

**LAPSE OF  
TIME**

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**CONFIDENTIAL**

December 14, 2020

To: Members of the Executive Board

From: The Secretary

Subject: **2020 Borrowing Agreements—Status of Commitments and Fifth Set of Agreements**

Board Action:	Executive Directors' <b>consideration</b> on a lapse of time basis
Deadline to Request Board meeting, after which Proposed Decision Deemed Approved:	<b>Wednesday, December 16, 2020 5:30 p.m.</b>
Proposed Decision:	Pages 6–7
Publication:	Not proposed for publication, due to the confidentiality of the financial information contained. However, staff proposes: (a) to publish a list of 2020 Borrowing Agreements in effect with the specific credit amount under each agreement, and the text of each of these agreements in cases where the respective creditor consents to the publication of its agreement; and (b) to permit creditors to publish their individual agreements once they are approved by the Executive Board.
Questions:	Mr. Moore, FIN (ext. 39391) Ms. Jajko, FIN (ext. 36656) Ms. Luca, LEG (ext. 38101) Ms. Yiadom, LEG (ext. 39635) Mr. Giddings, LEG (ext. 35564)





December 14, 2020

## 2020 BORROWING AGREEMENTS—STATUS OF COMMITMENTS AND FIFTH SET OF AGREEMENTS

Approved By  
**Andrew Tweedie and  
Rhoda Weeks-Brown**

Prepared by the Finance and Legal Departments in consultation with the Strategy, Policy, and Review Department. The team comprised D. Moore (FIN) and I. Luca (LEG) (leads), W. Bunsoong, S. Cooney, C. De Luca, C. de Soyres, B. Jajko, B. Khan, T. Konuki (all FIN), A. Giddings, A. Yiadom (all LEG), under the guidance of T. Krueger (FIN) and B. Steinki (LEG).

**1. This paper proposes Executive Board approval of a fifth set of agreements under the framework for the 2020 Borrowing Agreements.** The fifth set includes agreements with 6 creditors, namely: Bank Negara Malaysia, the Bank of Algeria, the Bank of Finland, the Czech National Bank, the Slovak Republic, and the South African Reserve Bank (see Attachments I–VI). These agreements represent almost 4 percent of the total credit amounts targeted under the 2020 Borrowing Agreements from 42 creditors, bringing the total number of creditors to 39 or almost 92 percent of the total targeted credit amounts.

**2. The Executive Board has already approved four sets of 2020 Borrowing Agreements (Table 1):**

- Following Board approval of the framework for the 2020 Borrowing Agreements in March 2020,<sup>1</sup> staff has engaged in discussions with creditors on individual agreements on the basis of the templates for 2020 loan and note purchase agreements set out in SM/20/72, encouraging creditors to conclude discussion expeditiously, taking into account relevant domestic procedures.
- On July 31, 2020, the Executive Board approved the first set of 2020 Borrowing Agreements, covering fourteen agreements<sup>2</sup> and representing over

<sup>1</sup> See *Maintaining Access to Bilateral Borrowing and Review of the Borrowing Guidelines* (SM/20/72, 03/18/20), and Sup. 1 (SM/20/72, Sup. 1, 03/26/2020).

<sup>2</sup> See *2020 Borrowing Agreements—Status of Discussions and First Set of Agreements* (EBS/20/132), and Sup. 1 (EBS/20/132, Sup. 1, 07/29/2020).

44 percent of the total targeted credit amounts. On September 23, 2020, the Executive Board approved the second set of six 2020 Borrowing Agreements<sup>3</sup> representing over 7 percent of the total targeted credit amounts. The third set of four 2020 Borrowing Agreements<sup>4</sup> representing over 15 percent of the total targeted credit amounts was approved by the Executive Board on October 13, 2020. The fourth set of nine 2020 Borrowing Agreements<sup>5</sup> representing about 21 percent of the total targeted credit amounts was approved by the Executive Board on December 1, 2020. The aggregate maximum commitments from the 33 creditors under these four sets of agreements are equivalent to SDR 280.9 billion prior to the effectiveness of the increases in their relevant credit arrangements under the doubling of the New Arrangements to Borrow (NAB)<sup>6</sup>, and SDR 122.2 billion thereafter.

- So far, 20 out of the 33 creditors whose agreements were approved in the four sets have completed all necessary steps for their agreements to become effective on the targeted date of January 1, 2021. The aggregate maximum commitments from these 20 creditors are equivalent to SDR 185.1 billion prior to the effectiveness of the increases in their relevant credit arrangements under the doubling of the NAB, and SDR 79.3 billion thereafter.

**3. The fifth set of 2020 Borrowing Agreements put forward for Board approval in this paper includes four loan agreements and two note purchase agreements, as follows:** draft loan agreements with Bank Negara Malaysia, the Bank of Finland, the Czech National Bank, and the Slovak Republic as well as draft note purchase agreements with the Bank of Algeria, and the South African Reserve Bank. The aggregate maximum commitments from these 6 creditors are equivalent to SDR 11.3 billion prior to the effectiveness of the increases in their relevant credit arrangements under the doubling of the NAB, and SDR 4.9 billion thereafter (Table 1), in line with expected commitments set out in Table 2 of the March 2020 Board paper (SM/20/72).

**4. All agreements are consistent with the key substantive terms endorsed by the Executive Board.** Drafting variations are limited to non-substantive provisions.

- **Uniform key substantive provisions:** the key substantive provisions, identified in paragraph 11 of SM/20/72, are the same for all agreements.<sup>7</sup>

<sup>3</sup> See *2020 Borrowing Agreements—Status of Commitments and Second Set of Agreements* (EBS/20/144, 9/17/2020).

<sup>4</sup> See *2020 Borrowing Agreements—Status of Commitments and Third Set of Agreements* (EBS/20/155, 10/6/2020).

<sup>5</sup> See *2020 Borrowing Agreements—Status of Commitments and Fourth Set of Agreements* (EBS/20/173, 11/23/2020).

<sup>6</sup> The doubling of the NAB is targeted to take effect on January 1, 2021. As of December 11, 30 NAB participants representing almost 88 percent of the total NAB credit arrangements (including Greece and Ireland which have not yet adhered to the NAB Decision; and over 88 percent excluding Greece and Ireland) have consented to the amendments to the NAB Decision and the changes in NAB credit arrangements.

<sup>7</sup> Staff streamlined the title of the provision on transitional arrangements for clarity and applied this edit to all agreements.

- **Drafting variations not affecting key substantive provisions** that reflect creditor choices permitted under the framework for the 2020 Borrowing Agreements:<sup>8</sup>
  - ✓ The agreements with Bank Negara Malaysia, the Bank of Algeria, the Bank of Finland, and the South African Reserve Bank provide for a revolving line of credit (i.e., repayments restore *pro tanto* the amount that can be drawn under an agreement).
  - ✓ The agreements with Bank Negara Malaysia, the Bank of Algeria, the Bank of Finland, and the South African Reserve Bank include the option of a maximum maturity of up to 15 years (i.e., five years beyond the standard 10-year maximum maturity). The agreements with the Czech National Bank and the Slovak Republic maintain the standard 10-year maximum maturity.
  - ✓ The agreement with the South African Reserve Bank includes the general clause to cooperate with the Fund in the spirit of IMFC/G-20 commitments as needed and appropriate. The Czech National Bank and the Slovak Republic preferred to provide assurances to the Fund that they stand ready to cooperate with the Fund in the spirit of IMFC/G-20 commitments as needed and appropriate in a separate letter to the Managing Director.<sup>9</sup>
  - ✓ In all the agreements, the maximum amount available under the agreements is expressed in currency rather than SDRs.
  - ✓ Other drafting variations not affecting key substantive provisions include the standard variations for cases where the central bank is the creditor rather than the member, and apply in 5 agreements (Bank Negara Malaysia, the Bank of Algeria, the Bank of Finland, the Czech National Bank, and the South African Reserve Bank).

**5. Following Executive Board approval, staff will seek to ensure the effectiveness of the agreements by the target date of January 1, 2021, where possible.** Consistent with the approach taken under the 2016 Borrowing Agreements, under the proposed decision, the Managing Director would be authorized to take such actions as are necessary to execute the agreements on behalf of the Fund. Completion of domestic approval processes is required prior to signing of the agreement with the Bank of Algeria. If duly signed by both parties, the agreements will become effective on

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<sup>8</sup> All creditors included in this fourth set of 2020 Borrowing Agreements have 2016 Borrowing Agreements and are maintaining the same choices regarding flexible terms as under their 2016 Borrowing Agreements.

<sup>9</sup> As under the 2016 Borrowing Agreements, with a view to securing longer maximum maturities of 2020 Borrowing Agreement claims in case of exceptional circumstances, creditors under the 2020 Borrowing Agreements are asked to indicate that they stand ready to cooperate with the Fund in the spirit of IMFC/G-20 commitments as needed and appropriate. This expression of support could be conveyed as part of the borrowing agreement itself or separately. In addition, or as an alternative, a creditor may agree to include in its 2020 Borrowing Agreement a clause allowing the Fund, subject to the creditor's consent, to extend the maximum maturity for up to another 5 years (beyond the standard 10-year maximum maturity) in exceptional circumstances. See paragraph 11, 11<sup>th</sup> bullet on page 13 of *Maintaining Access to Bilateral Borrowing and Review of the Borrowing Guidelines* (SM/20/72, 03/18/20).

January 1, 2021, unless additional effectiveness conditions are not met by that date (in which case they would become effective when all conditions are met).

- The effectiveness of 5 agreements in this set (Bank Negara Malaysia, the Bank of Algeria, the Bank of Finland, the Czech National Bank, and the South African Reserve Bank), requires the concurrence of the relevant Fund member for Fund borrowing of its currency as their respective central bank is the creditor rather than the member.
- The effectiveness of the agreements with the Czech National Bank and the South African Reserve Bank requires the Fund's acknowledgement of the receipt of a written communication from the relevant authorities notifying the Fund of the completion of the domestic requirements for the entry into force of the agreements.

**6. Staff proposes, subject to creditor consents, the publication of 2020 Borrowing Agreements approved by the Executive Board in this set and in the four previous sets.** Staff proposes to publish a list of 2020 Borrowing Agreements in effect with the specific credit amount under each agreement (Attachment VII).<sup>10</sup> In line with the practice followed with the 2016 Borrowing Agreements, staff proposes to include in this list links to the text of effective borrowing agreements in cases where the respective creditor consents to the publication of its agreement, and to update this list when other agreements enter into effect or following consent for publication from other creditors. For all 2020 Borrowing Agreements approved by the Executive Board, staff also proposes to permit creditors to publish their individual agreements.

**7. Staff is continuing to follow up with creditors on any remaining steps needed to make their 2020 Borrowing Agreements effective.** Staff expects to bring the still-pending 2020 Borrowing Agreements to the Executive Board for approval as soon as possible subject to creditor consents. Staff encourages creditors to complete any remaining domestic processes still needed for their 2020 Borrowing Agreements to become effective on January 1, 2021 (or as soon as possible thereafter), following the expiration of the 2016 Borrowing Agreements on December 31, 2020.

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<sup>10</sup> It is envisaged that this list would be initially included in a press release covering the status of the NAB reform as well as the 2020 Bilateral Borrowing Agreements to be published in early January 2021. A paper expected to be issued for information tomorrow, *Update on the Reform of the New Arrangements to Borrow – Status of Consents and Effectiveness Conditions*, will include the draft press release.

**Table 1. 2020 Bilateral Borrowing Agreements <sup>1/</sup>**  
(As of December 11, 2020)

Member (Creditor)	Currency of commitment 2/	Amount 3/				Approval process completed 4/
		pre-NAB doubling		post-NAB doubling		
		Currency of commitment (in millions)	SDRs (in billions)	Currency of commitment (in millions)	SDRs (in billions)	
<b>First Set of Agreements</b>						
Australia	SDR	4,610	4.6	1,986	2.0	Y
Austria (Oesterreichische Nationalbank)	EUR	6,130	5.2	2,641	2.2	Y
Belgium (National Bank of Belgium)	EUR	9,990	8.4	4,304	3.6	Y
Chile (Central Bank of Chile)	SDR	960	1.0	269	0.3	Y
Denmark (Danmarks Nationalbank)	EUR	5,300	4.5	2,283	1.9	Y
France	EUR	31,400	26.5	13,527	11.4	Y
Japan	USD	60,000	41.8	25,847	18.0	Y
Korea	USD	15,000	10.5	6,462	4.5	Y
Mexico (Banco de Mexico)	USD	10,000	7.0	4,308	3.0	
New Zealand	USD	1,000	0.7	431	0.3	Y
Poland (Narodowy Bank Polski)	EUR	6,270	5.3	2,701	2.3	Y
Saudi Arabia	USD	15,000	10.5	6,462	4.5	Y
Switzerland (Swiss National Bank)	CHF	8,500	6.7	3,662	2.9	Y
United Kingdom	SDR	9,178.22	9.2	3,954	4.0	Y
Subtotal			141.8		60.9	
<b>Second Set of Agreements</b>						
Canada	SDR	8,200	8.2	3,532	3.5	
Estonia (Eesti Pank) 5/	EUR	380	0.3	164	0.1	Y
Peru (Central Reserve Bank of Peru)	SDR	1,100	1.1	474	0.5	Y
Russia (Central Bank of the Russian Federation)	USD	10,000	7.0	3,901	2.7	Y
Thailand (Bank of Thailand)	USD	4,000	2.8	1,723	1.2	Y
Turkey (Central Bank of the Republic of Turkey)	USD	5,000	3.5	2,154	1.5	Y
Subtotal			22.9		9.6	
<b>Third Set of Agreements</b>						
Germany (Deutsche Bundesbank)	EUR	41,500	35.1	17,878	15.1	Y
Lithuania (Bank of Lithuania) 5/	EUR	690	0.6	297	0.3	Y
Slovenia (Bank of Slovenia)	EUR	910	0.8	392	0.3	
Spain	EUR	14,860	12.6	6,401	5.4	
Subtotal			49.0		21.1	
<b>Fourth Set of Agreements</b>						
Brazil (Banco Central do Brasil)	USD	10,000	7.0	3,901	2.7	
China (People's Bank of China)	USD	43,000	30.0	21,219	14.8	
Luxembourg	EUR	2,060	1.7	887	0.7	
Malta (Central Bank of Malta)	EUR	260	0.2	112	0.1	
Netherlands (De Nederlandsche Bank NV)	EUR	13,610	11.5	5,863	5.0	
Norway (Norges Bank)	SDR	6,000	6.0	2,585	2.6	
Philippines (Bangko Sentral ng Pilipinas)	USD	1,000	0.7	431	0.3	
Singapore (Monetary Authority of Singapore)	USD	4,000	2.8	1,723	1.2	
Sweden (Sveriges Riksbank)	SDR	7,400	7.4	3,188	3.2	
Subtotal			67.3		30.6	
<b>Fifth Set of Agreements</b>						
Algeria (Bank of Algeria) 6/	USD	5,000	3.5	2,154	1.5	
Czech Republic (Czech National Bank)	EUR	1,500	1.3	646	0.5	
Finland (Bank of Finland)	EUR	3,760	3.2	1,620	1.4	
Malaysia (Bank Negara Malaysia)	USD	1,000	0.7	431	0.3	
Slovak Republic	EUR	1,560	1.3	672	0.6	
South Africa (South African Reserve Bank)	USD	2,000	1.4	862	0.6	
Subtotal			11.3		4.9	
<b>Agreements Currently Under Negotiation</b>						
Brunei Darussalam	USD	300	0.2	129	0.1	
India (Reserve Bank of India)	USD	10,000	7.0	3,901	2.7	
Italy (Bank of Italy)	EUR	23,480	19.9	10,115	8.6	
Subtotal			27.0		11.4	
Total 7/			319.3		138.4	
Number of creditors			42		42	

1/ Amounts reflect SM/20/72. For agreements currently under negotiation, the amounts are subject to their domestic procedures.

2/ Assumed to be the same as each creditor's 2016 BBA, or EUR for Estonia and Lithuania.

3/ At December 11, 2020 exchange rates.

4/ Agreement will take effect on January 1, 2021.

5/ New creditors that do not participate in the 2016 BBAs.

6/ Completion of domestic processes is required prior to signing.

7/ Equivalent to USD 458 billion pre-NAB doubling and USD 199 billion post-NAB doubling.

## Proposed Decision

Accordingly, the following decision, which may be adopted by a majority of the votes cast, is proposed for adoption by the Executive Board:

1. The Fund deems it appropriate, in accordance with Article VII, Section 1(i) of the Articles of Agreement, to replenish its holdings of currencies in the General Resources Account by borrowing under loan agreements with Bank Negara Malaysia, the Bank of Finland, the Czech National Bank, and the Slovak Republic and note purchase agreements with the Bank of Algeria, and the South African Reserve Bank on the terms and conditions set forth in the proposed borrowing agreements that are set out in the Attachments I to VI of EBS/20/187, 12/14/20 (the “Agreements”).
2. The Executive Board approves the Agreements and authorizes the Managing Director to take such actions as are necessary to execute the Agreements on behalf of the Fund.
3. The Managing Director is authorized, following the execution of the Agreements, to make such determinations and take such actions as are necessary to implement the Agreements, including but not limited to the making of drawings and the extension of the maturity of drawings thereunder, and the determination of the media for payments in light of the Fund’s operational needs. Such determinations and actions shall be consistent with the policies and guidelines on borrowing and the use of borrowed resources that are adopted by the Executive Board.
4. The Executive Board shall be informed of developments related to the implementation of the Agreements in reports to be furnished by the Managing Director throughout the term of the Agreements, in the context of the approval of a new Financial Transactions Plan and use of borrowed resources plan, with reports to be furnished more frequently in the event of significant



developments related to the Agreements. Such reports shall cover all aspects of the implementation of the Agreements, including, as applicable, drawings made, disposition of amounts borrowed, and repayment of drawings.

## Attachment I. Loan Agreement between Bank Negara Malaysia and the International Monetary Fund

### 1. Purposes and Amounts.

(a) To enhance the resources available on a temporary basis to the International Monetary Fund (the “Fund”) for crisis prevention and resolution through bilateral borrowing, Bank Negara Malaysia agrees to lend to the Fund an SDR-denominated amount up to the equivalent of US\$1,000 million (the “Loan Amount”); provided however that, upon the effectiveness of the increase in Malaysia’s credit arrangement under the Fund’s New Arrangements to Borrow (the “NAB”) as part of the reform of the NAB approved by the Fund under Decision No. 16645-(20/5), adopted January 16, 2020 (the “NAB Reform”), the Loan Amount will be automatically reduced to an SDR-denominated amount up to the equivalent of US\$431 million (the “Rolled Back Loan Amount”).

(b) This agreement is based on Article VII, Section 1(i) of the Fund’s Articles of Agreement, which authorizes the Fund to borrow from Fund members or other sources if it deems such action appropriate to replenish its holdings of any member’s currency in the General Resources Account (“GRA”). This agreement must be considered in light of the Guidelines for Borrowing by the Fund, which make clear that quota subscriptions are and should remain the basic source of Fund financing, and that the role of borrowing is to provide a temporary supplement to quota resources.

(c) This agreement and other bilateral borrowing agreements that the Fund has entered into or amended pursuant to the borrowing framework approved by the Fund in March 2020 shall be referred to each as a “2020 Borrowing Agreement” and collectively as the “2020 Borrowing Agreements”. Each bilateral borrowing agreement that the Fund entered into pursuant to the borrowing framework approved by the Fund in August 2016 shall be referred to as a “2016 Borrowing Agreement” and collectively as the “2016 Borrowing Agreements”. The 2020 Borrowing Agreements and the 2016 Borrowing Agreements shall be collectively referred to as the “Bilateral Borrowing Agreements”.

### 2. Term of the Agreement and Use.

(a) The term of this agreement shall end on December 31, 2023; provided that the Fund may extend the term of this agreement for one further year through December 31, 2024 by a decision of the Executive Board, taking into account the Fund’s overall liquidity situation and actual and prospective borrowing requirements, and with the consent of Bank Negara Malaysia.

(b) The 2020 Borrowing Agreements may be activated only after the Managing Director has notified the Executive Board that the Forward Commitment Capacity of the Fund as defined in Decision No. 14906-(11/38), adopted April 20, 2011, taking into account all available uncommitted resources under the NAB (the “modified FCC”), is below SDR 100 billion (the “activation threshold”); provided, however, that the Managing Director shall not provide such notification unless (i) the NAB

is activated as of the time of the notification, or there are no available uncommitted resources under the NAB as of that time, and (ii) the activation of the 2020 Borrowing Agreements has been approved by creditors representing at least 85 percent of the total credit amount committed under the 2020 Borrowing Agreements by creditors eligible to vote on such activation. For purposes of conducting a poll of eligible creditors, the Managing Director shall propose in writing the activation of the 2020 Borrowing Agreements and request the creditors' vote. A creditor shall not be eligible to vote on the activation if, at the time of the vote, its 2020 Borrowing Agreement is not effective, or the relevant member is not included in the Fund's Financial Transactions Plan for transfers of its currency. Nothing in this paragraph 2(b) shall preclude the Managing Director from approaching creditors before the modified FCC is below the activation threshold, if extraordinary circumstances so warrant in order to forestall or cope with an impairment of the international monetary system.

