CONTENTS

Section 1: INTRODUCTION ......................................................................................... 1
A. Basis and Purpose ..................................................................................................1
B. Applicability .............................................................................................................1
C. Definitions ...............................................................................................................1
Section 2: PROCEDURES FOR EXERCISING LOAN CONVERSION OPTIONS ...... 2
A. Certain Definitions Relating to Procedures ..............................................................2
B. Formal Requests ....................................................................................................2
C. Representation and Contents of Requests ..............................................................2
D. Authorized Representative ......................................................................................2
E. Communication of Request .....................................................................................3
F. Acknowledgement of Request ................................................................................3
G. Review and Acceptance of Request .......................................................................3
H. Communications during Execution Period ..............................................................4
I. Withdrawal of Request ............................................................................................4
J. Notification Following Conversion ...........................................................................4
Section 3: LIMITATIONS AND RESTRICTIONS ........................................................ 4
A. Minimum Amount of Conversion .............................................................................4
B. Maximum Amount of Conversion ............................................................................5
C. Conversion Restrictions on Commitment Letters ....................................................5
D. Retroactive Financing .............................................................................................5
E. Imprest Account ......................................................................................................6
F. Local Currency Conversion .....................................................................................6
Section 4: BASIS FOR EXECUTING CONVERSION TRANSACTIONS ....................... 6
A. Certain Definitions Relating to Conversion Transactions .........................................6
B. Conversion Dates ...................................................................................................7
C. Failure to Effect Conversion during Execution Period .............................................7
D. Types of Conversion Transactions ..........................................................................7
E. Market Transactions ...............................................................................................8
F. Currency Conversion of Unwithdrawn Amounts ......................................................9
G. Conversion of Withdrawn Amounts .........................................................................9
H. Partial Maturity Conversion of Withdrawn Amounts ..............................................10
I. Interest Rate Cap or Collar ...................................................................................11
J. Conditional Requests ............................................................................................13
K. Notification of Conversion Transactions ................................................................13
L. Interest Payments on Conversion Date ..................................................................14
Section 5: SPECIFIED RATE FIXING (SRF) ............................................................. 15
A. Request for SRF ...................................................................................................15
B. SRF by Amount ....................................................................................................15
C. SRF by Period ......................................................................................................15
D. Subsequent Request ............................................................................................16
Section 6: TRANSACTION FEES ..............................................................................16
A. Amount of Fee Payable ........................................................................................16
B. Currency of Payment of Transaction Fees ................................................................16
C. Conversions Free of Charge .................................................................................17
D. Transaction Fees and Unwinding Amounts ...........................................................18
Section 7: Rounding Convention Used in Conversions .............................................. 19
<table>
<thead>
<tr>
<th>Annex A</th>
<th>Form of Request</th>
<th>20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Specified Rate Fixing</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>Interest Rate Conversion</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td>Interest Rate Cap or Collar</td>
<td>26</td>
</tr>
<tr>
<td></td>
<td>Currency Conversion of Withdrawn Amounts</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>Currency Conversion of Unwithdrawn Amounts</td>
<td>33</td>
</tr>
<tr>
<td>Annex B</td>
<td>Examples of Interest Rate Adjustment</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td>A. Interest Rate Adjustment in a Fixed to Floating Rate Conversion</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td>B. Interest Rate Adjustment in a Floating to Fixed Rate Conversion</td>
<td>36</td>
</tr>
<tr>
<td>Annex C</td>
<td>Example of Partial Maturity Currency Conversion</td>
<td>37</td>
</tr>
</tbody>
</table>
SECTION 1: INTRODUCTION

A. Basis and Purpose

1.0 The purpose of the Guidelines for Conversion of Loan Terms for ADB LIBOR-Based Loans (LBLs) (the Conversion Guidelines) is to set out the procedures for requesting, accepting and effecting conversions as specified in Loan Agreements for LBLs (each a Loan Agreement) between Asian Development Bank (ADB) and a Borrower. The Conversion Guidelines are referred to in the Loan Agreement and in the Loan Regulations Applicable to LIBOR-based Loans Made from ADB’s Ordinary Capital Resources dated 1 July 2001 as modified from time to time (the Loan Regulations). Wherever necessary, the relevant loan conversion provisions in the Loan Agreement and Loan Regulations are indicated in these Conversion Guidelines.

