

ANNEX I

GUARANTEES OF SPONSORED INVESTMENTS UNDER ARTICLE 24

ARTICLE 1

Sponsorship

- (a) Any member may sponsor for guarantee an investment to be made by an investor of any nationality or by investors of any or several nationalities.
- (b) Subject to the provisions of Sections (b) and (c) of Article 3 of this Annex, each sponsoring member shall share with the other sponsoring members in losses under guarantees of sponsored investments, when and to the extent that such losses cannot be covered out of the Sponsorship Trust Fund referred to in Article 2 of this Annex, in the proportion which the amount of maximum contingent liability under the guarantees of investments sponsored by it bears to the total amount of maximum contingent liability under the guarantees of investments sponsored by all members.
- (c) In its decisions on the issuance of guarantees under this Annex, the Agency shall pay due regard to the prospects that the sponsoring member will be in a position to meet its obligations under this Annex and shall give priority to investments which are co-sponsored by the host countries concerned.
- (d) The Agency shall periodically consult with sponsoring members with respect to its operations under this Annex.

ARTICLE 2

Sponsorship Trust Fund

- (a) Premiums and other revenues attributable to guarantees of sponsored investments, including returns on the investment of such premiums and revenues, shall be held in a separate account which shall be called the Sponsorship Trust Fund.
- (b) All administrative expenses and payments on claims attributable to guarantees issued under this Annex shall be paid out of the Sponsorship Trust Fund.