(c) If the 2020 Borrowing Agreements are activated pursuant to paragraph 2(b), they shall be automatically deactivated whenever the NAB is no longer activated, unless there are no available uncommitted resources under the NAB at that time. Separately, the 2020 Borrowing Agreements shall be deactivated if the Managing Director has notified the Executive Board that the modified FCC (excluding any amounts available under the Bilateral Borrowing Agreements) has risen above the activation threshold and: (i) the Executive Board determines that activation is no longer necessary; or (ii) six months have elapsed since the date of the Managing Director's notification and, within that period, the modified FCC (excluding any amounts available under the Bilateral Borrowing Agreements) has not fallen below the activation threshold. If, after the deactivation of the 2020 Borrowing Agreements under this paragraph 2(c), the modified FCC were to fall below the activation threshold, the provisions of paragraph 2(b) will apply.

(d) During any period after the activation of the 2020 Borrowing Agreements as provided under paragraph 2(b) and for as long as the 2020 Borrowing Agreements remain activated in accordance with paragraphs 2(b) and 2(c), the Fund may (i) use the resources available under this agreement to fund any outright purchases made from the GRA during the term of this agreement and (ii) approve, during the term of this agreement, commitments of GRA resources under Fund arrangements whose purchases could be funded by drawings under this agreement at any time during the period of such commitments, including after the expiration of the term of this agreement and during any period in which this agreement is no longer activated in accordance with paragraph 2(c) of this agreement; provided however that the commitments covered under this clause (ii) shall also include any commitment whose approval caused the activation threshold to be reached.

(e) Following an activation specified in paragraph 2(b), the resources available under this agreement may also be used by the Fund to fund the early repayment of claims under other 2020 Borrowing Agreements if the relevant creditors under those other agreements request the early repayment of their claims in the circumstances specified in paragraph 8. Drawings may be made under this agreement to fund such early repayment of other creditors' claims for as long as claims under the 2020 Borrowing Agreements remain outstanding, including after the expiration of the term of this agreement or during any period in which this agreement is no longer activated in accordance with paragraph 2(c).

(f) Drawing under this agreement shall be made with the goal of achieving over time broadly balanced positions among creditors under all Bilateral Borrowing Agreements relative to their commitments under these agreements.

### 3. Estimates, Notices, and Limits on Drawings.

(a) Prior to the beginning of each plan period for the use of bilateral borrowed resources, the Fund shall provide Bank Negara Malaysia with its best estimates of the amounts that it expects it will draw under this agreement during the forthcoming period, and shall provide revised estimates during each period where this is warranted. Bank Negara Malaysia shall not be included in the periodic plan, and no drawings shall be made under this agreement, if Malaysia is not included and is not being proposed by the Managing Director to be included in the list of countries in the Financial Transactions Plan for transfers of its currency. Moreover, no drawings shall be made under this agreement if Bank Negara Malaysia was included in the periodic plan but, at the time of drawing, Malaysia's currency is not being used in transfers under the Financial Transactions Plan because of Malaysia's balance of payments and reserve position. Where Malaysia was not included in the Financial Transactions Plan at the time of the vote on the activation of the 2020 Borrowing Agreements and is subsequently included in the Financial Transactions Plan, drawings may be made under this agreement to fund purchases made and commitments approved during the activation period unless and for so long as Bank Negara Malaysia notifies the Fund that it does not wish to be drawn upon for these purposes.

(b) The Fund shall give Bank Negara Malaysia at least five business days' (Kuala Lumpur) notice of its intention to draw, and shall provide payment instructions at least two business days (Fund) prior to the value date of the transaction by a rapid authenticated means of communication (e.g., SWIFT), provided that in exceptional circumstances where it is not possible to provide at least five business days' (Kuala Lumpur) notice, notification of intent to draw would be made at least three business days (Kuala Lumpur) in advance of the value date, and Bank Negara Malaysia would make best efforts to meet such a call.

### 4. Evidence of Indebtedness.

(a) The outstanding drawings under this agreement will be included in the statements of Malaysia's position in the Fund that are published monthly by the Fund.

(b) At the request of Bank Negara Malaysia, the Fund shall issue to Bank Negara Malaysia non-negotiable instruments evidencing the Fund's indebtedness to Bank Negara Malaysia arising under this agreement. Upon repayment of the amount of any instrument issued under this subparagraph and all accrued interest, the instrument shall be returned to the Fund for cancellation. If less than the amount of such instrument is repaid, the instrument shall be returned to the Fund and a new instrument for the remainder of the amount shall be substituted with the same maturity date as the old instrument.

## 5. Maturity.

(a) Except as otherwise provided in this paragraph 5 and in paragraph 8, each drawing under this agreement shall have a maturity date of three months from the drawing date. The Fund may in its sole discretion elect to extend the maturity date of any drawing or of any portion thereof by additional periods of three months after the initial maturity date, which extension the Fund shall automatically be deemed to have elected with respect to the maturity dates for all drawings then outstanding unless, at least five business days (Fund) before a maturity date, the Fund notifies Bank Negara Malaysia by a rapid authenticated means of communication (e.g., SWIFT) that the Fund does not elect to extend the maturity date of a particular drawing or portion thereof; provided however (i) that the maturity date of any drawing to fund purchases from the GRA shall not be extended to a date that is later than the tenth anniversary of the date of such drawing, and (ii) that the maturity date for any drawings to fund early repayments of other creditors' claims in accordance with paragraph 2(e) shall be a single common maturity date that is the longest remaining maximum maturity of any claim for which such early repayment has been requested or the tenth anniversary of the date of the relevant drawing to fund early repayment, whichever is earlier. Notwithstanding the maturity deadlines in the preceding sentence, following an Executive Board determination that exceptional circumstances exist as a result of a shortage of Fund resources in relation to Fund obligations falling due, the Fund, with the agreement of Bank Negara Malaysia, may extend the maximum maturity for drawings under this agreement up to an additional five years.

(b) The Fund shall repay the principal amount of each drawing or relevant part thereof on the maturity date applicable to that drawing or part thereof pursuant to subparagraph (a).

(c) After consultation with Bank Negara Malaysia, the Fund may make an early repayment in part or in full of the principal amount of any drawing prior to its maturity date in accordance with subparagraph (a), provided that the Fund notifies Bank Negara Malaysia at least five business days (Fund) before any such repayment by a rapid authenticated means of communication (e.g., SWIFT).

(d) Repayments of drawings shall restore *pro tanto* the amount that can be drawn under this agreement. The extension of the maturity of a drawing or of any part thereof pursuant to subparagraph (a) shall not reduce the amount that can be drawn under this agreement.

(e) If a maturity date for a drawing is not a business day in the place where payment is to be made, then the payment date for the principal amount of such drawing will be the next business day in that place. In such cases, interest will accrue up to the payment date.

## 6. Rate of Interest.

(a) Each drawing shall bear interest at the SDR interest rate established by the Fund pursuant to Article XX, Section 3 of the Fund's Articles of Agreement; provided however that, if the Fund pays an interest rate higher than the SDR interest rate on outstanding balances from any other borrowing on comparable terms that has been effected pursuant to Article VII, Section 1(i) of the

Fund's Articles of Agreement, and for as long as the payment of such higher interest rate remains in effect, the interest rate payable on drawings under this agreement shall be equivalent to the interest rate paid by the Fund on such other comparable borrowing.

(b) The amount of interest payable on each drawing shall be calculated on the basis of the outstanding amount of the drawing. Interest shall accrue daily and shall be paid promptly by the Fund after each July 31, October 31, January 31, and April 30.

7. Denomination, Media and Modalities of Drawings and Payments.

(a) The amount of each drawing and corresponding repayment under this agreement shall be denominated in SDRs.

(b) Unless otherwise agreed between the Fund and Bank Negara Malaysia, the amount of each drawing shall be paid by Bank Negara Malaysia, on the value date specified in the Fund's notice under paragraph 3, by transfer of the SDR equivalent amount of Malaysian ringgit to the account of the Fund at the designated depository of Malaysia; provided that for drawings in accordance with paragraph 2(e), Bank Negara Malaysia shall ensure that balances drawn by the Fund that are not balances of a freely usable currency can be exchanged for a freely usable currency of its choice, and, with respect to balances drawn by the Fund that are balances of a freely usable currency, shall collaborate with the Fund and other members to enable such balances to be exchanged for another freely usable currency.

(c) Except as otherwise provided in paragraph 8, repayment of principal shall be made, as determined by the Fund, in the currency borrowed whenever feasible, in Malaysian ringgit, in special drawing rights (provided that it does not increase Malaysia's holdings of special drawing rights above the limit under Article XIX, Section 4 of the Fund's Articles of Agreement unless Malaysia agrees to accept special drawing rights above that limit in such repayment), in freely usable currencies, or with the agreement of Bank Negara Malaysia in other currencies that are included in the Fund's Financial Transactions Plan for transfers.

(d) Payments by the Fund of interest under this agreement shall normally be made in SDRs; provided that the Fund and Bank Negara Malaysia may agree that interest payments will be made in Malaysian ringgit.

(e) All payments made by the Fund in Malaysian ringgit shall be made to an account specified by Bank Negara Malaysia. Payments in SDRs shall be made by crediting Malaysia's account in the Special Drawing Rights Department. Payments in any other currency shall be made to an account specified by Bank Negara Malaysia.

8. Early Repayment at Request of Bank Negara Malaysia.

At the request of Bank Negara Malaysia, Bank Negara Malaysia shall obtain early repayment at face value of all or a portion of the drawings outstanding under this agreement, if (i) Bank Negara Malaysia represents that Malaysia's balance of payments and reserve position justifies such

repayment, and (ii) the Fund, having given this representation the overwhelming benefit of any doubt, determines that there is a need for the early repayment as requested by Bank Negara Malaysia in light of Malaysia's balance of payments and reserve position. After consultation with Bank Negara Malaysia, the Fund may make repayments pursuant to this paragraph 8 in SDRs or a freely usable currency as determined by the Fund or, with the agreement of Bank Negara Malaysia, in the currencies of other members that are included in the Fund's Financial Transactions Plan for transfers.

9. Transferability.

(a) Except as provided in subparagraphs (b) through (h), Bank Negara Malaysia may not transfer its obligations under this agreement or any of its claims on the Fund resulting from outstanding drawings under this agreement, except with the prior consent of the Fund and on such terms or conditions as the Fund may approve.

(b) Bank Negara Malaysia shall have the right to transfer at any time all or part of any claim on the Fund resulting from outstanding drawings under this agreement to any member of the Fund, to the central bank or other fiscal agency designated by any member for purposes of Article V, Section 1 of the Fund's Articles of Agreement ("other fiscal agency"), or to any official entity that has been prescribed as a holder of SDRs pursuant to Article XVII, Section 3 of the Fund's Articles of Agreement.

(c) The transferee of a claim transferred pursuant to subparagraph (b) shall, as a condition of the transfer, assume the liability of Bank Negara Malaysia pursuant to paragraph 5(a) regarding the extension of the maturity of drawings related to the transferred claim and regarding the extension of the maximum maturity of drawings under this agreement in exceptional circumstances. More generally, any claim transferred pursuant to subparagraph (b), shall be held by the transferee on the same terms and conditions as the claim was held by Bank Negara Malaysia, except that (i) the transferee shall acquire the right to request early repayment under paragraph 8 only if it is a member, or the central bank or other fiscal agency of a member, and at the time of transfer the member's balance of payments and reserve position is considered sufficiently strong in the opinion of the Fund that its currency is used in transfers under the Financial Transactions Plan, (ii) if the transferee is a member, or the central bank or other fiscal agency of a member, the reference to Malaysian ringgit in paragraph 7 shall be deemed to refer to the currency of the relevant member, and in other cases it shall be deemed to refer to a freely usable currency determined by the Fund, (iii) payments related to the transferred claim shall be made to an account specified by the transferee, and (iv) references to business days (Kuala Lumpur) shall be deemed to refer to business days in the place where the transferee is situated.

(d) The price of a claim transferred pursuant to subparagraph (b) shall be as agreed between Bank Negara Malaysia and the transferee.

(e) Bank Negara Malaysia shall notify the Fund promptly of the claim that is being transferred pursuant to subparagraph (b), the name of the transferee, the amount of the claim that is being transferred, the agreed price for transfer of the claim, and the value date of the transfer.

(f) A transfer notified to the Fund under subparagraph (e) shall be reflected in the Fund's records if it is in accordance with the terms and conditions of this paragraph 9. The transfer shall be effective as of the value date agreed between Bank Negara Malaysia and the transferee.

(g) If all or part of a claim is transferred during a quarterly period as described in paragraph 6(b), the Fund shall pay interest to the transferee on the amount of the claim transferred for the whole of that period.

(h) If requested, the Fund shall assist in seeking to arrange transfers.

10. Effective Exchange Rate.

(a) Unless otherwise agreed between Bank Negara Malaysia and the Fund, all drawings, exchanges, and payments of principal and interest under this agreement shall be made at the exchange rates for the relevant currencies in terms of the SDR established pursuant to Article XIX, Section 7(a) of the Fund's Articles of Agreement and the rules and regulations of the Fund thereunder for the second business day of the Fund before the value date of the transfer, exchange or payment. If this exchange rate determination date is not a business day in Kuala Lumpur, such date shall be the last preceding business day of the Fund that is also a business day in Kuala Lumpur.

(b) For purposes of applying the limit on drawings as specified in paragraphs 1(a), 14(c) and 14(e), the U.S. dollar value of each SDR-denominated drawing shall be determined and permanently fixed on the value date of the drawing based on the U.S. dollar/SDR exchange rate established pursuant to Article XIX, Section 7(a) of the Fund's Articles of Agreement and the rules and regulations of the Fund thereunder for the second business day of the Fund before the value date of the drawing. If this exchange rate determination date is not a business day in Kuala Lumpur, such date shall be the last preceding business day of the Fund that is also a business day in Kuala Lumpur.

11. Changes in Method of Valuation of SDR.

If the Fund changes the method of valuing the SDR, all transfers, exchanges and payments of principal and interest made two or more business days of the Fund after the effective date of the change shall be made on the basis of the new method of valuation.

12. Non-Subordination of Claims.

The Fund agrees that it will not take any action that would have the effect of making Bank Negara Malaysia's claims on the Fund resulting from outstanding drawings under this agreement



subordinate in any way to claims on the Fund resulting from any other borrowing effected pursuant to Article VII, Section 1(i) of the Fund's Articles of Agreement.

13. Settlement of Questions.

Any question arising under this agreement shall be settled by mutual agreement between Bank Negara Malaysia and the Fund.

14. Transitional Arrangements.

(a) Regardless of whether this agreement is activated or not, the Fund: (i) subject to paragraph 14(b) below, shall make drawings under this agreement to repay any outstanding claims under Bank Negara Malaysia's 2016 Borrowing Agreement, and (ii) may make drawings under this agreement to fund purchases under commitments approved by the Fund during an activation of the 2016 Borrowing Agreements or to fund early repayment of claims under other 2016 Borrowing Agreements in case the creditor represents a balance of payments need; provided that notwithstanding paragraph 5(a) of this agreement the maximum maturity date of the claim from the repayment herein shall be the residual maximum maturity date of the claim that is repaid with drawings under this agreement; and provided further that any claims under this agreement that result from the repayment herein shall be considered claims under the 2016 Borrowing Agreements for purposes of funding the early repayment of these claims in case of balance of payments need in accordance with the 2016 Borrowing Agreements, and for purposes of special calls under paragraph 23 of the Fund's Decision No. 16645-(20/5), adopted January 16, 2020.

(b) To the extent that claims under Bank Negara Malaysia's 2016 Borrowing Agreement or this agreement are outstanding when the increase in Malaysia's NAB credit arrangement becomes effective, Bank Negara Malaysia shall be deemed to request, on behalf of Malaysia, in accordance with paragraph 23 of the Fund's Decision No. 11428-(97/6), adopted January 27, 1997 on the NAB, as amended, that the Managing Director make calls under Malaysia's NAB credit arrangement up to the maximum available amount, taking into account the Fund's need for maintaining prudential balances, to fund the repayment of such claims; provided that if the increase in Malaysia's NAB credit arrangement and this agreement enter into effect at the same time, the repayment of Bank Negara Malaysia's outstanding claims under Bank Negara Malaysia's 2016 Borrowing Agreement shall be funded first with calls under Malaysia's NAB credit arrangement before drawings are made under this agreement pursuant to paragraph 14(a) above.

(c) If following the repayment of outstanding claims under Bank Negara Malaysia's 2016 Borrowing Agreement and this agreement as provided in paragraph 14(b) above, Bank Negara Malaysia's outstanding claims under these agreements remain in excess of the Rolled Back Loan Amount as calculated pursuant to paragraph 10(b), the Fund shall repay any outstanding claims under Bank Negara Malaysia's 2016 Borrowing Agreement and this agreement in excess of the Rolled Back Loan Amount; provided that claims with shorter remaining maximum maturities shall be repaid before those with longer remaining maximum maturities.

(d) After the entry into force of this agreement, the Fund may make no further drawing under Bank Negara Malaysia's 2016 Borrowing Agreement.

(e) No drawing under this agreement shall be made that would cause the total outstanding drawings under both this agreement and Bank Negara Malaysia's 2016 Borrowing Agreement, at the time of such drawing, to (i) exceed the Loan Amount prior to the effectiveness of the increase in Malaysia's NAB credit arrangement, or (ii) exceed the Rolled Back Loan Amount upon and after the effectiveness of the increase in Malaysia's NAB credit arrangement, as calculated pursuant to paragraph 10(b); provided that drawings beyond the Rolled Back Loan Amount under (ii) herein are authorized, if within the same day of these drawings any resulting claim that would exceed the Rolled Back Loan Amount is repaid with a special call under Malaysia's NAB credit arrangement, and Bank Negara Malaysia hereby requests, on behalf of Malaysia, that the Managing Director make such calls to fund the repayment in accordance with paragraph 23 of the Fund's Decision No. 11428-(97/6), adopted January 27, 1997 on the NAB, as amended.

#### 15. Final Provisions.

(a) This agreement may be executed in duplicate counterparts, each of which shall be deemed an original and both of which together shall constitute but one and the same instrument.

(b) This agreement shall become effective on the date last signed below or on the date on which Malaysia provides the concurrence that is required under Article VII, Section 1(i) of the Fund's Articles of Agreement for Fund borrowing of Malaysian ringgit from Bank Negara Malaysia, or on January 1, 2021, whichever is later.

For Bank Negara Malaysia:

The execution of this agreement by )  
Bank Negara Malaysia was duly )  
affected in a manner authorized by )  
the Central Bank of Malaysia Act )  
2009 under its Common Seal which )  
said Seal was hereto affixed in the )  
presence of:

\_\_\_\_\_  
[Name]  
[Title]

\_\_\_\_\_  
Date

For the International Monetary Fund:

\_\_\_\_\_  
Kristalina Georgieva  
Managing Director

\_\_\_\_\_  
Date

## Attachment II. Note Purchase Agreement between the Bank of Algeria and the International Monetary Fund

This Note Purchase Agreement (this “Agreement”) is entered into between the Bank of Algeria and the International Monetary Fund (the “Fund”).

### 1. Purposes and Amounts.

(a) To enhance the resources available on a temporary basis to the Fund for crisis prevention and resolution through bilateral borrowing, the Bank of Algeria agrees to purchase from the Fund promissory notes, which shall be issued in accordance with the terms of this Agreement and the General Terms and Conditions for International Monetary Fund Series G Notes attached as Annex 1 to this Agreement (the “Notes”). Notes in a total, SDR-denominated, principal amount up to the equivalent of US\$5,000 million (“Principal”) shall be issued under this Agreement; provided however that, upon the effectiveness of the reform of the New Arrangements to Borrow (the “NAB”) approved by the Fund under Decision No. 16645-(20/5), adopted January 16, 2020 (the “NAB Reform”), the Principal will be automatically reduced to an SDR-denominated amount up to the equivalent of US\$2,154 million (the “Rolled Back Principal”).

(b) This Agreement and other bilateral borrowing agreements that the Fund has entered into or amended pursuant to the borrowing framework approved by the Fund in March 2020 shall be referred to each as a “2020 Borrowing Agreement” and collectively as the “2020 Borrowing Agreements”. Each bilateral borrowing agreement that the Fund entered into pursuant to the borrowing framework approved by the Fund in August 2016 shall be referred to as a “2016 Borrowing Agreement” and collectively as the “2016 Borrowing Agreements”. The 2020 Borrowing Agreements and the 2016 Borrowing Agreements shall be collectively referred to as “Bilateral Borrowing Agreements”.