1.1 The Borrower may request a conversion of all or any portion of the principal amount of the Loan only as and to the extent so provided in the Loan Agreement. If so provided in the Loan Agreement, the Borrower may request:

(i) a currency conversion to an Approved Currency of all or any portion of the principal amount of the Loan whether unwithdrawn or withdrawn and outstanding;

(ii) an interest rate conversion of all or any portion of the principal amount of the Loan withdrawn and outstanding; and

(iii) the establishment of an Interest Rate Cap or an Interest Rate Collar on a Floating Rate applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding.

B. Applicability

1.2 The Conversion Guidelines apply to all Conversions requested by the Borrower in accordance with the Loan Agreement. ADB may modify the Conversion Guidelines from time to time. Any such modifications will apply only to Conversions requested after the date of such modifications and will not affect any Conversions effected, or requested, but not yet effected, prior to the date of any such modification. The latest version of the Conversion Guidelines is available on ADB’s website at www.adb.org/Documents/Guidelines/LIBOR.

C. Definitions

1.3 The several terms defined in the Loan Agreement and the Loan Regulations have the meaning specified therein for the purpose of these Conversion Guidelines. Definitions of additional terms are set forth in the relevant sections of these Conversion Guidelines.
SECTION 2: PROCEDURES FOR EXERCISING LOAN CONVERSION OPTIONS

A. Certain Definitions Relating to Procedures

(i) “Request” means a formal request in writing for a Conversion made pursuant to the provisions of the Loan Agreement and in accordance with the provisions of these Conversion Guidelines.

(ii) “Execution Period” means a period of 20 calendar days commencing from the date of receipt by ADB of the Request except for requests for specified rate fixings subject to paragraphs 5.4 and 5.9 below.

(iii) “Execution Date” means, in respect of a Conversion, the date on which ADB shall have undertaken all actions necessary to effect said Conversion, as reasonably determined by ADB.

B. Formal Requests

2.0 The Borrower may at any time during the life of the Loan commencing from the Effective Date of the Loan Agreement submit a Request to ADB, except as provided in paragraph 2.1 below. Requests will be made in writing and delivered to ADB by hand, courier, mail (registered or certified) or facsimile. Deliveries made by facsimile transmission must also be confirmed by mail. However, ADB may take action under these Conversion Guidelines on the basis of a Request received by facsimile.

2.1 Under normal circumstances, ADB will not consider a Request for a Currency Conversion of a disbursed amount until three months after the date on which the Loan Agreement was signed.

C. Representation and Contents of Requests

2.2. ADB will only accept a Request made substantially in the form specified in Annex A to these Conversion Guidelines. In the Request, the Borrower will be asked to make the following representations:

(i) it has made its own independent decision to request such Conversion;

(ii) it is not relying on any communication or confirmation from ADB as a recommendation to request such Conversion; and

(iii) unless expressly agreed by ADB and the Borrower by separate agreement, ADB is not acting as a fiduciary for, or an advisor to, the Borrower in respect of such Conversion.

D. Authorized Representative

2.3 The representative of the Borrower designated in the Loan Agreement for the purposes of Section 12.02 of the Loan Regulations is authorized to make Requests. The Borrower’s address for the purposes of these Conversion Guidelines is the address
specified in the Loan Agreement for the purposes of Section 12.01 of the Loan Regulations. The representative of the Borrower may by written notice to ADB authorize additional persons to make Requests. Before or at the time a Request is made, written authorization in respect of any such additional person signing the Request, and the specimen signature of such authorized person, must be supplied to ADB, together with his/her title and address, including telephone and fax number.

E. Communication of Request

2.4 Each Request will be furnished to ADB at the address or facsimile number specified below and will be deemed received by ADB on the date it is delivered to ADB at the address specified below if sent by courier, by hand, or by certified or registered mail; and on the date received in legible form by ADB at the facsimile number specified if sent by facsimile.

2.5 ADB Address to which Request is to be Sent:

Asian Development Bank
6 ADB Avenue, Mandaluyong City
1550 Metro Manila, Philippines
Attention: Controller's Department
Loan Accounting Section

Tel    +63 2 632 4444
Fax    +63 2 636 2586 (CTL)
       +63 2 636 2590 (CTAC)

F. Acknowledgement of Request

2.6 ADB will, within 7 calendar days after receipt of any Request, notify the Borrower by facsimile of its receipt of the Request at the address specified by the Borrower pursuant to paragraph 2.3 above or, in the absence of such specification, the address for notices specified in the Loan Agreement. If the Borrower does not receive such acknowledgement from ADB within 8 calendar days of dispatch of the Request, the Borrower should contact ADB.

