from the seed stage until the growth stage. The Nuclear Innovation Venture Equity Program shall include both nuclear fission and fusion technologies, as well as all generation technologies for electricity, hydrogen, heat, cooling, desalinated water and propulsion. The Nuclear Innovation Venture Equity Program will also aim to attract private sector private equity co-investors in our diversified

Venture Equity Program	Description
	portfolio and also in specific early-stage companies. The Nuclear Innovation Venture Equity Program may also be combined with the “Nuclear Innovation Assistance Program” described above.

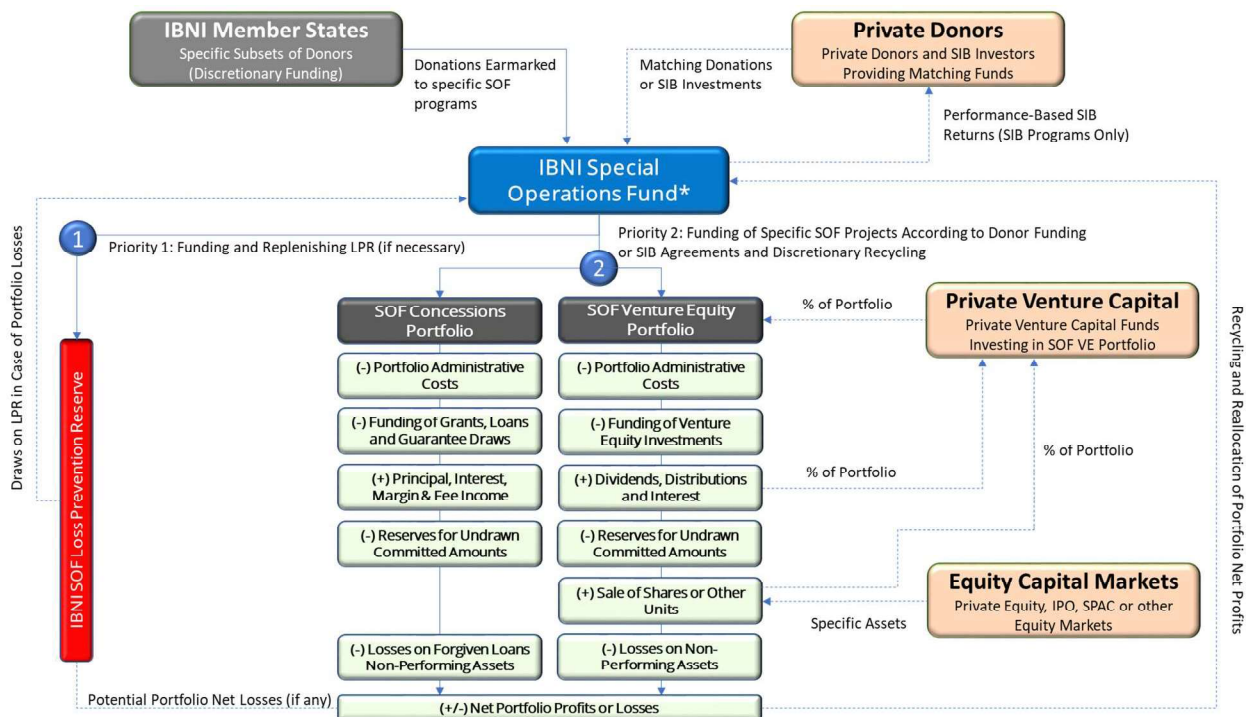
Source: IBNI-IO SAG

From an operations perspective, SOF’s market portfolio structure should be allocated to its two key product and service divisions as set forth above in Figure 41:

- Concessional Portfolio (Grants and Concessional Loans and Guarantee programs)
- Venture Equity Portfolio (Shareholdings in early-stage nuclear technology companies)

It will be critical for the SOF portfolio to be operated in a manner that is consistent with best industry practices for donor funded programs and venture capital funds and portfolios. The following diagram (Figure 45) illustrates the recommended operational, funding, and cash flow structures of the SOF’s portfolio and its two portfolio sub-components.

FIGURE 45 - IBNI SPECIAL OPERATIONS FUND OPERATING AND FUNDING DIAGRAM



Source: IBNI-IO SAG * While not shown in the diagram, IBNI SOF (at the fund level) will have internal administrative, staffing, other general overhead costs (including general and administrative fees payable to IBNI). Repayments of outcomes-based payments of principal and returns on SIB programs will be paid out of donor and/or SOF sourced funds held in escrow at the fund level (based on highest level of performance outcome). Any unpaid SIB performance funds will be released to SOF for program applications after SIB performance measurement dates.