### 2. Term of the Agreement and Use.

(a) The term of this Agreement shall end on December 31, 2023; provided that the Fund may extend the term of this Agreement for one further year through December 31, 2024 by a decision of the Executive Board, taking into account the Fund’s overall liquidity situation and actual and prospective borrowing requirements, and with the consent of the Bank of Algeria.

(b) The 2020 Borrowing Agreements may be activated only after the Managing Director has notified the Executive Board that the Forward Commitment Capacity of the Fund as defined in Decision No. 14906-(11/38), adopted April 20, 2011, taking into account all available uncommitted resources under the NAB (the “modified FCC”), is below SDR 100 billion (the “activation threshold”); provided, however, that the Managing Director shall not provide such notification unless: (i) the NAB are activated as of the time of the notification, or there are no available uncommitted resources under the NAB as of that time, and (ii) the activation of the 2020 Borrowing Agreements has been

approved by creditors representing at least 85 percent of the total credit amount committed under the 2020 Borrowing Agreements by creditors eligible to vote on such activation. For purposes of conducting a poll of eligible creditors, the Managing Director shall propose in writing the activation of the 2020 Borrowing Agreements and request the creditors' vote. A creditor shall not be eligible to vote on the activation if, at the time of the vote, its 2020 Borrowing Agreement is not effective, or the relevant member is not included in the Fund's Financial Transactions Plan for transfers of its currency. Nothing in this paragraph 2(b) shall preclude the Managing Director from approaching creditors before the modified FCC is below the activation threshold, if extraordinary circumstances so warrant in order to forestall or cope with an impairment of the international monetary system.

(c) If the 2020 Borrowing Agreements are activated pursuant to paragraph 2(b), they shall be automatically deactivated whenever the NAB is no longer activated, unless there are no available uncommitted resources under the NAB at that time. Separately, the 2020 Borrowing Agreements shall be deactivated if the Managing Director has notified the Executive Board that the modified FCC (excluding any amounts available under the Bilateral Borrowing Agreements) has risen above the activation threshold and: (i) the Executive Board determines that activation is no longer necessary; or (ii) six months have elapsed since the date of the Managing Director's notification and, within that period, the modified FCC (excluding any amounts available under the Bilateral Borrowing Agreements) has not fallen below the activation threshold. If, after the deactivation of the 2020 Borrowing Agreements under this paragraph 2(c), the modified FCC were to fall below the activation threshold, the provisions of paragraph 2(b) will apply.

(d) During any period after the activation of the 2020 Borrowing Agreements as provided under paragraph 2(b) and for as long as the 2020 Borrowing Agreements remain activated in accordance with paragraphs 2(b) and 2(c), the Fund may (i) use the resources available under this Agreement to fund any outright purchases made from the General Resources Account ("GRA") during the term of this Agreement and (ii) approve, during the term of this Agreement, commitments of GRA resources under Fund arrangements whose purchases could be funded by issuing Notes for purchase under this Agreement at any time during the period of such commitments, including after the expiration of the term of this Agreement and during any period in which this Agreement is no longer activated in accordance with paragraph 2(c); provided however that the commitments covered under this clause (ii) shall also include any commitment whose approval caused the activation threshold to be reached.

(e) Following an activation specified in paragraph 2(b), the resources available under this Agreement may also be used by the Fund to fund the early repayment of claims under other 2020 Borrowing Agreements if the relevant creditors under those other agreements request the early repayment of their claims in the circumstances specified in paragraph 7 of the General Terms and Conditions for International Monetary Fund Series G Notes. Notes for purchase may be issued under this Agreement to fund such early repayment of other creditors' claims for as long as claims under the 2020 Borrowing Agreements remain outstanding, including after the expiration of the term of this Agreement or during any period in which this Agreement is no longer activated in accordance with paragraph 2(c).

(f) Notes for purchase under this Agreement shall be issued with the goal of achieving over time broadly balanced positions among creditors under all Bilateral Borrowing Agreements relative to their commitments under these agreements.

### 3. Estimates, Notices and Limits on Issuance of Notes.

(a) Prior to the beginning of each plan period for the use of bilateral borrowed resources, the Fund shall provide the Bank of Algeria with its best estimates of the amounts of the Notes that it expects it will issue for purchase under this Agreement during the forthcoming period, and shall provide revised estimates during each period where this is warranted. The Bank of Algeria shall not be included in the periodic plan, and no Notes shall be issued for purchase under this Agreement, if Algeria is not included and is not being proposed by the Managing Director to be included in the list of countries in the Financial Transactions Plan for transfers of its currency. Moreover, no Notes shall be issued for purchase under this Agreement if the Bank of Algeria was included in the periodic plan but, at the time of the issuance of these Notes, Algeria's currency is not being used in transfers under the Financial Transactions Plan because of Algeria's balance of payments and reserve position. Where Algeria was not included in the Financial Transactions Plan at the time of the vote on the activation of the 2020 Borrowing Agreements and is subsequently included in the Financial Transactions Plan, Notes may be issued for purchase under this Agreement to fund purchases made and commitments approved during the activation period unless and for so long as the Bank of Algeria notifies the Fund that it does not wish to have such issuance for these purposes.

(b) The Fund shall give the Bank of Algeria at least five business days' (Algiers) notice of its intention to issue Notes for purchase, and shall provide payment instructions at least two business days (Fund) prior to the value date of the transaction by a rapid authenticated means of communication (e.g., SWIFT), provided that in exceptional circumstances where it is not possible to provide at least five business days' (Algiers) notice, notification of intent to issue Notes for purchase would be made at least three business days (Algiers) in advance of the value date, and the Bank of Algeria would make best efforts to meet such a call.

(c) Payment by the Fund of the principal amount of a Note shall restore *pro tanto* the amount of Notes that may be issued under this Agreement. The extension of the maturity of a Note, or of any part thereof, in accordance with paragraph 4(a) of the General Terms and Conditions for International Monetary Fund Series G Notes shall not reduce the amount of Notes that may be issued under this Agreement.

### 4. Denomination and Price.

Notes shall be denominated in the special drawing right (SDR). Notes shall be issued in multiples of SDR 10 million. The purchase price for each Note shall be 100 percent of the principal amount thereof.

5. Payments for Purchases, Exchanges of Currencies and SDR Valuation.

(a) Unless otherwise agreed between the Fund and the Bank of Algeria, the purchase price of each Note shall be paid by the Bank of Algeria on the value date specified in the Fund's notice under paragraph 3, by transfer of the SDR equivalent amount of Algerian dinar to the account of the Fund with the designated depository of Algeria; provided that for Notes purchased in accordance with paragraph 2(e), the Bank of Algeria shall ensure that balances used in the purchase that are not balances of a freely usable currency can be exchanged for a freely usable currency of its choice, and, with respect to balances used in the purchase that are balances of a freely usable currency, the Bank of Algeria shall collaborate with the Fund and other members to enable such balances to be exchanged for another freely usable currency.

(b) Unless otherwise agreed between the Fund and the Bank of Algeria, all purchases of Notes and exchanges of currency pursuant to this Agreement shall be made at the exchange rate for the relevant currency in terms of the SDR established pursuant to Article XIX, Section 7(a) of the Fund's Articles of Agreement and the rules and regulations of the Fund thereunder for the second business day of the Fund before the value date of the purchase or exchange. If this exchange rate determination date is not a business day in Algiers such date shall be the last preceding business day of the Fund that is also a business day in Algiers.

(c) If the Fund changes the method of valuing the SDR, all purchases and exchanges of currency made two or more business days of the Fund after the effective date of the change shall be made on the basis of the new method of valuation.

(d) For purposes of applying the limit specified in paragraphs 1(a), 8(b) and 8(d) on Fund issuance of Notes for purchase under this Agreement, the US dollar value of each SDR-denominated Note issued by the Fund shall be determined and permanently fixed on the value date of the issuance based on the US dollar/SDR exchange rate established pursuant to Article XIX, Section 7(a) and the rules and regulations of the Fund thereunder for the second business day of the Fund before the value date of the issuance. If this exchange rate determination date is not a business day in Algiers, such date shall be the last preceding business day of the Fund that is also a business day in Algiers.

6. Transferability.

The Bank of Algeria may not transfer any of its rights or obligations under this Agreement except with the prior written consent of the Fund; provided however that transfers of Notes may be effected pursuant to, and subject in any event to the transfer restrictions and other limitations on transfers of the Notes set forth in, the General Terms and Conditions for International Monetary Fund Series G Notes.

7. Settlement of Questions.

Any question arising under this Agreement shall be settled by mutual agreement between the Bank of Algeria and the Fund.

8. Transitional Arrangements.

(a) Regardless of whether this Agreement is activated or not, the Fund: (i) shall issue Notes for purchase under this Agreement to repay any outstanding claims under the Bank of Algeria's 2016 Borrowing Agreement, and (ii) may issue Notes for purchase under this Agreement to fund purchases under commitments approved by the Fund during an activation of the 2016 Borrowing Agreements or to fund early repayment of claims under other 2016 Borrowing Agreements in case the creditor represents a balance of payments need; provided that, notwithstanding paragraph 4(a) of the General Terms and Conditions for International Monetary Fund Series G Notes annexed to this Agreement, the maximum maturity date of the claim from the repayment herein shall be the residual maximum maturity date of the claim that is repaid with Notes issued under this Agreement; and provided further that any claims under this Agreement that result from the repayment herein, shall be considered 2016 BBA claims for purposes of funding the early repayment of these Notes in accordance with the 2016 Borrowing Agreements.

(b) If, following the entry into effect of the NAB Reform, the Bank of Algeria's outstanding claims under the Bank of Algeria's 2016 Borrowing Agreement and this Agreement remain in excess of the Rolled Back Principal, as calculated pursuant to paragraph 5(d), the Fund shall repay any outstanding claims under the Bank of Algeria's 2016 Borrowing Agreement and this Agreement in excess of the Rolled Back Principal; provided that claims with shorter remaining maximum maturities shall be repaid before those with longer remaining maximum maturities.

(c) After the entry into force of this Agreement, the Fund may no longer issue any Notes under the Bank of Algeria's 2016 Borrowing Agreement.

(d) No Note shall be issued under this Agreement that would cause the total principal amount of Notes outstanding under both this agreement and the 2016 Borrowing Agreement between the Bank of Algeria and the Fund, at the time of such drawing, to (i) exceed the Principal prior to the effectiveness of the NAB Reform, or (ii) exceed the Rolled Back Principal upon and after the effectiveness of the NAB Reform, as calculated pursuant to paragraph 5(d).

9. Final Provisions.

(a) This Agreement may be executed in duplicate counterparts, each of which shall be deemed an original and both of which together shall constitute but one and the same instrument.

(b) This Agreement shall become effective on the date last signed below, or on the date on which Algeria provides the concurrence that is required under Article VII, Section 1(i) of the Fund's Articles of Agreement for Fund borrowing of Algerian dinar from the Bank of Algeria, or on January 1, 2021, whichever is later.



For the Bank of Algeria:

\_\_\_\_\_  
[Name]

[Title]

\_\_\_\_\_  
Date

For the International Monetary Fund:

\_\_\_\_\_  
Kristalina Georgieva  
Managing Director

\_\_\_\_\_  
Date

## **ANNEX 1. General Terms and Conditions for International Monetary Fund Series G Notes**

1. Definitions. These are the General Terms and Conditions for International Monetary Fund Series G Notes that are referred to in the Applicable Note Purchase Agreement, as defined below, and in the Notes described therein and herein. The following definitions apply for purposes of these General Terms and Conditions:

(a) “Applicable Note Purchase Agreement” for any Note means the Note Purchase Agreement between the Fund and the original Eligible Purchaser to whom the Fund (i) had issued the Note, or (ii) had issued any Note in cancellation of which the Note (or one or more Notes previously cancelled in exchange for the Note) had been issued.

(b) “Borrowing Guidelines” means the Guidelines for Borrowing by the Fund.

(c) “Eligible Purchaser” means (i) a member of the Fund, and (ii) the central bank of a member of the Fund.

(d) “Eligible Holder” means (i) an Eligible Purchaser, (ii) a fiscal agency designated by a member of the Fund for purposes of Article V, Section 1 of the Fund’s Articles of Agreement (hereinafter referred to as the “fiscal agency of a member”), and (iii) an official entity that has been prescribed as a holder of special drawing rights (SDRs) pursuant to Article XVII, Section 3 of the Fund’s Articles of Agreement (hereinafter referred to as a “prescribed SDR holder”).

(e) “Notes” mean the promissory notes (International Monetary Fund Series G Notes) that are subject to these General Terms and Conditions.

(f) “Permitted Holder” means (i) an Eligible Holder, and (ii) any other official entity in respect of whom the Fund has consented in writing to a transfer of Notes pursuant to subparagraph 6(b) of these General Terms and Conditions.

(g) “Relevant Member” means, in the case of a Permitted Holder that is the central bank or fiscal agency or other official institution of a member of the Fund, that member of the Fund.

### 2. Eligible Purchasers and Permitted Holders of Notes.

The Fund will issue Notes solely to Eligible Purchasers. Each Eligible Purchaser will enter into a Note Purchase Agreement with the Fund governing the terms of its purchases of Notes from the Fund. Permitted Holders shall be the only authorized holders of the Notes.

### 3. Form, Delivery and Custody of Notes.

(a) Notes will only be issued in book entry form. The Fund will establish and maintain in its records a book entry account in the name of each Permitted Holder recording pertinent details of all Notes issued, including the number, issue date, principal amount, series, and maturity date. As of the value date of each purchase or transfer of a Note, the Fund will make an appropriate entry in its records regarding details of the Note purchased or transferred. The making of such an entry in the records of the Fund shall constitute a taking of delivery of the Note by the purchaser or transferee.

(b) Upon the request of a Permitted Holder, the Fund will issue to the Permitted Holder a registered Series G Note substantially in the form set out in Annex 2, including without limitation the legend regarding restrictions on transfer of Notes. Each such registered Note will bear as its issue date the value date of the purchase of the Note and shall be issued in the name of the relevant Permitted Holder. Unless otherwise agreed between a Permitted Holder and the Fund, the Fund will keep registered Notes in custody for the Permitted Holder, and acceptance of custody by the Fund shall constitute delivery of Notes to the Permitted Holder.

### 4. Maturity.

(a) Except as otherwise provided in this paragraph 4 and in paragraph 7(b)(ii), each Note shall have a maturity date that is three months from its issue date. The Fund may in its sole discretion elect to extend the maturity date of any Note or of any portion thereof by additional periods of three months after the initial maturity date, which extension the Fund shall automatically be deemed to have elected with respect to the maturity dates then in effect for all Notes unless, at least five business days (Fund) before a maturity date, the Fund notifies a Permitted Holder by a rapid authenticated means of communication (e.g., SWIFT) that the Fund does not elect to extend the maturity date of the particular Note or portion thereof; provided however (i) that the maturity date of any Note purchased to fund GRA purchases shall not be extended to a date that is later than the tenth anniversary of the date of such Note, and (ii) that the maturity date for any Notes purchased to fund the early repayment of other creditors' claims in accordance with paragraph 2(e) of the Applicable Note Purchase Agreement shall be a single common maturity date that is the longest remaining maximum maturity of any claim for which such early repayment has been requested or the tenth anniversary of the date of the relevant Notes being issued to fund early repayment, whichever is earlier. Notwithstanding the maturity deadlines in the preceding sentence, following an Executive Board determination that exceptional circumstances exist as a result of a shortage of Fund resources in relation to Fund obligations falling due, the Fund, with the agreement of the Permitted Holder, may extend the maximum maturity for Notes purchased up to an additional five years.

(b) The Fund shall pay the principal amount of each Note on the maturity date that is applicable to that Note in accordance with subparagraph (a). If a maturity date for a Note is not a business day in the place where payment is to be made, then the payment date for such principal

amount will be the next business day in that place. In such cases, interest will accrue up to the payment date.

(c) The Fund may at its option make an early payment in part or in full of the principal amount of any Note prior to its maturity date, after consultation with the relevant Permitted Holder, provided that the Fund notifies Permitted Holder at least five business days (Fund) before any such payment by a rapid authenticated means of communication (e.g., SWIFT).

(d) The Fund will cancel a Note upon payment of the principal amount of the Note and all accrued interest. If the Fund makes early payment of less than the principal amount of a Note, the Fund will cancel the Note and issue a new Note for the remainder of the amount, with the same maturity date as the cancelled Note. If the maturity date of a Note is extended with respect to less than the principal amount of the Note, the Fund will cancel the Note and issue a new Note for the remainder of the amount, with the extended maturity date.

(e) Any Note to be cancelled by the Fund that is not already in the custody of the Fund shall be surrendered by the Permitted Holder to the Fund for cancellation.

## 5. Rate of Interest.

(a) Each Note bears interest at the SDR interest rate established by the Fund pursuant to Article XX, Section 3 of the Fund's Articles of Agreement; however, if the Fund pays an interest rate higher than the SDR interest rate on outstanding balances from any other borrowing on comparable terms that has been effected pursuant to Article VII, Section 1(i) of the Fund's Articles of Agreement, and for as long as the payment of such higher interest rate remains in effect, the interest rate payable on each Note will be equivalent to the interest rate paid by the Fund on such other comparable borrowing.

(b) The amount of interest payable on each Note is calculated on the basis of the principal amount of the Note (including the principal amount of any Note issued in substitution of a Note cancelled pursuant to paragraph 4(d)). Interest accrues daily and is to be paid promptly by the Fund after each July 31, October 31, January 31, and April 30.

## 6. Transferability of Notes.

(a) A Permitted Holder has the right to transfer at any time all or part of any Note to any Eligible Holder. If requested, the Fund will use its best efforts to arrange such transfers to one or more Eligible Holders identified by the Fund or by the transferor Permitted Holder.

(b) Transfers by a Permitted Holder of all or part of any Note to an official entity other than an Eligible Holder shall require the prior written consent of the Fund, and may only take place on such additional terms and conditions as the Fund may approve.

(c) In no event shall any Permitted Holder have the right to sell, assign, dispose of or otherwise transfer any Note or any part of any Note, directly or indirectly, to any entity that is not (i) an Eligible Holder, or (ii) an official entity in respect of which the Fund has consented in writing to the transfer pursuant to subparagraph (b).

(d) Derivative transactions in respect of any Note, and transfers of participation interests in any Note, are prohibited.

(e) The transferee of a Note transferred pursuant to this paragraph 6 shall, as a condition of the transfer, assume in full the obligations of a Permitted Holder pursuant to paragraph 4(a) regarding extensions of the maturity of the Note and regarding the extension of the maximum maturity of the Note in exceptional circumstances. More generally, any Note or part thereof transferred pursuant to this paragraph 6 shall be held by the transferee on the same terms and conditions as the Note was held by the transferor, except as provided in paragraph 7 with respect to the right to early payment at the request of a Permitted Holder.

(f) The price of a Note transferred pursuant to this paragraph 6 will be as agreed between the transferor and the transferee.

(g) Transfers made pursuant to subparagraph (a) that are in accordance with the terms and conditions of this paragraph 6 will be effected by a duly authenticated notice of transfer from the transferor to the Fund stating the name of the transferee and the Note being transferred, the transferee's eligibility for a transfer pursuant to subparagraph (a), and the value date of the transfer.

(h) For all transfers under this paragraph 6, the Fund will cancel the Note that has been transferred in whole or in part and, if the Note is a registered Note, the transferor shall, as a condition for the transfer, surrender for cancellation any such registered Note that is not already in the custody of the Fund. Upon cancellation of the relevant Note, the Fund will issue a new Note in the name of the transferee for the principal amount transferred and, where appropriate, a new Note in the name of the transferor for any part of the principal amount retained by it. The issue date of each new Note will be the issue date of the cancelled Note, and the new Notes will have the same maturity date (including any maturity date resulting from extensions of a previous maturity date) that is applicable to the cancelled Note pursuant to paragraph 4. The form and delivery of each new Note will be as specified in paragraph 3.

(i) If all or part of a Note is transferred during a quarterly period as described in paragraph 5(b), the Fund will pay interest to the transferee on the principal amount of the Note for the whole of that period.

## 7. Early Payment by the Fund at Request of Certain Permitted Holders.

(a) The rights provided in subparagraph (b) shall apply only to Permitted Holders of Notes that are either (i) Eligible Purchasers in respect of such Notes, or (ii) transferees of such Notes

pursuant to paragraphs 6(a) or 6(b) for which the following conditions are met: (A) the transferee is a member of the Fund, or the central bank or fiscal agency of a member of the Fund, and (B) at the time of transfer, the balance of payments and reserve position of the member or Relevant Member, as the case may be, was considered sufficiently strong in the opinion of the Fund that its currency was being used in transfers under the Financial Transactions Plan.

(b) A Permitted Holder described in subparagraph (a) shall obtain early payment at face value of all or a portion of the principal of Notes as described in subparagraph (a) that are held by such Permitted Holder, if (i) the Permitted Holder represents that its balance of payments and reserve position (the balance of payments and reserve position of the Relevant Member if the Permitted Holder is the central bank or fiscal agency of a member) justifies early payment, and (ii) the Fund, having given this representation the overwhelming benefit of any doubt, determines that there is a need for early payment as requested by the Permitted Holder in light of the balance of payments and reserve position of the Permitted Holder or the Relevant Member, as the case may be.

(c) After consultation with the Permitted Holder, the Fund may make payments pursuant to this paragraph 7 in SDRs or a freely usable currency as determined by the Fund or, with the agreement of the Permitted Holder, in the currencies of other members that are included in the Fund's periodic Financial Transactions Plan for transfers.

## 8. Media and Modalities of Payments on the Notes.

(a) Except as otherwise provided in paragraph 7, payments by the Fund of the principal amount of Notes shall be made to a Permitted Holder, as determined by the Fund, in (i) the currency borrowed whenever feasible, if the Permitted Holder is the original purchaser, (ii) the currency of the Permitted Holder, if the Permitted Holder is a member of the Fund, (iii) the currency of the Relevant Member, if the Permitted Holder is the central bank or fiscal agency of a member of the Fund, or is a prescribed SDR holder that is an official institution of a member, (iv) special drawing rights, if the Permitted Holder is covered by clauses (ii) or (iii) or is otherwise a prescribed SDR holder (provided that it does not increase the member's holdings of special drawing rights above the limit under Article XIX, Section 4 of the Fund's Articles of Agreement unless the member agrees to accept special drawing rights above that limit in such payment, in the case of a Permitted Holder covered by clause (ii)), (v) any freely usable currency determined by the Fund in the case of any Permitted Holder, or (vi) other currencies that are included in the Fund's periodic Financial Transactions Plan for transfers, with the agreement of the Permitted Holder.

(b) Payments by the Fund of interest on the Notes will normally be made in SDRs if the Permitted Holder is a member of the Fund or a central bank or fiscal agency of such a member, or a prescribed SDR holder; provided that in the case of a member of the Fund or a central bank or fiscal agency of such a member, the Fund and the Permitted Holder may agree that interest payments will be made in the currency of the Relevant Member. Payments of interest to other Permitted Holders will be made in a freely usable currency as determined by the Fund.

(c) All payments made by the Fund to a Permitted Holder in currency will be made by crediting the amount due to an account specified in advance by the Permitted Holder for purposes of receiving such payments, or, in the case of a Permitted Holder that is a Fund member, by debiting the Fund's account with the designated depository of that member, as determined by the Fund. Payments in SDRs will be made by crediting the SDR Department account of the Permitted Holder or of the Relevant Member as the case may be.

10. Effective Exchange Rate for Payments.

Unless otherwise agreed between a Permitted Holder and the Fund, all payments in currency of principal and interest under these General Terms and Conditions will be made at the exchange rates for the relevant currencies in terms of the SDR established pursuant to Article XIX, Section 7(a) of the Fund's Articles of Agreement and the rules and regulations of the Fund thereunder for the second business day of the Fund before the value date of the payment. If this exchange rate determination date is not a business day in the Permitted Holder's principal location, then such date will be the last preceding business day of the Fund that is also a business day in the Permitted Holder's principal location.

11. Changes in Method of Valuation of SDR.

If the Fund changes the method of valuing the SDR, all payments of principal and interest on the Notes made two or more business days of the Fund after the effective date of the change will be made on the basis of the new method of valuation.

11. Non-Subordination of Claims.

The Fund will not take any action that would have the effect of making a Permitted Holder's claim on the Fund resulting from any Note subordinate in any way to claims on the Fund resulting from any other borrowing effected pursuant to Article VII, Section 1(i) of the Fund's Articles of Agreement.

12. Settlement of Questions.

Any question arising under any Note shall be settled by mutual agreement between the relevant Permitted Holder and the Fund.

**ANNEX 2. Form of Registered Series G Note**

Number \_\_\_\_\_

SDR \_\_\_\_\_

INTERNATIONAL MONETARY FUND

REGISTERED NOTE

Issue Date: \_\_\_\_\_

Maturity Date: [to include description of automatic extensions of maturity and extension option in exceptional circumstances]

The INTERNATIONAL MONETARY FUND ("the Fund"), for value received, hereby promises to pay to \_\_\_\_\_, being the registered holder of this note, an amount equivalent to

\_\_\_\_\_ Special Drawing Rights (SDR \_\_\_\_\_)

on the maturity date specified above and to pay interest thereon as set forth below.

This Note is one of a series of "Series G Notes" issued in accordance with the General Terms and Conditions for International Monetary Fund Series G Notes (the "General Terms and Conditions") and the Applicable Note Purchase Agreement as such term is defined in the General Terms and Conditions. Each holder of this Note is deemed to have agreed to the General Terms and Conditions and relevant terms of the Applicable Note Purchase Agreement, including without limitation the maturity date (including the terms on which it may be extended at the sole option of the Fund from time to time), the interest rate, the terms and conditions of early payment at the request of the Fund or the holder hereof, and the terms and conditions of transfer of this Note or any part thereof.

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES LAWS OF ANY JURISDICTION.

IN NO EVENT SHALL ANY HOLDER OF THIS NOTE SELL, ASSIGN, DISPOSE OF OR OTHERWISE TRANSFER THIS NOTE, DIRECTLY OR INDIRECTLY, TO ANY ENTITY THAT IS NOT (I) A MEMBER OF THE FUND OR THE CENTRAL BANK OF A MEMBER OF THE FUND, (II) A FISCAL AGENCY DESIGNATED BY A MEMBER OF THE FUND FOR PURPOSES OF ARTICLE V, SECTION 1 OF THE FUND'S ARTICLES OF AGREEMENT, (III) AN OFFICIAL ENTITY THAT HAS BEEN PRESCRIBED AS A HOLDER OF SPECIAL DRAWING RIGHTS PURSUANT TO ARTICLE XVII, SECTION 3 OF THE FUND'S ARTICLES OF AGREEMENT, OR (IV) ANY OTHER OFFICIAL ENTITY IN RESPECT OF WHICH THE FUND HAS CONSENTED IN WRITING TO A TRANSFER PURSUANT TO PARAGRAPH 6(B) OF THE GENERAL TERMS AND CONDITIONS.



ANY DERIVATIVE TRANSACTIONS IN RESPECT OF THIS NOTE, AND TRANSFERS OF PARTICIPATION INTERESTS IN THIS NOTE, ARE PROHIBITED.

Interest shall accrue daily on the principal amount of this Note at the SDR interest rate established by the Fund pursuant to Article XX, Section 3 of the Fund's Articles of Agreement; provided however that, if the Fund pays an interest rate higher than the SDR interest rate on outstanding balances from any other borrowing on comparable terms that has been effected pursuant to Article VII, Section 1(i) of the Fund's Articles of Agreement, and for as long as the payment of such higher interest rate remains in effect, then the interest rate payable on this Note shall be equivalent to the interest rate paid by the Fund on such other comparable borrowing. Interest shall be paid promptly after each July 31, October 31, January 31, and April 30. Payments of interest shall normally be made in SDRs if the registered holder is a member of the Fund, or a central bank or fiscal agency of a member of the Fund, or a prescribed holder of SDRs, provided that the Fund and such registered holder may agree that interest payments will be made in the currency of the Relevant Member, or in a freely usable currency as determined by the Fund in the case of other registered holders. Payments in SDRs shall be made by crediting the SDR Department account of the registered holder, or of the member for which the registered holder serves as central bank or fiscal agency in the case of registered holders that are the central bank or fiscal agency of a member of the Fund.

[Signatures]

## Attachment III. Loan Agreement between the Bank of Finland and the International Monetary Fund

### 1. Purposes and Amounts.

(a) To enhance the resources available on a temporary basis to the International Monetary Fund (the “Fund”) for crisis prevention and resolution through bilateral borrowing, the Bank of Finland agrees to lend to the Fund an SDR-denominated amount up to the equivalent of EUR 3,760 million (the “Loan Amount”); provided however that, upon the effectiveness of the increase in Finland’s credit arrangement under the Fund’s New Arrangements to Borrow (the “NAB”) as part of the reform of the NAB approved by the Fund under Decision No. 16645-(20/5), adopted January 16, 2020 (the “NAB Reform”), the Loan Amount will be automatically reduced to an SDR-denominated amount up to the equivalent of EUR 1,620 million (the “Rolled Back Loan Amount”).

(b) This agreement is based on Article VII, Section 1(i) of the Fund’s Articles of Agreement, which authorizes the Fund to borrow from Fund members or other sources if it deems such action appropriate to replenish its holdings of any member’s currency in the General Resources Account (“GRA”). This agreement must be considered in light of the Guidelines for Borrowing by the Fund, which make clear that quota subscriptions are and should remain the basic source of Fund financing, and that the role of borrowing is to provide a temporary supplement to quota resources.

(c) This agreement and other bilateral borrowing agreements that the Fund has entered into or amended pursuant to the borrowing framework approved by the Fund in March 2020 shall be referred to each as a “2020 Borrowing Agreement” and collectively as the “2020 Borrowing Agreements”. Each bilateral borrowing agreement that the Fund entered into pursuant to the borrowing framework approved by the Fund in August 2016 shall be referred to as a “2016 Borrowing Agreement” and collectively as the “2016 Borrowing Agreements”. The 2020 Borrowing Agreements and the 2016 Borrowing Agreements shall be collectively referred to as the “Bilateral Borrowing Agreements”.

### 2. Term of the Agreement and Use.

(a) The term of this agreement shall end on December 31, 2023; provided that the Fund may extend the term of this agreement for one further year through December 31, 2024 by a decision of the Executive Board, taking into account the Fund’s overall liquidity situation and actual and prospective borrowing requirements, and with the consent of the Bank of Finland.

(b) The 2020 Borrowing Agreements may be activated only after the Managing Director has notified the Executive Board that the Forward Commitment Capacity of the Fund as defined in Decision No. 14906-(11/38), adopted April 20, 2011, taking into account all available uncommitted resources under the NAB (the “modified FCC”), is below SDR 100 billion (the “activation threshold”); provided, however, that the Managing Director shall not provide such notification unless (i) the NAB

is activated as of the time of the notification, or there are no available uncommitted resources under the NAB as of that time, and (ii) the activation of the 2020 Borrowing Agreements has been approved by creditors representing at least 85 percent of the total credit amount committed under the 2020 Borrowing Agreements by creditors eligible to vote on such activation. For purposes of conducting a poll of eligible creditors, the Managing Director shall propose in writing the activation of the 2020 Borrowing Agreements and request the creditors' vote. A creditor shall not be eligible to vote on the activation if, at the time of the vote, its 2020 Borrowing Agreement is not effective, or the relevant member is not included in the Fund's Financial Transactions Plan for transfers of its currency. Nothing in this paragraph 2(b) shall preclude the Managing Director from approaching creditors before the modified FCC is below the activation threshold, if extraordinary circumstances so warrant in order to forestall or cope with an impairment of the international monetary system.

(c) If the 2020 Borrowing Agreements are activated pursuant to paragraph 2(b), they shall be automatically deactivated whenever the NAB is no longer activated, unless there are no available uncommitted resources under the NAB at that time. Separately, the 2020 Borrowing Agreements shall be deactivated if the Managing Director has notified the Executive Board that the modified FCC (excluding any amounts available under the Bilateral Borrowing Agreements) has risen above the activation threshold and: (i) the Executive Board determines that activation is no longer necessary; or (ii) six months have elapsed since the date of the Managing Director's notification and, within that period, the modified FCC (excluding any amounts available under the Bilateral Borrowing Agreements) has not fallen below the activation threshold. If, after the deactivation of the 2020 Borrowing Agreements under this paragraph 2(c), the modified FCC were to fall below the activation threshold, the provisions of paragraph 2(b) will apply.

(d) During any period after the activation of the 2020 Borrowing Agreements as provided under paragraph 2(b) and for as long as the 2020 Borrowing Agreements remain activated in accordance with paragraphs 2(b) and 2(c), the Fund may (i) use the resources available under this agreement to fund any outright purchases made from the GRA during the term of this agreement and (ii) approve, during the term of this agreement, commitments of GRA resources under Fund arrangements whose purchases could be funded by drawings under this agreement at any time during the period of such commitments, including after the expiration of the term of this agreement and during any period in which this agreement is no longer activated in accordance with paragraph 2(c) of this agreement; provided however that the commitments covered under this clause (ii) shall also include any commitment whose approval caused the activation threshold to be reached.

(e) Following an activation specified in paragraph 2(b), the resources available under this agreement may also be used by the Fund to fund the early repayment of claims under other 2020 Borrowing Agreements if the relevant creditors under those other agreements request the early repayment of their claims in the circumstances specified in paragraph 8. Drawings may be made under this agreement to fund such early repayment of other creditors' claims for as long as claims under the 2020 Borrowing Agreements remain outstanding, including after the expiration of the term of this agreement or during any period in which this agreement is no longer activated in accordance with paragraph 2(c).

(f) Drawing under this agreement shall be made with the goal of achieving over time broadly balanced positions among creditors under all Bilateral Borrowing Agreements relative to their commitments under these agreements.

### 3. Estimates, Notices, and Limits on Drawings.

(a) Prior to the beginning of each plan period for the use of bilateral borrowed resources, the Fund shall provide the Bank of Finland with its best estimates of the amounts that it expects it will draw under this agreement during the forthcoming period, and shall provide revised estimates during each period where this is warranted. The Bank of Finland shall not be included in the periodic plan, and no drawings shall be made under this agreement, if Finland is not included and is not being proposed by the Managing Director to be included in the list of countries in the Financial Transactions Plan for transfers of its currency. Moreover, no drawings shall be made under this agreement if the Bank of Finland was included in the periodic plan but, at the time of drawing, Finland's currency is not being used in transfers under the Financial Transactions Plan because of Finland's balance of payments and reserve position. Where Finland was not included in the Financial Transactions Plan at the time of the vote on the activation of the 2020 Borrowing Agreements and is subsequently included in the Financial Transactions Plan, drawings may be made under this agreement to fund purchases made and commitments approved during the activation period unless and for so long as the Bank of Finland notifies the Fund that it does not wish to be drawn upon for these purposes.

(b) The Fund shall give the Bank of Finland at least five business days' (Helsinki) notice of its intention to draw, and shall provide payment instructions at least two business days (Fund) prior to the value date of the transaction by a rapid authenticated means of communication (e.g., SWIFT), provided that in exceptional circumstances where it is not possible to provide at least five business days' (Helsinki) notice, notification of intent to draw would be made at least three business days (Helsinki) in advance of the value date, and the Bank of Finland would make best efforts to meet such a call.

### 4. Evidence of Indebtedness.

(a) The outstanding drawings under this agreement will be included in the statements of Finland's position in the Fund that are published monthly by the Fund.

(b) At the request of the Bank of Finland, the Fund shall issue to the Bank of Finland non-negotiable instruments evidencing the Fund's indebtedness to the Bank of Finland arising under this agreement. Upon repayment of the amount of any instrument issued under this subparagraph and all accrued interest, the instrument shall be returned to the Fund for cancellation. If less than the amount of such instrument is repaid, the instrument shall be returned to the Fund and a new instrument for the remainder of the amount shall be substituted with the same maturity date as the old instrument.

## 5. Maturity.

(a) Except as otherwise provided in this paragraph 5 and in paragraph 8, each drawing under this agreement shall have a maturity date of three months from the drawing date. The Fund may in its sole discretion elect to extend the maturity date of any drawing or of any portion thereof by additional periods of three months after the initial maturity date, which extension the Fund shall automatically be deemed to have elected with respect to the maturity dates for all drawings then outstanding unless, at least five business days (Fund) before a maturity date, the Fund notifies the Bank of Finland by a rapid authenticated means of communication (e.g., SWIFT) that the Fund does not elect to extend the maturity date of a particular drawing or portion thereof; provided however (i) that the maturity date of any drawing to fund purchases from the GRA shall not be extended to a date that is later than the tenth anniversary of the date of such drawing, and (ii) that the maturity date for any drawings to fund early repayments of other creditors' claims in accordance with paragraph 2(e) shall be a single common maturity date that is the longest remaining maximum maturity of any claim for which such early repayment has been requested or the tenth anniversary of the date of the relevant drawing to fund early repayment, whichever is earlier. Notwithstanding the maturity deadlines in the preceding sentence, following an Executive Board determination that exceptional circumstances exist as a result of a shortage of Fund resources in relation to Fund obligations falling due, the Fund, with the agreement of the Bank of Finland, may extend the maximum maturity for drawings under this agreement up to an additional five years.

(b) The Fund shall repay the principal amount of each drawing or relevant part thereof on the maturity date applicable to that drawing or part thereof pursuant to subparagraph (a).

(c) After consultation with the Bank of Finland, the Fund may make an early repayment in part or in full of the principal amount of any drawing prior to its maturity date in accordance with subparagraph (a), provided that the Fund notifies the Bank of Finland at least five business days (Fund) before any such repayment by a rapid authenticated means of communication (e.g., SWIFT).

(d) Repayments of drawings shall restore *pro tanto* the amount that can be drawn under this agreement. The extension of the maturity of a drawing or of any part thereof pursuant to subparagraph (a) shall not reduce the amount that can be drawn under this agreement.

(e) If a maturity date for a drawing is not a business day in the place where payment is to be made, then the payment date for the principal amount of such drawing will be the next business day in that place. In such cases, interest will accrue up to the payment date.

## 6. Rate of Interest.

(a) Each drawing shall bear interest at the SDR interest rate established by the Fund pursuant to Article XX, Section 3 of the Fund's Articles of Agreement; provided however that, if the Fund pays an interest rate higher than the SDR interest rate on outstanding balances from any other borrowing on comparable terms that has been effected pursuant to Article VII, Section 1(i) of the Fund's Articles of Agreement, and for as long as the payment of such higher interest rate remains in

effect, the interest rate payable on drawings under this agreement shall be equivalent to the interest rate paid by the Fund on such other comparable borrowing.

(b) The amount of interest payable on each drawing shall be calculated on the basis of the outstanding amount of the drawing. Interest shall accrue daily and shall be paid promptly by the Fund after each July 31, October 31, January 31, and April 30.

7. Denomination, Media and Modalities of Drawings and Payments.

(a) The amount of each drawing and corresponding repayment under this agreement shall be denominated in SDRs.

(b) Unless otherwise agreed between the Fund and the Bank of Finland, the amount of each drawing shall be paid by the Bank of Finland, on the value date specified in the Fund's notice under paragraph 3, by transfer of the SDR equivalent amount of euro to the account of the Fund at the designated depository of Finland; provided that for drawings in accordance with paragraph 2(e), the Bank of Finland shall ensure that balances drawn by the Fund that are not balances of a freely usable currency can be exchanged for a freely usable currency of its choice, and, with respect to balances drawn by the Fund that are balances of a freely usable currency, shall collaborate with the Fund and other members to enable such balances to be exchanged for another freely usable currency.

(c) Except as otherwise provided in paragraph 8, repayment of principal shall be made, as determined by the Fund, in the currency borrowed whenever feasible, in euro, in special drawing rights (provided that it does not increase Finland's holdings of special drawing rights above the limit under Article XIX, Section 4 of the Fund's Articles of Agreement unless Finland agrees to accept special drawing rights above that limit in such repayment), in freely usable currencies, or with the agreement of the Bank of Finland in other currencies that are included in the Fund's Financial Transactions Plan for transfers.

(d) Payments by the Fund of interest under this agreement shall normally be made in SDRs; provided that the Fund and the Bank of Finland may agree that interest payments will be made in euro.

(e) All payments made by the Fund in euro shall be made to an account specified by the Bank of Finland. Payments in SDRs shall be made by crediting Finland's account in the Special Drawing Rights Department. Payments in any other currency shall be made to an account specified by the Bank of Finland.

8. Early Repayment at Request of the Bank of Finland.

At the request of the Bank of Finland, the Bank of Finland shall obtain early repayment at face value of all or a portion of the drawings outstanding under this agreement, if (i) the Bank of Finland represents that Finland's balance of payments and reserve position justifies such repayment, and (ii) the Fund, having given this representation the overwhelming benefit of any doubt, determines that

there is a need for the early repayment as requested by the Bank of Finland in light of Finland's balance of payments and reserve position. After consultation with the Bank of Finland, the Fund may make repayments pursuant to this paragraph 8 in SDRs or a freely usable currency as determined by the Fund or, with the agreement of the Bank of Finland, in the currencies of other members that are included in the Fund's Financial Transactions Plan for transfers.

9. Transferability.

(a) Except as provided in subparagraphs (b) through (h), the Bank of Finland may not transfer its obligations under this agreement or any of its claims on the Fund resulting from outstanding drawings under this agreement, except with the prior consent of the Fund and on such terms or conditions as the Fund may approve.

(b) The Bank of Finland shall have the right to transfer at any time all or part of any claim on the Fund resulting from outstanding drawings under this agreement to any member of the Fund, to the central bank or other fiscal agency designated by any member for purposes of Article V, Section 1 of the Fund's Articles of Agreement ("other fiscal agency"), or to any official entity that has been prescribed as a holder of SDRs pursuant to Article XVII, Section 3 of the Fund's Articles of Agreement.

(c) The transferee of a claim transferred pursuant to subparagraph (b) shall, as a condition of the transfer, assume the liability of the Bank of Finland pursuant to paragraph 5(a) regarding the extension of the maturity of drawings related to the transferred claim and regarding the extension of the maximum maturity of drawings under this agreement in exceptional circumstances. More generally, any claim transferred pursuant to subparagraph (b), shall be held by the transferee on the same terms and conditions as the claim was held by the Bank of Finland, except that (i) the transferee shall acquire the right to request early repayment under paragraph 8 only if it is a member, or the central bank or other fiscal agency of a member, and at the time of transfer the member's balance of payments and reserve position is considered sufficiently strong in the opinion of the Fund that its currency is used in transfers under the Financial Transactions Plan, (ii) if the transferee is a member, or the central bank or other fiscal agency of a member, the reference to euro in paragraph 7 shall be deemed to refer to the currency of the relevant member, and in other cases it shall be deemed to refer to a freely usable currency determined by the Fund, (iii) payments related to the transferred claim shall be made to an account specified by the transferee, and (iv) references to business days (Helsinki) shall be deemed to refer to business days in the place where the transferee is situated.

(d) The price of a claim transferred pursuant to subparagraph (b) shall be as agreed between the Bank of Finland and the transferee.

(e) The Bank of Finland shall notify the Fund promptly of the claim that is being transferred pursuant to subparagraph (b), the name of the transferee, the amount of the claim that is being transferred, the agreed price for transfer of the claim, and the value date of the transfer.

(f) A transfer notified to the Fund under subparagraph (e) shall be reflected in the Fund's records if it is in accordance with the terms and conditions of this paragraph 9. The transfer shall be effective as of the value date agreed between the Bank of Finland and the transferee.

(g) If all or part of a claim is transferred during a quarterly period as described in paragraph 6(b), the Fund shall pay interest to the transferee on the amount of the claim transferred for the whole of that period.

(h) If requested, the Fund shall assist in seeking to arrange transfers.

10. Effective Exchange Rate.

(a) Unless otherwise agreed between the Bank of Finland and the Fund, all drawings, exchanges, and payments of principal and interest under this agreement shall be made at the exchange rates for the relevant currencies in terms of the SDR established pursuant to Article XIX, Section 7(a) of the Fund's Articles of Agreement and the rules and regulations of the Fund thereunder for the second business day of the Fund before the value date of the transfer, exchange or payment. If this exchange rate determination date is not a business day in Helsinki, such date shall be the last preceding business day of the Fund that is also a business day in Helsinki.

(b) For purposes of applying the limit on drawings as specified in paragraphs 1(a), 14(c) and 14(e), the euro value of each SDR-denominated drawing shall be determined and permanently fixed on the value date of the drawing based on the euro/SDR exchange rate established pursuant to Article XIX, Section 7(a) of the Fund's Articles of Agreement and the rules and regulations of the Fund thereunder for the second business day of the Fund before the value date of the drawing. If this exchange rate determination date is not a business day in Helsinki, such date shall be the last preceding business day of the Fund that is also a business day in Helsinki.

11. Changes in Method of Valuation of SDR.

If the Fund changes the method of valuing the SDR, all transfers, exchanges and payments of principal and interest made two or more business days of the Fund after the effective date of the change shall be made on the basis of the new method of valuation.

12. Non-Subordination of Claims.

The Fund agrees that it will not take any action that would have the effect of making the Bank of Finland's claims on the Fund resulting from outstanding drawings under this agreement subordinate in any way to claims on the Fund resulting from any other borrowing effected pursuant to Article VII, Section 1(i) of the Fund's Articles of Agreement.

13. Settlement of Questions.

Any question arising under this agreement shall be settled by mutual agreement between the Bank of Finland and the Fund.



#### 14. Transitional Arrangements.

(a) Regardless of whether this agreement is activated or not, the Fund: (i) subject to paragraph 14(b) below, shall make drawings under this agreement to repay any outstanding claims under the Bank of Finland's 2016 Borrowing Agreement, and (ii) may make drawings under this agreement to fund purchases under commitments approved by the Fund during an activation of the 2016 Borrowing Agreements or to fund early repayment of claims under other 2016 Borrowing Agreements in case the creditor represents a balance of payments need; provided that notwithstanding paragraph 5(a) of this agreement the maximum maturity date of the claim from the repayment herein shall be the residual maximum maturity date of the claim that is repaid with drawings under this agreement; and provided further that any claims under this agreement that result from the repayment herein shall be considered claims under the 2016 Borrowing Agreements for purposes of funding the early repayment of these claims in case of balance of payments need in accordance with the 2016 Borrowing Agreements, and for purposes of special calls under paragraph 23 of the Fund's Decision No. 16645-(20/5), adopted January 16, 2020.

(b) To the extent that claims under the Bank of Finland's 2016 Borrowing Agreement or this agreement are outstanding when the increase in Finland's NAB credit arrangement becomes effective, the Bank of Finland shall be deemed to request, on behalf of Finland, in accordance with paragraph 23 of the Fund's Decision No. 11428-(97/6), adopted January 27, 1997 on the NAB, as amended, that the Managing Director make calls under Finland's NAB credit arrangement up to the maximum available amount, taking into account the Fund's need for maintaining prudential balances, to fund the repayment of such claims; provided that if the increase in Finland's NAB credit arrangement and this agreement enter into effect at the same time, the repayment of the Bank of Finland's outstanding claims under the Bank of Finland's 2016 Borrowing Agreement shall be funded first with calls under Finland's NAB credit arrangement before drawings are made under this agreement pursuant to paragraph 14(a) above.

(c) If following the repayment of outstanding claims under the Bank of Finland's 2016 Borrowing Agreement and this agreement as provided in paragraph 14(b) above, the Bank of Finland's outstanding claims under these agreements remain in excess of the Rolled Back Loan Amount as calculated pursuant to paragraph 10(b), the Fund shall repay any outstanding claims under the Bank of Finland's 2016 Borrowing Agreement and this agreement in excess of the Rolled Back Loan Amount; provided that claims with shorter remaining maximum maturities shall be repaid before those with longer remaining maximum maturities.

(d) After the entry into force of this agreement, the Fund may make no further drawing under the Bank of Finland's 2016 Borrowing Agreement.

(e) No drawing under this agreement shall be made that would cause the total outstanding drawings under both this agreement and the 2016 Borrowing Agreement between the Bank of Finland and the Fund, at the time of such drawing, to (i) exceed the Loan Amount prior to the effectiveness of the increase in Finland's NAB credit arrangement, or (ii) exceed the Rolled Back Loan Amount upon and after the effectiveness of the increase in Finland's NAB credit arrangement,

as calculated pursuant to paragraph 10(b); provided that drawings beyond the Rolled Back Loan Amount under (ii) herein are authorized, if within the same day of these drawings any resulting claim that would exceed the Rolled Back Loan Amount is repaid with a special call under Finland's NAB credit arrangement, and the Bank of Finland hereby requests, on behalf of Finland, that the Managing Director make such calls to fund the repayment in accordance with paragraph 23 of the Fund's Decision No. 11428-(97/6), adopted January 27, 1997 on the NAB, as amended.

15. Final Provisions.

(a) This agreement may be executed in duplicate counterparts, each of which shall be deemed an original and both of which together shall constitute but one and the same instrument.

(b) This agreement shall become effective on the date last signed below or on the date on which Finland provides the concurrence that is required under Article VII, Section 1(i) of the Fund's Articles of Agreement for Fund borrowing of euro from the Bank of Finland, or on January 1, 2021, whichever is later.

For the Bank of Finland:

\_\_\_\_\_  
[Name]  
[Title]

\_\_\_\_\_  
Date

For the International Monetary Fund:

\_\_\_\_\_  
Kristalina Georgieva  
Managing Director

\_\_\_\_\_  
Date

## Attachment IV. Loan Agreement between the Czech National Bank and the International Monetary Fund

### 1. Purposes and Amounts.

(a) To enhance the resources available on a temporary basis to the International Monetary Fund (the "Fund") for crisis prevention and resolution through bilateral borrowing, the Czech National Bank agrees to lend to the Fund an SDR-denominated amount up to the equivalent of EUR 1,500 million (the "Loan Amount"); provided however that, upon the effectiveness of the reform of the Fund's New Arrangements to Borrow (the "NAB") approved by the Fund under Decision No. 16645-(20/5), adopted January 16, 2020 (the "NAB Reform"), the Loan Amount will be automatically reduced to an SDR-denominated amount up to the equivalent of EUR 646 million (the "Rolled Back Loan Amount").

(b) This agreement is based on Article VII, Section 1(i) of the Fund's Articles of Agreement, which authorizes the Fund to borrow from Fund members or other sources if it deems such action appropriate to replenish its holdings of any member's currency in the General Resources Account ("GRA"). This agreement must be considered in light of the Guidelines for Borrowing by the Fund, which make clear that quota subscriptions are and should remain the basic source of Fund financing, and that the role of borrowing is to provide a temporary supplement to quota resources.

(c) This agreement and other bilateral borrowing agreements that the Fund has entered into or amended pursuant to the borrowing framework approved by the Fund in March 2020 shall be referred to each as a "2020 Borrowing Agreement" and collectively as the "2020 Borrowing Agreements." Each bilateral borrowing agreement that the Fund entered into pursuant to the borrowing framework approved by the Fund in August 2016 shall be referred to as a "2016 Borrowing Agreement" and collectively as the "2016 Borrowing Agreements." The 2020 Borrowing Agreements and the 2016 Borrowing Agreements shall be collectively referred to as the "Bilateral Borrowing Agreements".

### 2. Term of the Agreement and Use.

(a) The term of this agreement shall end on December 31, 2023; provided that the Fund may extend the term of this agreement for one further year through December 31, 2024 by a decision of the Executive Board, taking into account the Fund's overall liquidity situation and actual and prospective borrowing requirements, and with the consent of the Czech National Bank.

(b) The 2020 Borrowing Agreements may be activated only after the Managing Director has notified the Executive Board that the Forward Commitment Capacity of the Fund as defined in Decision No. 14906-(11/38), adopted April 20, 2011, taking into account all available uncommitted resources under the NAB (the "modified FCC"), is below SDR 100 billion (the "activation threshold"); provided, however, that the Managing Director shall not provide such notification unless (i) the NAB is activated as of the time of the notification, or there are no available uncommitted resources under

the NAB as of that time, and (ii) the activation of the 2020 Borrowing Agreements has been approved by creditors representing at least 85 percent of the total credit amount committed under the 2020 Borrowing Agreements by creditors eligible to vote on such activation. For purposes of conducting a poll of eligible creditors, the Managing Director shall propose in writing the activation of the 2020 Borrowing Agreements and request the creditors' vote. A creditor shall not be eligible to vote on the activation if, at the time of the vote, its 2020 Borrowing Agreement is not effective, or the relevant member is not included in the Fund's Financial Transactions Plan for transfers of its currency. Nothing in this paragraph 2(b) shall preclude the Managing Director from approaching creditors before the modified FCC is below the activation threshold, if extraordinary circumstances so warrant in order to forestall or cope with an impairment of the international monetary system.

(c) If the 2020 Borrowing Agreements are activated pursuant to paragraph 2(b), they shall be automatically deactivated whenever the NAB is no longer activated, unless there are no available uncommitted resources under the NAB at that time. Separately, the 2020 Borrowing Agreements shall be deactivated if the Managing Director has notified the Executive Board that the modified FCC (excluding any amounts available under the Bilateral Borrowing Agreements) has risen above the activation threshold and: (i) the Executive Board determines that activation is no longer necessary; or (ii) six months have elapsed since the date of the Managing Director's notification and, within that period, the modified FCC (excluding any amounts available under the Bilateral Borrowing Agreements) has not fallen below the activation threshold. If, after the deactivation of the 2020 Borrowing Agreements under this paragraph 2(c), the modified FCC were to fall below the activation threshold, the provisions of paragraph 2(b) will apply.

(d) During any period after the activation of the 2020 Borrowing Agreements as provided under paragraph 2(b) and for as long as the 2020 Borrowing Agreements remain activated in accordance with paragraphs 2(b) and 2(c), the Fund may (i) use the resources available under this agreement to fund any outright purchases made from the GRA during the term of this agreement and (ii) approve, during the term of this agreement, commitments of GRA resources under Fund arrangements whose purchases could be funded by drawings under this agreement at any time during the period of such commitments, including after the expiration of the term of this agreement and during any period in which this agreement is no longer activated in accordance with paragraph 2(c) of this agreement; provided however that the commitments covered under this clause (ii) shall also include any commitment whose approval caused the activation threshold to be reached.

(e) Following an activation specified in paragraph 2(b), the resources available under this agreement may also be used by the Fund to fund the early repayment of claims under other 2020 Borrowing Agreements if the relevant creditors under those other agreements request the early repayment of their claims in the circumstances specified in paragraph 8. Drawings may be made under this agreement to fund such early repayment of other creditors' claims for as long as claims under the 2020 Borrowing Agreements remain outstanding, including after the expiration of the term of this agreement or during any period in which this agreement is no longer activated in accordance with paragraph 2(c).

(f) Drawing under this agreement shall be made with the goal of achieving over time broadly balanced positions among creditors under all Bilateral Borrowing Agreements relative to their commitments under these agreements.

### 3. Estimates, Notices, and Limits on Drawings.

(a) Prior to the beginning of each plan period for the use of bilateral borrowed resources, the Fund shall provide the Czech National Bank with its best estimates of the amounts that it expects it will draw under this agreement during the forthcoming period, and shall provide revised estimates during each period where this is warranted. The Czech National Bank shall not be included in the periodic plan, and no drawings shall be made under this agreement, if the Czech Republic is not included and is not being proposed by the Managing Director to be included in the list of countries in the Financial Transactions Plan for transfers of its currency. Moreover, no drawings shall be made under this agreement if the Czech National Bank was included in the periodic plan but, at the time of drawing, the Czech Republic's currency is not being used in transfers under the Financial Transactions Plan because of the Czech Republic's balance of payments and reserve position. Where the Czech Republic was not included in the Financial Transactions Plan at the time of the vote on the activation of the 2020 Borrowing Agreements and is subsequently included in the Financial Transactions Plan, drawings may be made under this agreement to fund purchases made and commitments approved during the activation period unless and for so long as the Czech National Bank notifies the Fund that it does not wish to be drawn upon for these purposes.

(b) The Fund shall give the Czech National Bank at least five business days' (Prague) notice of its intention to draw, and shall provide payment instructions at least two business days (Fund) prior to the value date of the transaction by a rapid authenticated means of communication (e.g., SWIFT), provided that in exceptional circumstances where it is not possible to provide at least five business days' (Prague) notice, notification of intent to draw would be made at least three business days (Prague) in advance of the value date, and the Czech National Bank would make best efforts to meet such a call.

### 4. Evidence of Indebtedness.

(a) The outstanding drawings under this agreement will be included in the statements of the Czech Republic's position in the Fund that are published monthly by the Fund.

(b) At the request of the Czech National Bank, the Fund shall issue to the Czech National Bank non-negotiable instruments evidencing the Fund's indebtedness to the Czech National Bank arising under this agreement. Upon repayment of the amount of any instrument issued under this subparagraph and all accrued interest, the instrument shall be returned to the Fund for cancellation. If less than the amount of such instrument is repaid, the instrument shall be returned to the Fund and a new instrument for the remainder of the amount shall be substituted with the same maturity date as the old instrument.

5. Maturity.

(a) Except as otherwise provided in this paragraph 5 and in paragraph 8, each drawing under this agreement shall have a maturity date of three months from the drawing date. The Fund may in its sole discretion elect to extend the maturity date of any drawing or of any portion thereof by additional periods of three months after the initial maturity date, which extension the Fund shall automatically be deemed to have elected with respect to the maturity dates for all drawings then outstanding unless, at least five business days (Fund) before a maturity date, the Fund notifies the Czech National Bank by a rapid authenticated means of communication (e.g., SWIFT) that the Fund does not elect to extend the maturity date of a particular drawing or portion thereof; provided however (i) that the maturity date of any drawing to fund purchases from the GRA shall not be extended to a date that is later than the tenth anniversary of the date of such drawing, and (ii) that the maturity date for any drawings to fund early repayments of other creditors' claims in accordance with paragraph 2(e) shall be a single common maturity date that is the longest remaining maximum maturity of any claim for which such early repayment has been requested or the tenth anniversary of the date of the relevant drawing to fund early repayment, whichever is earlier.

(b) The Fund shall repay the principal amount of each drawing or relevant part thereof on the maturity date applicable to that drawing or part thereof pursuant to subparagraph (a).

(c) After consultation with the Czech National Bank, the Fund may make an early repayment in part or in full of the principal amount of any drawing prior to its maturity date in accordance with subparagraph (a), provided that the Fund notifies the Czech National Bank at least five business days (Fund) before any such repayment by a rapid authenticated means of communication (e.g., SWIFT).

(d) Repayments of drawings shall not restore *pro tanto* the amount that can be drawn under this agreement. The extension of the maturity of a drawing or of any part thereof pursuant to subparagraph (a) shall not reduce the amount that can be drawn under this agreement.

(e) If a maturity date for a drawing is not a business day in the place where payment is to be made, then the payment date for the principal amount of such drawing will be the next business day in that place. In such cases, interest will accrue up to the payment date.

6. Rate of Interest.

(a) Each drawing shall bear interest at the SDR interest rate established by the Fund pursuant to Article XX, Section 3 of the Fund's Articles of Agreement; provided however that, if the Fund pays an interest rate higher than the SDR interest rate on outstanding balances from any other borrowing on comparable terms that has been effected pursuant to Article VII, Section 1(i) of the Fund's Articles of Agreement, and for as long as the payment of such higher interest rate remains in effect, the interest rate payable on drawings under this agreement shall be equivalent to the interest rate paid by the Fund on such other comparable borrowing.

(b) The amount of interest payable on each drawing shall be calculated on the basis of the outstanding amount of the drawing. Interest shall accrue daily and shall be paid promptly by the Fund after each July 31, October 31, January 31, and April 30.

7. Denomination, Media and Modalities of Drawings and Payments.

(a) The amount of each drawing and corresponding repayment under this agreement shall be denominated in SDRs.

(b) Unless otherwise agreed between the Fund and the Czech National Bank, the amount of each drawing shall be paid by the Czech National Bank, on the value date specified in the Fund's notice under paragraph 3, by transfer of the SDR equivalent amount of Czech koruna to the account of the Fund at the designated depository of the Czech Republic; provided that for drawings in accordance with paragraph 2(e), the Czech National Bank shall ensure that balances drawn by the Fund that are not balances of a freely usable currency can be exchanged for a freely usable currency of its choice, and, with respect to balances drawn by the Fund that are balances of a freely usable currency, shall collaborate with the Fund and other members to enable such balances to be exchanged for another freely usable currency.

(c) Except as otherwise provided in paragraph 8, repayment of principal shall be made, as determined by the Fund, in the currency borrowed whenever feasible, in Czech koruna, in special drawing rights (provided that it does not increase the Czech Republic's holdings of special drawing rights above the limit under Article XIX, Section 4 of the Fund's Articles of Agreement unless the Czech Republic agrees to accept special drawing rights above that limit in such repayment), in freely usable currencies, or with the agreement of the Czech National Bank in other currencies that are included in the Fund's Financial Transactions Plan for transfers.

(d) Payments by the Fund of interest under this agreement shall normally be made in SDRs; provided that the Fund and the Czech National Bank may agree that interest payments will be made in Czech koruna.

(e) All payments made by the Fund in Czech koruna shall be made to an account specified by the Czech National Bank. Payments in SDRs shall be made by crediting the Czech Republic's account in the Special Drawing Rights Department. Payments in any other currency shall be made to an account specified by the Czech National Bank.

8. Early Repayment at Request of the Czech National Bank.

At the request of the Czech National Bank, the Czech National Bank shall obtain early repayment at face value of all or a portion of the drawings outstanding under this agreement, if (i) the Czech National Bank represents that the Czech Republic's balance of payments and reserve position justifies such repayment, and (ii) the Fund, having given this representation the overwhelming benefit of any doubt, determines that there is a need for the early repayment as requested by the Czech National Bank in light of the Czech Republic's balance of payments and reserve position. After consultation with the Czech National Bank, the Fund may make repayments

pursuant to this paragraph 8 in SDRs or a freely usable currency as determined by the Fund or, with the agreement of the Czech National Bank, in the currencies of other members that are included in the Fund's Financial Transactions Plan for transfers.

9. Transferability.

(a) Except as provided in subparagraphs (b) through (h), the Czech National Bank may not transfer its obligations under this agreement or any of its claims on the Fund resulting from outstanding drawings under this agreement, except with the prior consent of the Fund and on such terms or conditions as the Fund may approve.

(b) The Czech National Bank shall have the right to transfer at any time all or part of any claim on the Fund resulting from outstanding drawings under this agreement to any member of the Fund, to the central bank or other fiscal agency designated by any member for purposes of Article V, Section 1 of the Fund's Articles of Agreement ("other fiscal agency"), or to any official entity that has been prescribed as a holder of SDRs pursuant to Article XVII, Section 3 of the Fund's Articles of Agreement.

(c) The transferee of a claim transferred pursuant to subparagraph (b) shall, as a condition of the transfer, assume the liability of the Czech National Bank pursuant to paragraph 5(a) regarding the extension of the maturity of drawings related to the transferred claim. More generally, any claim transferred pursuant to subparagraph (b), shall be held by the transferee on the same terms and conditions as the claim was held by the Czech National Bank, except that (i) the transferee shall acquire the right to request early repayment under paragraph 8 only if it is a member, or the central bank or other fiscal agency of a member, and at the time of transfer the member's balance of payments and reserve position is considered sufficiently strong in the opinion of the Fund that its currency is used in transfers under the Financial Transactions Plan, (ii) if the transferee is a member, or the central bank or other fiscal agency of a member, the reference to Czech koruna in paragraph 7 shall be deemed to refer to the currency of the relevant member, and in other cases it shall be deemed to refer to a freely usable currency determined by the Fund, (iii) payments related to the transferred claim shall be made to an account specified by the transferee, and (iv) references to business days (Prague) shall be deemed to refer to business days in the place where the transferee is situated.

(d) The price of a claim transferred pursuant to subparagraph (b) shall be as agreed between the Czech National Bank and the transferee.

(e) The Czech National Bank shall notify the Fund promptly of the claim that is being transferred pursuant to subparagraph (b), the name of the transferee, the amount of the claim that is being transferred, the agreed price for transfer of the claim, and the value date of the transfer.

(f) A transfer notified to the Fund under subparagraph (e) shall be reflected in the Fund's records if it is in accordance with the terms and conditions of this paragraph 9. The transfer shall be effective as of the value date agreed between the Czech National Bank and the transferee.



(g) If all or part of a claim is transferred during a quarterly period as described in paragraph 6(b), the Fund shall pay interest to the transferee on the amount of the claim transferred for the whole of that period.

(h) If requested, the Fund shall assist in seeking to arrange transfers.

10. Effective Exchange Rate.

(a) Unless otherwise agreed between the Czech National Bank and the Fund, all drawings, exchanges, and payments of principal and interest under this agreement shall be made at the exchange rates for the relevant currencies in terms of the SDR established pursuant to Article XIX, Section 7(a) of the Fund's Articles of Agreement and the rules and regulations of the Fund thereunder for the second business day of the Fund before the value date of the transfer, exchange or payment. If this exchange rate determination date is not a business day in Prague, such date shall be the last preceding business day of the Fund that is also a business day in Prague.

(b) For purposes of applying the limit on drawings as specified in paragraphs 1(a), 14(b) and 14(d), the euro value of each SDR-denominated drawing shall be determined and permanently fixed on the value date of the drawing based on the euro/SDR exchange rate established pursuant to Article XIX, Section 7(a) of the Fund's Articles of Agreement and the rules and regulations of the Fund thereunder for the second business day of the Fund before the value date of the drawing. If this exchange rate determination date is not a business day in Prague, such date shall be the last preceding business day of the Fund that is also a business day in Prague.

11. Changes in Method of Valuation of SDR.

If the Fund changes the method of valuing the SDR, all transfers, exchanges and payments of principal and interest made two or more business days of the Fund after the effective date of the change shall be made on the basis of the new method of valuation.

12. Non-Subordination of Claims.

The Fund agrees that it will not take any action that would have the effect of making the Czech National Bank's claims on the Fund resulting from outstanding drawings under this agreement subordinate in any way to claims on the Fund resulting from any other borrowing effected pursuant to Article VII, Section 1(i) of the Fund's Articles of Agreement.

13. Settlement of Questions.

Any question arising under this agreement shall be settled by mutual agreement between the Czech National Bank and the Fund.

14. Transitional Arrangements.

(a) Regardless of whether this agreement is activated or not, the Fund: (i) subject to paragraph 14(b) below, shall make drawings under this agreement to repay any outstanding claims under the Czech National Bank's 2016 Borrowing Agreement, and (ii) may make drawings under this agreement to fund purchases under commitments approved by the Fund during an activation of the 2016 Borrowing Agreements or to fund early repayment of claims under other 2016 Borrowing Agreements in case the creditor represents a balance of payments need; provided that notwithstanding paragraph 5(a) of this agreement the maximum maturity date of the claim from the repayment herein shall be the residual maximum maturity date of the claim that is repaid with drawings under this agreement; and provided further that any claims under this agreement that result from the repayment herein shall be considered claims under the 2016 Bilateral Borrowing Agreements for purposes of funding the early repayment of these claims in case of balance of payments need in accordance with the 2016 Borrowing Agreements, and for purposes of special calls under paragraph 23 of the Fund's Decision No. 16645-(20/5), adopted January 16, 2020.

(b) If, following the entry into effect of the NAB Reform, the Czech National Bank's outstanding claims under the Czech National Bank's 2016 Borrowing Agreement and this agreement are in excess of the Rolled Back Loan Amount as calculated pursuant to paragraph 10(b), the Fund shall repay any outstanding claims under the Czech National Bank's 2016 Borrowing Agreement and this agreement in excess of the Rolled Back Loan Amount; provided that claims with shorter remaining maximum maturities shall be repaid before those with longer remaining maximum maturities.

(c) After the entry into force of this agreement, the Fund may make no further drawing under the Czech National Bank's 2016 Borrowing Agreement.

(d) No drawing under this agreement shall be made that would cause the cumulative amount drawn under both this agreement and the 2016 Borrowing Agreement between the Czech National Bank and the Fund, at the time of such drawing, to (i) exceed the Loan Amount prior to the effectiveness of the NAB Reform, or (ii) exceed the Rolled Back Loan Amount upon and after the effectiveness of the NAB Reform, as calculated pursuant to paragraph 10(b).

#### 15. Final Provisions.

(a) This agreement may be executed in duplicate counterparts, each of which shall be deemed an original and both of which together shall constitute but one and the same instrument.

(b) Following the signature by the Czech National Bank and the Fund, this agreement shall become effective on the date on which the Czech Republic provides the concurrence that is required under Article VII, Section 1(i) of the Fund's Articles of Agreement for Fund borrowing of Czech koruna from the Czech National Bank, or on the date that the Fund acknowledges the receipt of a written notification from the Czech Republic notifying the Fund of the completion of its domestic requirements for the entry into force of this agreement, whichever is later, or on January 1, 2021, whichever is later.

For the Czech National Bank:

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[Name]

[Title]

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Date

For the International Monetary Fund:

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Kristalina Georgieva  
Managing Director

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Date

## Attachment V. Note Purchase Agreement between the Slovak Republic and the International Monetary Fund

### 1. Purposes and Amounts.

(a) To enhance the resources available on a temporary basis to the International Monetary Fund (the "Fund") for crisis prevention and resolution through bilateral borrowing, the Slovak Republic agrees to lend to the Fund an SDR-denominated amount up to the equivalent of EUR 1,560 million (the "Loan Amount"); provided however that, upon the effectiveness of the reform of the Fund's New Arrangements to Borrow (the "NAB") approved by the Fund under Decision No. 16645-(20/5), adopted January 16, 2020 (the "NAB Reform"), the Loan Amount will be automatically reduced to an SDR-denominated amount up to the equivalent of EUR 672 million (the "Rolled Back Loan Amount").

(b) This agreement is based on Article VII, Section 1(i) of the Fund's Articles of Agreement, which authorizes the Fund to borrow from Fund members or other sources if it deems such action appropriate to replenish its holdings of any member's currency in the General Resources Account ("GRA"). This agreement must be considered in light of the Guidelines for Borrowing by the Fund, which make clear that quota subscriptions are and should remain the basic source of Fund financing, and that the role of borrowing is to provide a temporary supplement to quota resources.

(c) This agreement and other bilateral borrowing agreements that the Fund has entered into or amended pursuant to the borrowing framework approved by the Fund in March 2020 shall be referred to each as a "2020 Borrowing Agreement" and collectively as the "2020 Borrowing Agreements". Each bilateral borrowing agreement that the Fund entered into pursuant to the borrowing framework approved by the Fund in August 2016 shall be referred to as a "2016 Borrowing Agreement" and collectively as the "2016 Borrowing Agreements". The 2020 Borrowing Agreements and the 2016 Borrowing Agreements shall be collectively referred to as the "Bilateral Borrowing Agreements".

### 2. Term of the Agreement and Use.

(a) The term of this agreement shall end on December 31, 2023; provided that the Fund may extend the term of this agreement for one further year through December 31, 2024 by a decision of the Executive Board, taking into account the Fund's overall liquidity situation and actual and prospective borrowing requirements, and with the consent of the Slovak Republic.

(b) The 2020 Borrowing Agreements may be activated only after the Managing Director has notified the Executive Board that the Forward Commitment Capacity of the Fund as defined in Decision No. 14906-(11/38), adopted April 20, 2011, taking into account all available uncommitted resources under the NAB (the "modified FCC"), is below SDR 100 billion (the "activation threshold"); provided, however, that the Managing Director shall not provide such notification unless (i) the NAB is activated as of the time of the notification, or there are no available uncommitted resources under

the NAB as of that time, and (ii) the activation of the 2020 Borrowing Agreements has been approved by creditors representing at least 85 percent of the total credit amount committed under the 2020 Borrowing Agreements by creditors eligible to vote on such activation. For purposes of conducting a poll of eligible creditors, the Managing Director shall propose in writing the activation of the 2020 Borrowing Agreements and request the creditors' vote. A creditor shall not be eligible to vote on the activation if, at the time of the vote, its 2020 Borrowing Agreement is not effective, or the relevant member is not included in the Fund's Financial Transactions Plan for transfers of its currency. Nothing in this paragraph 2(b) shall preclude the Managing Director from approaching creditors before the modified FCC is below the activation threshold, if extraordinary circumstances so warrant in order to forestall or cope with an impairment of the international monetary system.

(c) If the 2020 Borrowing Agreements are activated pursuant to paragraph 2(b), they shall be automatically deactivated whenever the NAB is no longer activated, unless there are no available uncommitted resources under the NAB at that time. Separately, the 2020 Borrowing Agreements shall be deactivated if the Managing Director has notified the Executive Board that the modified FCC (excluding any amounts available under the Bilateral Borrowing Agreements) has risen above the activation threshold and: (i) the Executive Board determines that activation is no longer necessary; or (ii) six months have elapsed since the date of the Managing Director's notification and, within that period, the modified FCC (excluding any amounts available under the Bilateral Borrowing Agreements) has not fallen below the activation threshold. If, after the deactivation of the 2020 Borrowing Agreements under this paragraph 2(c), the modified FCC were to fall below the activation threshold, the provisions of paragraph 2(b) will apply.

(d) During any period after the activation of the 2020 Borrowing Agreements as provided under paragraph 2(b) and for as long as the 2020 Borrowing Agreements remain activated in accordance with paragraphs 2(b) and 2(c), the Fund may (i) use the resources available under this agreement to fund any outright purchases made from the GRA during the term of this agreement and (ii) approve, during the term of this agreement, commitments of GRA resources under Fund arrangements whose purchases could be funded by drawings under this agreement at any time during the period of such commitments, including after the expiration of the term of this agreement and during any period in which this agreement is no longer activated in accordance with paragraph 2(c) of this agreement; provided however that the commitments covered under this clause (ii) shall also include any commitment whose approval caused the activation threshold to be reached.

(e) Following an activation specified in paragraph 2(b), the resources available under this agreement may also be used by the Fund to fund the early repayment of claims under other 2020 Borrowing Agreements if the relevant creditors under those other agreements request the early repayment of their claims in the circumstances specified in paragraph 8. Drawings may be made under this agreement to fund such early repayment of other creditors' claims for as long as claims under the 2020 Borrowing Agreements remain outstanding, including after the expiration of the term of this agreement or during any period in which this agreement is no longer activated in accordance with paragraph 2(c).

(f) Drawing under this agreement shall be made with the goal of achieving over time broadly balanced positions among creditors under all Bilateral Borrowing Agreements relative to their commitments under these agreements.

### 3. Estimates, Notices, and Limits on Drawings.

(a) Prior to the beginning of each plan period for the use of bilateral borrowed resources, the Fund shall provide the Slovak Republic with its best estimates of the amounts that it expects it will draw under this agreement during the forthcoming period, and shall provide revised estimates during each period where this is warranted. The Slovak Republic shall not be included in the periodic plan, and no drawings shall be made under this agreement, if the Slovak Republic is not included and is not being proposed by the Managing Director to be included in the list of countries in the Financial Transactions Plan for transfers of its currency. Moreover, no drawings shall be made under this agreement if the Slovak Republic was included in the periodic plan but, at the time of drawing, the Slovak Republic's currency is not being used in transfers under the Financial Transactions Plan because of the Slovak Republic's balance of payments and reserve position. Where the Slovak Republic was not included in the Financial Transactions Plan at the time of the vote on the activation of the 2020 Borrowing Agreements and is subsequently included in the Financial Transactions Plan, drawings may be made under this agreement to fund purchases made and commitments approved during the activation period unless and for so long as the Slovak Republic notifies the Fund that it does not wish to be drawn upon for these purposes.

(b) The Fund shall give the Slovak Republic at least five business days' (Bratislava) notice of its intention to draw, and shall provide payment instructions at least two business days (Fund) prior to the value date of the transaction by a rapid authenticated means of communication (e.g., SWIFT), provided that in exceptional circumstances where it is not possible to provide at least five business days' (Bratislava) notice, notification of intent to draw would be made at least three business days (Bratislava) in advance of the value date, and the Slovak Republic would make best efforts to meet such a call.

### 4. Evidence of Indebtedness.

(a) The outstanding drawings under this agreement will be included in the statements of the Slovak Republic's position in the Fund that are published monthly by the Fund.

(b) At the request of the Slovak Republic, the Fund shall issue to the Slovak Republic non-negotiable instruments evidencing the Fund's indebtedness to the Slovak Republic arising under this agreement. Upon repayment of the amount of any instrument issued under this subparagraph and all accrued interest, the instrument shall be returned to the Fund for cancellation. If less than the amount of such instrument is repaid, the instrument shall be returned to the Fund and a new instrument for the remainder of the amount shall be substituted with the same maturity date as the old instrument.

## 5. Maturity.

(a) Except as otherwise provided in this paragraph 5 and in paragraph 8, each drawing under this agreement shall have a maturity date of three months from the drawing date. The Fund may in its sole discretion elect to extend the maturity date of any drawing or of any portion thereof by additional periods of three months after the initial maturity date, which extension the Fund shall automatically be deemed to have elected with respect to the maturity dates for all drawings then outstanding unless, at least five business days (Fund) before a maturity date, the Fund notifies the Slovak Republic by a rapid authenticated means of communication (e.g., SWIFT) that the Fund does not elect to extend the maturity date of a particular drawing or portion thereof; provided however (i) that the maturity date of any drawing to fund purchases from the GRA shall not be extended to a date that is later than the tenth anniversary of the date of such drawing, and (ii) that the maturity date for any drawings to fund early repayments of other creditors' claims in accordance with paragraph 2(e) shall be a single common maturity date that is the longest remaining maximum maturity of any claim for which such early repayment has been requested or the tenth anniversary of the date of the relevant drawing to fund early repayment, whichever is earlier.

(b) The Fund shall repay the principal amount of each drawing or relevant part thereof on the maturity date applicable to that drawing or part thereof pursuant to subparagraph (a).

(c) After consultation with the Slovak Republic, the Fund may make an early repayment in part or in full of the principal amount of any drawing prior to its maturity date in accordance with subparagraph (a), provided that the Fund notifies the Slovak Republic at least five business days (Fund) before any such repayment by a rapid authenticated means of communication (e.g., SWIFT).

(d) Repayments of drawings shall not restore *pro tanto* the amount that can be drawn under this agreement. The extension of the maturity of a drawing or of any part thereof pursuant to subparagraph (a) shall not reduce the amount that can be drawn under this agreement.

(e) If a maturity date for a drawing is not a business day in the place where payment is to be made, then the payment date for the principal amount of such drawing will be the next business day in that place. In such cases, interest will accrue up to the payment date.

## 6. Rate of Interest.

(a) Each drawing shall bear interest at the SDR interest rate established by the Fund pursuant to Article XX, Section 3 of the Fund's Articles of Agreement; provided however that, if the Fund pays an interest rate higher than the SDR interest rate on outstanding balances from any other borrowing on comparable terms that has been effected pursuant to Article VII, Section 1(i) of the Fund's Articles of Agreement, and for as long as the payment of such higher interest rate remains in effect, the interest rate payable on drawings under this agreement shall be equivalent to the interest rate paid by the Fund on such other comparable borrowing.

(b) The amount of interest payable on each drawing shall be calculated on the basis of the outstanding amount of the drawing. Interest shall accrue daily and shall be paid promptly by the Fund after each July 31, October 31, January 31, and April 30.

7. Denomination, Media and Modalities of Drawings and Payments.

(a) The amount of each drawing and corresponding repayment under this agreement shall be denominated in SDRs.

(b) Unless otherwise agreed between the Fund and the Slovak Republic, the amount of each drawing shall be paid by the Slovak Republic, on the value date specified in the Fund's notice under paragraph 3, by transfer of the SDR equivalent amount of euro to the account of the Fund at the designated depository of the Slovak Republic; provided that for drawings in accordance with paragraph 2(e), the Slovak Republic shall ensure that balances drawn by the Fund that are not balances of a freely usable currency can be exchanged for a freely usable currency of its choice, and, with respect to balances drawn by the Fund that are balances of a freely usable currency, shall collaborate with the Fund and other members to enable such balances to be exchanged for another freely usable currency.

(c) The obligations of the Slovak Republic under Article V, Section 3(e) and Article V, Section 7(j) of the Fund's Articles of Agreement concerning exchanges of its currency purchased or to be used in repurchases from the Fund shall apply, respectively, to purchase and repurchase transactions in the General Resources Account involving its currency used in drawings and to be used in repayments of principal under this agreement.

(d) Except as otherwise provided in paragraph 8, repayment of principal shall be made, as determined by the Fund, in the currency borrowed whenever feasible, in euro, in special drawing rights (provided that it does not increase the Slovak Republic's holdings of special drawing rights above the limit under Article XIX, Section 4 of the Fund's Articles of Agreement unless the Slovak Republic agrees to accept special drawing rights above that limit in such repayment), in freely usable currencies, or with the agreement of the Slovak Republic in other currencies that are included in the Fund's Financial Transactions Plan for transfers.

(e) Payments by the Fund of interest under this agreement shall normally be made in SDRs; provided that the Fund and the Slovak Republic may agree that interest payments will be made in euro.

(f) All payments made by the Fund in euro shall be made to an account specified by the Slovak Republic or by debiting the Fund's account with the designated depository of the Slovak Republic, as determined by the Fund. Payments in SDRs shall be made by crediting the Slovak Republic's account in the Special Drawing Rights Department. Payments in any other currency shall be made to an account specified by the Slovak Republic.



8. Early Repayment at Request of the Slovak Republic.

At the request of the Slovak Republic, the Slovak Republic shall obtain early repayment at face value of all or a portion of the drawings outstanding under this agreement, if (i) the Slovak Republic represents that its balance of payments and reserve position justifies such repayment, and (ii) the Fund, having given this representation the overwhelming benefit of any doubt, determines that there is a need for the early repayment as requested by the Slovak Republic in light of its balance of payments and reserve position. After consultation with the Slovak Republic, the Fund may make repayments pursuant to this paragraph 8 in SDRs or a freely usable currency as determined by the Fund or, with the agreement of the Slovak Republic, in the currencies of other members that are included in the Fund's Financial Transactions Plan for transfers.

9. Transferability.

(a) Except as provided in subparagraphs (b) through (h), the Slovak Republic may not transfer its obligations under this agreement or any of its claims on the Fund resulting from outstanding drawings under this agreement, except with the prior consent of the Fund and on such terms or conditions as the Fund may approve.

(b) The Slovak Republic shall have the right to transfer at any time all or part of any claim on the Fund resulting from outstanding drawings under this agreement to any member of the Fund, to the central bank or other fiscal agency designated by any member for purposes of Article V, Section 1 of the Fund's Articles of Agreement ("other fiscal agency"), or to any official entity that has been prescribed as a holder of SDRs pursuant to Article XVII, Section 3 of the Fund's Articles of Agreement.

(c) The transferee of a claim transferred pursuant to subparagraph (b) shall, as a condition of the transfer, assume the liability of the Slovak Republic pursuant to paragraph 5(a) regarding the extension of the maturity of drawings related to the transferred claim. More generally, any claim transferred pursuant to subparagraph (b), shall be held by the transferee on the same terms and conditions as the claim was held by the Slovak Republic, except that (i) the transferee shall acquire the right to request early repayment under paragraph 8 only if it is a member, or the central bank or other fiscal agency of a member, and at the time of transfer the member's balance of payments and reserve position is considered sufficiently strong in the opinion of the Fund that its currency is used in transfers under the Financial Transactions Plan, (ii) if the transferee is a member, or the central bank or other fiscal agency of a member, the reference to euro in paragraph 7 shall be deemed to refer to the currency of the relevant member, and in other cases it shall be deemed to refer to a freely usable currency determined by the Fund, (iii) payments related to the transferred claim shall be made to an account specified by the transferee, and (iv) references to business days (Bratislava) shall be deemed to refer to business days in the place where the transferee is situated.

(d) The price of a claim transferred pursuant to subparagraph (b) shall be as agreed between the Slovak Republic and the transferee.

(e) The Slovak Republic shall notify the Fund promptly of the claim that is being transferred pursuant to subparagraph (b), the name of the transferee, the amount of the claim that is being transferred, the agreed price for transfer of the claim, and the value date of the transfer.

(f) A transfer notified to the Fund under subparagraph (e) shall be reflected in the Fund's records if it is in accordance with the terms and conditions of this paragraph 9. The transfer shall be effective as of the value date agreed between the Slovak Republic and the transferee.

(g) If all or part of a claim is transferred during a quarterly period as described in paragraph 6(b), the Fund shall pay interest to the transferee on the amount of the claim transferred for the whole of that period.

(h) If requested, the Fund shall assist in seeking to arrange transfers.

10. Effective Exchange Rate.

(a) Unless otherwise agreed between the Slovak Republic and the Fund, all drawings, exchanges, and payments of principal and interest under this agreement shall be made at the exchange rates for the relevant currencies in terms of the SDR established pursuant to Article XIX, Section 7(a) of the Fund's Articles of Agreement and the rules and regulations of the Fund thereunder for the second business day of the Fund before the value date of the transfer, exchange or payment. If this exchange rate determination date is not a business day in Bratislava, such date shall be the last preceding business day of the Fund that is also a business day in Bratislava.

(b) For purposes of applying the limit on drawings as specified in paragraphs 1(a), 14(b) and 14(d), the euro value of each SDR-denominated drawing shall be determined and permanently fixed on the value date of the drawing based on the euro/SDR exchange rate established pursuant to Article XIX, Section 7(a) of the Fund's Articles of Agreement and the rules and regulations of the Fund thereunder for the second business day of the Fund before the value date of the drawing. If this exchange rate determination date is not a business day in Bratislava, such date shall be the last preceding business day of the Fund that is also a business day in Bratislava.

11. Changes in Method of Valuation of SDR.

If the Fund changes the method of valuing the SDR, all transfers, exchanges and payments of principal and interest made two or more business days of the Fund after the effective date of the change shall be made on the basis of the new method of valuation.

12. Non-Subordination of Claims.

The Fund agrees that it will not take any action that would have the effect of making the Slovak Republic's claims on the Fund resulting from outstanding drawings under this agreement

subordinate in any way to claims on the Fund resulting from any other borrowing effected pursuant to Article VII, Section 1(i) of the Fund's Articles of Agreement.

13. Settlement of Questions.

Any question arising under this agreement shall be settled by mutual agreement between the Slovak Republic and the Fund.

14. Transitional Arrangements.

(a) Regardless of whether this agreement is activated or not, the Fund: (i) shall make drawings under this agreement to repay any outstanding claims under the Slovak Republic's 2016 Borrowing Agreement, and (ii) may make drawings under this agreement to fund purchases under commitments approved by the Fund during an activation of the 2016 Borrowing Agreements or to fund early repayment of claims under other 2016 Borrowing Agreements in case the creditor represents a balance of payments need; provided that notwithstanding paragraph 5(a) of this agreement the maximum maturity date of the claim from the repayment herein shall be the residual maximum maturity date of the claim that is repaid with drawings under this agreement; and provided further that any claims under this agreement that result from the repayment herein shall be considered claims under the 2016 Borrowing Agreements for purposes of funding the early repayment of these claims in case of balance of payments need in accordance with the 2016 Borrowing Agreements.

(b) If, following the entry into effect of the NAB Reform, the Slovak Republic's outstanding claims under the Slovak Republic's 2016 Borrowing Agreement and this agreement are in excess of the Rolled Back Loan Amount as calculated pursuant to paragraph 10(b), the Fund shall repay any outstanding claims under the Slovak Republic's 2016 Borrowing Agreement and this agreement in excess of the Rolled Back Loan Amount; provided that claims with shorter remaining maximum maturities shall be repaid before those with longer remaining maximum maturities.

(c) After the entry into force of this agreement, the Fund may make no further drawing under the Slovak Republic's 2016 Borrowing Agreement.

(d) No drawing under this agreement shall be made that would cause the cumulative amount drawn under both this agreement and the 2016 Borrowing Agreement between the Slovak Republic and the Fund, at the time of such drawing, to (i) exceed the Loan Amount prior to the effectiveness of the NAB Reform, or (ii) exceed the Rolled Back Loan Amount upon and after the effectiveness of the NAB Reform, as calculated pursuant to paragraph 10(b).

15. Final Provisions.

(a) The National Bank of Slovakia shall act as agent for the Slovak Republic in connection with the implementation of this agreement, and the Fund shall be entitled to consider any request, representation or notification from or to the National Bank of Slovakia, or any consultation with the National Bank of Slovakia, as constituting, respectively, a request,

representation or notification from or to the Slovak Republic, or consultation with the Slovak Republic.

(b) This agreement may be executed in duplicate counterparts, each of which shall be deemed an original and both of which together shall constitute but one and the same instrument.

(c) This agreement shall become effective on the date last signed below or on January 1, 2021, whichever is later.

For the Slovak Republic:

\_\_\_\_\_  
[Name]  
[Title]

\_\_\_\_\_  
Date

For the International Monetary Fund:

\_\_\_\_\_  
Kristalina Georgieva  
Managing Director

\_\_\_\_\_  
Date

## Attachment VI. Loan Agreement between the South African Reserve Bank and the International Monetary Fund

This Note Purchase Agreement (this “Agreement”) is entered into between the South African Reserve Bank (the “SARB”) and the International Monetary Fund (the “Fund”).

### 1. Purposes and Amounts.

(a) To enhance the resources available on a temporary basis to the Fund for crisis prevention and resolution through bilateral borrowing, the SARB agrees to purchase from the Fund promissory notes, which shall be issued in accordance with the terms of this Agreement and the General Terms and Conditions for International Monetary Fund Series G Notes attached as Annex 1 to this Agreement (the “Notes”). Notes in a total, SDR-denominated, principal amount up to the equivalent of US\$2,000 million (“Principal”) shall be issued under this Agreement; provided however that, upon the effectiveness of the increase in South Africa’s credit arrangement under the Fund’s New Arrangements to Borrow (the “NAB”) as part of the reform of the NAB approved by the Fund under Decision No. 16645-(20/5), adopted January 16, 2020 (the “NAB Reform”), the Principal will be automatically reduced to an SDR-denominated amount up to the equivalent of US\$862 million (the “Rolled Back Principal”).

(b) This Agreement and other bilateral borrowing agreements that the Fund has entered into or amended pursuant to the borrowing framework approved by the Fund in March 2020 shall be referred to each as a “2020 Borrowing Agreement” and collectively as the “2020 Borrowing Agreements”. Each bilateral borrowing agreement that the Fund entered into pursuant to the borrowing framework approved by the Fund in August 2016 shall be referred to as a “2016 Borrowing Agreement” and collectively as the “2016 Borrowing Agreements”. The 2020 Borrowing Agreements and the 2016 Borrowing Agreements shall be collectively referred to as “Bilateral Borrowing Agreements”.

### 2. Term of the Agreement and Use.

(a) The term of this Agreement shall end on December 31, 2023; provided that the Fund may extend the term of this Agreement for one further year through December 31, 2024 by a decision of the Executive Board, taking into account the Fund’s overall liquidity situation and actual and prospective borrowing requirements, and with the consent of the SARB.

(b) The 2020 Borrowing Agreements may be activated only after the Managing Director has notified the Executive Board that the Forward Commitment Capacity of the Fund as defined in Decision No. 14906-(11/38), adopted April 20, 2011, taking into account all available uncommitted resources under the NAB (the “modified FCC”), is below SDR 100 billion (the “activation threshold”); provided, however, that the Managing Director shall not provide such notification unless: (i) the NAB is activated as of the time of the notification, or there are no available uncommitted resources under

the NAB as of that time, and (ii) the activation of the 2020 Borrowing Agreements has been approved by creditors representing at least 85 percent of the total credit amount committed under the 2020 Borrowing Agreements by creditors eligible to vote on such activation. For purposes of conducting a poll of eligible creditors, the Managing Director shall propose in writing the activation of the 2020 Borrowing Agreements and request the creditors' vote. A creditor shall not be eligible to vote on the activation if, at the time of the vote, its 2020 Borrowing Agreement is not effective, or the relevant member is not included in the Fund's Financial Transactions Plan for transfers of its currency. Nothing in this paragraph 2(b) shall preclude the Managing Director from approaching creditors before the modified FCC is below the activation threshold, if extraordinary circumstances so warrant in order to forestall or cope with an impairment of the international monetary system.

(c) If the 2020 Borrowing Agreements are activated pursuant to paragraph 2(b), they shall be automatically deactivated whenever the NAB is no longer activated, unless there are no available uncommitted resources under the NAB at that time. Separately, the 2020 Borrowing Agreements shall be deactivated if the Managing Director has notified the Executive Board that the modified FCC (excluding any amounts available under the Bilateral Borrowing Agreements) has risen above the activation threshold and: (i) the Executive Board determines that activation is no longer necessary; or (ii) six months have elapsed since the date of the Managing Director's notification and, within that period, the modified FCC (excluding any amounts available under the Bilateral Borrowing Agreements) has not fallen below the activation threshold. If, after the deactivation of the 2020 Borrowing Agreements under this paragraph 2(c), the modified FCC were to fall below the activation threshold, the provisions of paragraph 2(b) will apply.

(d) During any period after the activation of the 2020 Borrowing Agreements as provided under paragraph 2(b) and for as long as the 2020 Borrowing Agreements remain activated in accordance with paragraphs 2(b) and 2(c), the Fund may (i) use the resources available under this Agreement to fund any outright purchases made from the General Resources Account ("GRA") during the term of this Agreement and (ii) approve, during the term of this Agreement, commitments of GRA resources under Fund arrangements whose purchases could be funded by issuing Notes for purchase under this Agreement at any time during the period of such commitments, including after the expiration of the term of this Agreement and during any period in which this Agreement is no longer activated in accordance with paragraph 2(c); provided however that the commitments covered under this clause (ii) shall also include any commitment whose approval caused the activation threshold to be reached.

(e) Following an activation specified in paragraph 2(b), the resources available under this Agreement may also be used by the Fund to fund the early repayment of claims under other 2020 Borrowing Agreements if the relevant creditors under those other agreements request the early repayment of their claims in the circumstances specified in paragraph 7 of the General Terms and Conditions for International Monetary Fund Series G Notes. Notes for purchase may be issued under this Agreement to fund such early repayment of other creditors' claims for as long as claims under the 2020 Borrowing Agreements remain outstanding, including after the expiration of the term of this Agreement or during any period in which this Agreement is no longer activated in accordance with paragraph 2(c).

(f) Notes for purchase under this Agreement shall be issued with the goal of achieving over time broadly balanced positions among creditors under all Bilateral Borrowing Agreements relative to their commitments under these agreements.

### 3. Estimates, Notices and Limits on Issuance of Notes.

(a) Prior to the beginning of each plan period for the use of bilateral borrowed resources, the Fund shall provide the SARB with its best estimates of the amounts of the Notes that it expects it will issue for purchase under this Agreement during the forthcoming period, and shall provide revised estimates during each period where this is warranted. The SARB shall not be included in the periodic plan, and no Notes shall be issued for purchase under this Agreement, if South Africa is not included and is not being proposed by the Managing Director to be included in the list of countries in the Financial Transactions Plan for transfers of its currency. Moreover, no Notes shall be issued for purchase under this Agreement if the SARB was included in the periodic plan but, at the time of the issuance of these Notes, South Africa's currency is not being used in transfers under the Financial Transactions Plan because of South Africa's balance of payments and reserve position. Where South Africa was not included in the Financial Transactions Plan at the time of the vote on the activation of the 2020 Borrowing Agreements and is subsequently included in the Financial Transactions Plan, Notes may be issued for purchase under this Agreement to fund purchases made and commitments approved during the activation period unless and for so long as the SARB notifies the Fund that it does not wish to have such issuance for these purposes.

(b) The Fund shall give the SARB at least five business days' (Pretoria) notice of its intention to issue Notes for purchase, and shall provide payment instructions at least two business days (Fund) prior to the value date of the transaction by a rapid authenticated means of communication (e.g., SWIFT), provided that in exceptional circumstances where it is not possible to provide at least five business days' (Pretoria) notice, notification of intent to issue Notes for purchase would be made at least three business days (Pretoria) in advance of the value date, and the SARB would make best efforts to meet such a call.

(c) Payment by the Fund of the principal amount of a Note shall restore *pro tanto* the amount of Notes that may be issued under this Agreement. The extension of the maturity of a Note, or of any part thereof, in accordance with paragraph 4(a) of the General Terms and Conditions for International Monetary Fund Series G Notes shall not reduce the amount of Notes that may be issued under this Agreement.

### 4. Denomination and Price.

Notes shall be denominated in the special drawing right (SDR). Notes shall be issued in multiples of SDR 10 million. The purchase price for each Note shall be 100 percent of the principal amount thereof.

5. Payments for Purchases, Exchanges of Currencies and SDR Valuation.

(a) Unless otherwise agreed between the Fund and the SARB, the purchase price of each Note shall be paid by the SARB on the value date specified in the Fund's notice under paragraph 3, by transfer of the SDR equivalent amount of South African Rand to the account of the Fund with the designated depository of South Africa; provided that for Notes purchased in accordance with paragraph 2(e), the SARB shall ensure that balances used in the purchase that are not balances of a freely usable currency can be exchanged for a freely usable currency of its choice, and, with respect to balances used in the purchase that are balances of a freely usable currency, the SARB shall collaborate with the Fund and other members to enable such balances to be exchanged for another freely usable currency.

(b) Unless otherwise agreed between the Fund and the SARB, all purchases of Notes and exchanges of currency pursuant to this Agreement shall be made at the exchange rate for the relevant currency in terms of the SDR established pursuant to Article XIX, Section 7(a) of the Fund's Articles of Agreement and the rules and regulations of the Fund thereunder for the second business day of the Fund before the value date of the purchase or exchange. If this exchange rate determination date is not a business day in Pretoria such date shall be the last preceding business day of the Fund that is also a business day in Pretoria.

(c) If the Fund changes the method of valuing the SDR, all purchases and exchanges of currency made two or more business days of the Fund after the effective date of the change shall be made on the basis of the new method of valuation.

(d) For purposes of applying the limit specified in paragraphs 1(a), 9(c) and 9(e) on Fund issuance of Notes for purchase under this Agreement, the US dollar value of each SDR-denominated Note issued by the Fund shall be determined and permanently fixed on the value date of the issuance based on the US dollar/SDR exchange rate established pursuant to Article XIX, Section 7(a) of the Fund's Articles of Agreement and the rules and regulations of the Fund thereunder for the second business day of the Fund before the value date of the issuance. If this exchange rate determination date is not a business day in Pretoria, such date shall be the last preceding business day of the Fund that is also a business day in Pretoria.

6. Transferability.

The SARB may not transfer any of its rights or obligations under this Agreement except with the prior written consent of the Fund; provided however that transfers of Notes may be effected pursuant to, and subject in any event to the transfer restrictions and other limitations on transfers of the Notes set forth in, the General Terms and Conditions for International Monetary Fund Series G Notes.

7. Settlement of Questions.



Any question arising under this Agreement shall be settled by mutual agreement between the SARB and the Fund.

8. Cooperation with the Fund.

The SARB stands ready to cooperate with the Fund in the spirit of IMFC/G-20 commitments as needed and appropriate.

9. Transitional Arrangements.

(a) Regardless of whether this Agreement is activated or not, the Fund: (i) subject to paragraph 9(b) below, shall issue Notes for purchase under this Agreement to repay any outstanding claims under the SARB's 2016 Borrowing Agreement, and (ii) may issue Notes for purchase under this Agreement to fund purchases under commitments approved by the Fund during an activation of the 2016 Borrowing Agreements or to fund early repayment of claims under other 2016 Borrowing Agreements in case the creditor represents a balance of payments need; provided that, notwithstanding paragraph 4(a) of the General Terms and Conditions for International Monetary Fund Series G Notes annexed to this Agreement, the maximum maturity date of the claim from the repayment herein shall be the residual maximum maturity date of the claim that is repaid with Notes issued under this Agreement; and provided further that any Notes issued under this Agreement that result from the repayment herein shall be considered claims under the 2016 Borrowing Agreements for purposes of funding the early repayment of these Notes in case of balance of payments need in accordance with the 2016 Borrowing Agreements, and for purposes of special calls under paragraph 23 of the Fund's Decision No. 16645-(20/5), adopted January 16, 2020.

(b) To the extent that claims under the SARB's 2016 Borrowing Agreement or this Agreement are outstanding when the increase in South Africa's NAB credit arrangement becomes effective, the SARB, on behalf of South Africa, shall be deemed to request, in accordance with paragraph 23 of the Fund's Decision No. 11428-(97/6), adopted January 27, 1997 on the NAB, as amended, that the Managing Director make calls under South Africa's NAB credit arrangement up to the maximum available amount, taking into account the Fund's need for maintaining prudential balances, to fund the repayment of such claims; provided that if the increase in South Africa's NAB credit arrangement and this Agreement enter into effect at the same time, the repayment of the SARB's outstanding claims under the SARB's 2016 Borrowing Agreement shall be funded first with calls under South Africa's NAB credit arrangement before Notes are issued for purchase under this Agreement pursuant to paragraph 9(a) above.

(c) If following the repayment of outstanding claims under the SARB's 2016 Borrowing Agreement and this Agreement as provided in paragraph 9(b) above, the SARB's outstanding claims under these agreements remain in excess of the Rolled Back Principal, as calculated pursuant to paragraph 5(d), the Fund shall repay any outstanding claims under the SARB's 2016 Borrowing Agreement and this Agreement in excess of the Rolled Back Principal; provided that claims with

shorter remaining maximum maturities shall be repaid before those with longer remaining maximum maturities.

(d) After the entry into force of this Agreement, the Fund may no longer issue any Notes under the SARB's 2016 Borrowing Agreement.

(e) No Note shall be issued under this Agreement that would cause the total principal amount of Notes outstanding under both this Agreement and the 2016 Borrowing Agreement between the SARB and the Fund to (i) exceed the Principal prior to the effectiveness of the increase in South Africa's NAB credit arrangement, or (ii) exceed the Rolled Back Principal upon and after the effectiveness of the increase in South Africa's NAB credit arrangement, as calculated pursuant to paragraph 5(d); provided that Notes issued in an amount beyond the Rolled Back Principal under (ii) herein are authorized, if within the same day of the issuance, any resulting claim that would exceed the Rolled Back Principal is repaid with a special call under South Africa's NAB credit arrangement, and the SARB hereby requests, on behalf of South Africa, that the Managing Director make such calls to fund the repayment in accordance with paragraph 23 of the Fund's Decision No. 11428-(97/6), adopted January 27, 1997 on the NAB, as amended.

#### 10. Final Provisions.

(a) This Agreement may be executed in duplicate counterparts, each of which shall be deemed an original and both of which together shall constitute but one and the same instrument.

(b) This Agreement shall become effective on the date last signed below, or on the date on which South Africa provides the concurrence that is required under Article VII, Section 1(i) of the Fund's Articles of Agreement for Fund borrowing of South African Rand from the SARB, or on the date the Fund acknowledges the receipt of a written communication from the SARB notifying the Fund of the completion of its domestic requirements for the entry into force of this agreement, or on January 1, 2021, whichever is later.

For the South African Reserve Bank:

\_\_\_\_\_  
[Name]

[Title]

\_\_\_\_\_  
Date

For the International Monetary Fund:

\_\_\_\_\_  
Kristalina Georgieva  
Managing Director

\_\_\_\_\_  
Date

## **ANNEX 1. General Terms and Conditions for International Monetary Fund Series G Notes**

1. Definitions. These are the General Terms and Conditions for International Monetary Fund Series G Notes that are referred to in the Applicable Note Purchase Agreement, as defined below, and in the Notes described therein and herein. The following definitions apply for purposes of these General Terms and Conditions:

(a) “Applicable Note Purchase Agreement” for any Note means the Note Purchase Agreement between the Fund and the original Eligible Purchaser to whom the Fund (i) had issued the Note, or (ii) had issued any Note in cancellation of which the Note (or one or more Notes previously cancelled in exchange for the Note) had been issued.

(b) “Borrowing Guidelines” means the Guidelines for Borrowing by the Fund.

(c) “Eligible Purchaser” means (i) a member of the Fund, and (ii) the central bank of a member of the Fund.

(d) “Eligible Holder” means (i) an Eligible Purchaser, (ii) a fiscal agency designated by a member of the Fund for purposes of Article V, Section 1 of the Fund’s Articles of Agreement (hereinafter referred to as the “fiscal agency of a member”), and (iii) an official entity that has been prescribed as a holder of special drawing rights (SDRs) pursuant to Article XVII, Section 3 of the Fund’s Articles of Agreement (hereinafter referred to as a “prescribed SDR holder”).

(e) “Notes” mean the promissory notes (International Monetary Fund Series G Notes) that are subject to these General Terms and Conditions.

(f) “Permitted Holder” means (i) an Eligible Holder, and (ii) any other official entity in respect of whom the Fund has consented in writing to a transfer of Notes pursuant to subparagraph 6(b) of these General Terms and Conditions.

(g) “Relevant Member” means, in the case of a Permitted Holder that is the central bank or fiscal agency or other official institution of a member of the Fund, that member of the Fund.

2. Eligible Purchasers and Permitted Holders of Notes.

The Fund will issue Notes solely to Eligible Purchasers. Each Eligible Purchaser will enter into a Note Purchase Agreement with the Fund governing the terms of its purchases of Notes from the Fund. Permitted Holders shall be the only authorized holders of the Notes.

### 3. Form, Delivery and Custody of Notes.

(a) Notes will only be issued in book entry form. The Fund will establish and maintain in its records a book entry account in the name of each Permitted Holder recording pertinent details of all Notes issued, including the number, issue date, principal amount, series, and maturity date. As of the value date of each purchase or transfer of a Note, the Fund will make an appropriate entry in its records regarding details of the Note purchased or transferred. The making of such an entry in the records of the Fund shall constitute a taking of delivery of the Note by the purchaser or transferee.

(b) Upon the request of a Permitted Holder, the Fund will issue to the Permitted Holder a registered Series G Note substantially in the form set out in Annex 2, including without limitation the legend regarding restrictions on transfer of Notes. Each such registered Note will bear as its issue date the value date of the purchase of the Note and shall be issued in the name of the relevant Permitted Holder. Unless otherwise agreed between a Permitted Holder and the Fund, the Fund will keep registered Notes in custody for the Permitted Holder, and acceptance of custody by the Fund shall constitute delivery of Notes to the Permitted Holder.

### 4. Maturity.

(a) Except as otherwise provided in this paragraph 4 and in paragraph 7(b)(ii), each Note shall have a maturity date that is three months from its issue date. The Fund may in its sole discretion elect to extend the maturity date of any Note or of any portion thereof by additional periods of three months after the initial maturity date, which extension the Fund shall automatically be deemed to have elected with respect to the maturity dates then in effect for all Notes unless, at least five business days (Fund) before a maturity date, the Fund notifies a Permitted Holder by a rapid authenticated means of communication (e.g., SWIFT) that the Fund does not elect to extend the maturity date of the particular Note or portion thereof; provided however (i) that the maturity date of any Note purchased to fund GRA purchases shall not be extended to a date that is later than the tenth anniversary of the date of such Note, and (ii) that the maturity date for any Notes purchased to fund the early repayment of other creditors' claims in accordance with paragraph 2(e) of the Applicable Note Purchase Agreement shall be a single common maturity date that is the longest remaining maximum maturity of any claim for which such early repayment has been requested or the tenth anniversary of the date of the relevant Notes being issued to fund early repayment, whichever is earlier. Notwithstanding the maturity deadlines in the preceding sentence, following an Executive Board determination that exceptional circumstances exist as a result of a shortage of Fund resources in relation to Fund obligations falling due, the Fund, with the agreement of the Permitted Holder, may extend the maximum maturity for Notes purchased up to an additional five years.

(b) The Fund shall pay the principal amount of each Note on the maturity date that is applicable to that Note in accordance with subparagraph (a). If a maturity date for a Note is not a business day in the place where payment is to be made, then the payment date for such principal

amount will be the next business day in that place. In such cases, interest will accrue up to the payment date.

(c) The Fund may at its option make an early payment in part or in full of the principal amount of any Note prior to its maturity date, after consultation with the relevant Permitted Holder, provided that the Fund notifies Permitted Holder at least five business days (Fund) before any such payment by a rapid authenticated means of communication (e.g., SWIFT).

(d) The Fund will cancel a Note upon payment of the principal amount of the Note and all accrued interest. If the Fund makes early payment of less than the principal amount of a Note, the Fund will cancel the Note and issue a new Note for the remainder of the amount, with the same maturity date as the cancelled Note. If the maturity date of a Note is extended with respect to less than the principal amount of the Note, the Fund will cancel the Note and issue a new Note for the remainder of the amount, with the extended maturity date.

(e) Any Note to be cancelled by the Fund that is not already in the custody of the Fund shall be surrendered by the Permitted Holder to the Fund for cancellation.

## 5. Rate of Interest.

(a) Each Note bears interest at the SDR interest rate established by the Fund pursuant to Article XX, Section 3 of the Fund's Articles of Agreement; however, if the Fund pays an interest rate higher than the SDR interest rate on outstanding balances from any other borrowing on comparable terms that has been effected pursuant to Article VII, Section 1(i) of the Fund's Articles of Agreement, and for as long as the payment of such higher interest rate remains in effect, the interest rate payable on each Note will be equivalent to the interest rate paid by the Fund on such other comparable borrowing.

(b) The amount of interest payable on each Note is calculated on the basis of the principal amount of the Note (including the principal amount of any Note issued in substitution of a Note cancelled pursuant to paragraph 4(d)). Interest accrues daily and is to be paid promptly by the Fund after each July 31, October 31, January 31, and April 30.

## 6. Transferability of Notes.

(a) A Permitted Holder has the right to transfer at any time all or part of any Note to any Eligible Holder. If requested, the Fund will use its best efforts to arrange such transfers to one or more Eligible Holders identified by the Fund or by the transferor Permitted Holder.

(b) Transfers by a Permitted Holder of all or part of any Note to an official entity other than an Eligible Holder shall require the prior written consent of the Fund, and may only take place on such additional terms and conditions as the Fund may approve.

(c) In no event shall any Permitted Holder have the right to sell, assign, dispose of or otherwise transfer any Note or any part of any Note, directly or indirectly, to any entity that is not (i) an Eligible Holder, or (ii) an official entity in respect of which the Fund has consented in writing to the transfer pursuant to subparagraph (b).

(d) Derivative transactions in respect of any Note, and transfers of participation interests in any Note, are prohibited.

(e) The transferee of a Note transferred pursuant to this paragraph 6 shall, as a condition of the transfer, assume in full the obligations of a Permitted Holder pursuant to paragraph 4(a) regarding extensions of the maturity of the Note and regarding the extension of the maximum maturity of the Note in exceptional circumstances. More generally, any Note or part thereof transferred pursuant to this paragraph 6 shall be held by the transferee on the same terms and conditions as the Note was held by the transferor, except as provided in paragraph 7 with respect to the right to early payment at the request of a Permitted Holder.

(f) The price of a Note transferred pursuant to this paragraph 6 will be as agreed between the transferor and the transferee.

(g) Transfers made pursuant to subparagraph (a) that are in accordance with the terms and conditions of this paragraph 6 will be effected by a duly authenticated notice of transfer from the transferor to the Fund stating the name of the transferee and the Note being transferred, the transferee's eligibility for a transfer pursuant to subparagraph (a), and the value date of the transfer.

(h) For all transfers under this paragraph 6, the Fund will cancel the Note that has been transferred in whole or in part and, if the Note is a registered Note, the transferor shall, as a condition for the transfer, surrender for cancellation any such registered Note that is not already in the custody of the Fund. Upon cancellation of the relevant Note, the Fund will issue a new Note in the name of the transferee for the principal amount transferred and, where appropriate, a new Note in the name of the transferor for any part of the principal amount retained by it. The issue date of each new Note will be the issue date of the cancelled Note, and the new Notes will have the same maturity date (including any maturity date resulting from extensions of a previous maturity date) that is applicable to the cancelled Note pursuant to paragraph 4. The form and delivery of each new Note will be as specified in paragraph 3.

(i) If all or part of a Note is transferred during a quarterly period as described in paragraph 5(b), the Fund will pay interest to the transferee on the principal amount of the Note for the whole of that period.

## 7. Early Payment by the Fund at Request of Certain Permitted Holders.

(a) The rights provided in subparagraph (b) shall apply only to Permitted Holders of Notes that are either (i) Eligible Purchasers in respect of such Notes, or (ii) transferees of such Notes

pursuant to paragraphs 6(a) or 6(b) for which the following conditions are met: (A) the transferee is a member of the Fund, or the central bank or fiscal agency of a member of the Fund, and (B) at the time of transfer, the balance of payments and reserve position of the member or Relevant Member, as the case may be, was considered sufficiently strong in the opinion of the Fund that its currency was being used in transfers under the Financial Transactions Plan.

(b) A Permitted Holder described in subparagraph (a) shall obtain early payment at face value of all or a portion of the principal of Notes as described in subparagraph (a) that are held by such Permitted Holder, if (i) the Permitted Holder represents that its balance of payments and reserve position (the balance of payments and reserve position of the Relevant Member if the Permitted Holder is the central bank or fiscal agency of a member) justifies early payment, and (ii) the Fund, having given this representation the overwhelming benefit of any doubt, determines that there is a need for early payment as requested by the Permitted Holder in light of the balance of payments and reserve position of the Permitted Holder or the Relevant Member, as the case may be.

(c) After consultation with the Permitted Holder, the Fund may make payments pursuant to this paragraph 7 in SDRs or a freely usable currency as determined by the Fund or, with the agreement of the Permitted Holder, in the currencies of other members that are included in the Fund's periodic Financial Transactions Plan for transfers.

#### 8. Media and Modalities of Payments on the Notes.

(a) Except as otherwise provided in paragraph 7, payments by the Fund of the principal amount of Notes shall be made to a Permitted Holder, as determined by the Fund, in (i) the currency borrowed whenever feasible, if the Permitted Holder is the original purchaser, (ii) the currency of the Permitted Holder, if the Permitted Holder is a member of the Fund, (iii) the currency of the Relevant Member, if the Permitted Holder is the central bank or fiscal agency of a member of the Fund, or is a prescribed SDR holder that is an official institution of a member, (iv) special drawing rights, if the Permitted Holder is covered by clauses (ii) or (iii) or is otherwise a prescribed SDR holder (provided that it does not increase the member's holdings of special drawing rights above the limit under Article XIX, Section 4 of the Fund's Articles of Agreement unless the member agrees to accept special drawing rights above that limit in such payment, in the case of a Permitted Holder covered by clause (ii)), (v) any freely usable currency determined by the Fund in the case of any Permitted Holder, or (vi) other currencies that are included in the Fund's periodic Financial Transactions Plan for transfers, with the agreement of the Permitted Holder.

(b) Payments by the Fund of interest on the Notes will normally be made in SDRs if the Permitted Holder is a member of the Fund or a central bank or fiscal agency of such a member, or a prescribed SDR holder; provided that in the case of a member of the Fund or a central bank or fiscal agency of such a member, the Fund and the Permitted Holder may agree that interest payments will be made in the currency of the Relevant Member. Payments of interest to other Permitted Holders will be made in a freely usable currency as determined by the Fund.



(c) All payments made by the Fund to a Permitted Holder in currency will be made by crediting the amount due to an account specified in advance by the Permitted Holder for purposes of receiving such payments, or, in the case of a Permitted Holder that is a Fund member, by debiting the Fund's account with the designated depository of that member, as determined by the Fund. Payments in SDRs will be made by crediting the SDR Department account of the Permitted Holder or of the Relevant Member as the case may be.

9. Effective Exchange Rate for Payments.

Unless otherwise agreed between a Permitted Holder and the Fund, all payments in currency of principal and interest under these General Terms and Conditions will be made at the exchange rates for the relevant currencies in terms of the SDR established pursuant to Article XIX, Section 7(a) of the Fund's Articles of Agreement and the rules and regulations of the Fund thereunder for the second business day of the Fund before the value date of the payment. If this exchange rate determination date is not a business day in the Permitted Holder's principal location, then such date will be the last preceding business day of the Fund that is also a business day in the Permitted Holder's principal location.

12. Changes in Method of Valuation of SDR.

If the Fund changes the method of valuing the SDR, all payments of principal and interest on the Notes made two or more business days of the Fund after the effective date of the change will be made on the basis of the new method of valuation.

13. Non-Subordination of Claims.

The Fund will not take any action that would have the effect of making a Permitted Holder's claim on the Fund resulting from any Note subordinate in any way to claims on the Fund resulting from any other borrowing effected pursuant to Article VII, Section 1(i) of the Fund's Articles of Agreement.

12. Settlement of Questions.

Any question arising under any Note shall be settled by mutual agreement between the relevant Permitted Holder and the Fund.

**ANNEX 2. Form of Registered Series G Note**

Number \_\_\_\_\_

SDR \_\_\_\_\_

INTERNATIONAL MONETARY FUND

REGISTERED NOTE

Issue Date: \_\_\_\_\_

Maturity Date: [to include description of automatic extensions of maturity and extension option in exceptional circumstances]

The INTERNATIONAL MONETARY FUND ("the Fund"), for value received, hereby promises to pay to \_\_\_\_\_, being the registered holder of this note, an amount equivalent to

\_\_\_\_\_ Special Drawing Rights (SDR \_\_\_\_\_)

on the maturity date specified above and to pay interest thereon as set forth below.

This Note is one of a series of "Series G Notes" issued in accordance with the General Terms and Conditions for International Monetary Fund Series G Notes (the "General Terms and Conditions") and the Applicable Note Purchase Agreement as such term is defined in the General Terms and Conditions. Each holder of this Note is deemed to have agreed to the General Terms and Conditions and relevant terms of the Applicable Note Purchase Agreement, including without limitation the maturity date (including the terms on which it may be extended at the sole option of the Fund from time to time), the interest rate, the terms and conditions of early payment at the request of the Fund or the holder hereof, and the terms and conditions of transfer of this Note or any part thereof.

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES LAWS OF ANY JURISDICTION.

IN NO EVENT SHALL ANY HOLDER OF THIS NOTE SELL, ASSIGN, DISPOSE OF OR OTHERWISE TRANSFER THIS NOTE, DIRECTLY OR INDIRECTLY, TO ANY ENTITY THAT IS NOT (I) A MEMBER OF THE FUND OR THE CENTRAL BANK OF A MEMBER OF THE FUND, (II) A FISCAL AGENCY DESIGNATED BY A MEMBER OF THE FUND FOR PURPOSES OF ARTICLE V, SECTION 1 OF THE FUND'S ARTICLES OF AGREEMENT, (III) AN OFFICIAL ENTITY THAT HAS BEEN PRESCRIBED AS A HOLDER OF SPECIAL DRAWING RIGHTS PURSUANT TO ARTICLE XVII, SECTION 3 OF THE FUND'S ARTICLES OF AGREEMENT, OR (IV) ANY OTHER OFFICIAL ENTITY IN RESPECT OF WHICH THE FUND HAS CONSENTED IN WRITING TO A TRANSFER PURSUANT TO PARAGRAPH 6(B) OF THE GENERAL TERMS AND CONDITIONS.

ANY DERIVATIVE TRANSACTIONS IN RESPECT OF THIS NOTE, AND TRANSFERS OF PARTICIPATION INTERESTS IN THIS NOTE, ARE PROHIBITED.

Interest shall accrue daily on the principal amount of this Note at the SDR interest rate established by the Fund pursuant to Article XX, Section 3 of the Fund's Articles of Agreement; provided however that, if the Fund pays an interest rate higher than the SDR interest rate on outstanding balances from any other borrowing on comparable terms that has been effected pursuant to Article VII, Section 1(i) of the Fund's Articles of Agreement, and for as long as the payment of such higher interest rate remains in effect, then the interest rate payable on this Note shall be equivalent to the interest rate paid by the Fund on such other comparable borrowing. Interest shall be paid promptly after each July 31, October 31, January 31, and April 30. Payments of interest shall normally be made in SDRs if the registered holder is a member of the Fund, or a central bank or fiscal agency of a member of the Fund, or a prescribed holder of SDRs, provided that the Fund and such registered holder may agree that interest payments will be made in the currency of the Relevant Member, or in a freely usable currency as determined by the Fund in the case of other registered holders. Payments in SDRs shall be made by crediting the SDR Department account of the registered holder, or of the member for which the registered holder serves as central bank or fiscal agency in the case of registered holders that are the central bank or fiscal agency of a member of the Fund.

[Signatures]

## Attachment VII. Draft Press Release Table

### 2020 Bilateral Borrowing Agreements: Amounts by Creditor <sup>1/</sup>

Member (Creditor)		Currency of commitment	Amount
[Algeria (Bank of Algeria)]	[LINK]	[USD]	[2.15]
Australia	[LINK]	SDR	1.99
Austria (Oesterreichische Nationalbank)	[LINK]	EUR	2.64
Belgium (National Bank of Belgium)	[LINK]	EUR	4.30
[Brazil (Banco Central do Brasil)]	[LINK]	[USD]	[3.90]
[Canada]	[LINK]	[SDR]	[3.53]
Chile (Central Bank of Chile)	[LINK]	SDR	0.27
[China (People's Bank of China)]	[LINK]	[USD]	[21.22]
[Czech Republic (Czech National Bank)]	[LINK]	[EUR]	[0.65]
Denmark (Danmarks Nationalbank)	[LINK]	EUR	2.28
Estonia (Eesti Pank) <sup>1/</sup>	[LINK]	EUR	0.16
[Finland (Bank of Finland)]	[LINK]	[EUR]	[1.62]
France	[LINK]	EUR	13.53
Germany (Deutsche Bundesbank)	[LINK]	EUR	17.88
Japan	[LINK]	USD	25.85
Korea	[LINK]	USD	6.46
Lithuania (Bank of Lithuania) <sup>1/</sup>	[LINK]	EUR	0.30
[Luxembourg]	[LINK]	[EUR]	[0.89]
[Malaysia (Bank Negara Malaysia)]	[LINK]	[USD]	[0.43]
[Malta (Central Bank of Malta)]	[LINK]	[EUR]	[0.11]
[Mexico (Banco de Mexico)]	[LINK]	[USD]	[4.31]
[Netherlands (De Nederlandsche Bank NV)]	[LINK]	[EUR]	[5.86]
New Zealand	[LINK]	USD	0.43
[Norway (Norges Bank)]	[LINK]	[SDR]	[2.59]
Peru (Central Reserve Bank of Peru)	[LINK]	SDR	0.47
[Philippines (Bangko Sentral ng Pilipinas)]	[LINK]	[USD]	[0.43]
Poland (Narodowy Bank Polski)	[LINK]	EUR	2.70
Russia (Central Bank of the Russian Federation)	[LINK]	USD	3.90
Saudi Arabia	[LINK]	USD	6.46
[Singapore (Monetary Authority of Singapore)]	[LINK]	[USD]	[1.72]
[Slovak Republic]	[LINK]	[EUR]	[0.67]
[Slovenia (Bank of Slovenia)]	[LINK]	[EUR]	[0.39]
[South Africa (South African Reserve Bank)]	[LINK]	[USD]	[0.86]
[Spain]	[LINK]	[EUR]	[6.40]
Sweden (Sveriges Riksbank)	[LINK]	SDR	3.19
Switzerland (Swiss National Bank)	[LINK]	CHF	3.66
Thailand (Bank of Thailand)	[LINK]	USD	1.72
Turkey (Central Bank of the Republic of Turkey)	[LINK]	USD	2.15
United Kingdom	[LINK]	SDR	3.95

<sup>1/</sup> Table will include a list of 2020 Borrowing Agreements in effect at time of issuance, including those 2020 BBAs which will be approved by the Board at a later stage.