G. Review and Acceptance of Request

2.7 Review: Upon receipt of a Request, ADB will review it to determine whether the information presented in the Request is accurate and acceptable to ADB and whether it has been duly authorized by the Borrower.

2.8 Acceptance: If ADB finds the Request acceptable following the review referred to in paragraph 2.7 above, it will proceed to effect the Conversion without a separate notification to the Borrower of its acceptance.

2.9 Non-Complying requests: If ADB determines that a Request does not comply with the requirements specified in the Loan Agreement and the Conversion Guidelines, it will, within the Execution Period, notify the Borrower of its reasons for not accepting the Request. In that case, ADB will take no further action to effect the Conversion. The
Borrower may re-submit its Request taking into account ADB’s comments. Such Request will be treated as a new Request for the purposes of calculating the Execution Period.

H. Communications during Execution Period

2.10 If any follow-up discussions are necessary during the Execution Period for a Conversion, the Borrower and ADB may communicate by telephone using the numbers referred to in paragraphs 2.3 and 2.5 above. So long as no change in the terms of the Request are proposed, ADB may rely on the identity of anyone communicating with ADB by telephone or facsimile and purporting to be an authorized representative of the Borrower. If any changes in the terms of the Request are proposed by telephone or facsimile, ADB will suspend the Execution Period and will notify the Borrower of the suspension of the Execution Period. During such period of suspension, ADB will not take any action in respect of such Request until the Borrower furnishes a modified Request. Such modified Request will be treated as a new Request for purposes of calculating the Execution Period.

I. Withdrawal of Request

2.11 At any time during the Execution Period, the Borrower may notify ADB that it seeks to withdraw a Request. If the notice of withdrawal is received by ADB after it has executed the Conversion, the request for withdrawal will not be accepted. ADB will notify the Borrower of whether the request to withdraw a Request has been accepted.

J. Notification Following Conversion

2.12 Within 10 calendar days after the Execution Date of any Conversion, ADB will send to the Borrower a conversion notice setting out the terms obtained in the Conversion. The details of this notice are spelled out in paragraph 4.36 below.

2.13 ADB will notify the Borrower within 5 calendar days following the end of the Execution Period if the Conversion has not been effected. Such notice will be sent by ADB to the Borrower at the address for notices specified in the Loan Agreement and, if different, any address specified by the Borrower pursuant to paragraph 2.3 above. If ADB has been unable to effect the Conversion requested during the Execution Period, ADB and the Borrower together will determine what actions, if any, should be taken.

2.14 As soon as practicable following the Execution Date of a Conversion, ADB will send to the Borrower, a consolidated statement of all the financial terms of the Loan. The details are spelled out in paragraph 4.37 below.

SECTION 3: LIMITATIONS AND RESTRICTIONS

A. Minimum Amount of Conversion

3.0 Unless ADB otherwise agrees, the minimum principal amount of the Loan in respect of which the Borrower may request a Conversion in a single Request is **US$3 million equivalent**. This minimum threshold does not apply to requests for Currency Conversions of unwithdrawn amounts of the Loan or to requests for a final rate fixing
under specified rate fixing by amount as described in paragraph 5.3 or to requests for a final rate fixing under specified rate fixing by period as described under paragraph 5.10 below.

B. Maximum Amount of Conversion

3.1 Unless ADB otherwise agrees, the maximum principal amount of the Loan in respect of which the Borrower may request a Conversion in a single Request is: (i) **US$300 million equivalent** for a Currency Conversion; and (ii) **US$500 million equivalent** for an Interest Rate Conversion or the establishment of an Interest Rate Cap or Interest Rate Collar. These limits do not apply to requests for Currency Conversions of unwithdrawn amounts of the Loan or to requests for specified rate fixings as described under paragraph 5.6 to 5.10 below.

C. Conversion Restrictions on Commitment Letters

3.2 Commitment letter (which is issued at the request of the Borrower) is one of ADB’s disbursement procedures whereby ADB agrees to pay (on behalf of the opening/confirming commercial bank and out of the loan funds) the paying commercial bank for the latter's payment made or to be made to the supplier under and in accordance with the terms of the letter of credit.

3.3 Unwithdrawn amounts of the Loan subject to a Commitment Letter may not be converted under a Currency Conversion except in the following circumstances:

   (i) the currency of the Commitment Letter is the same as the Approved Currency into which that amount of the Loan is requested to be converted; or

   (ii) the amount of the Commitment Letter is significant in the opinion of ADB.

3.4 If ADB determines that an amount subject to a Commitment Letter may be included as part of a Currency Conversion, the standard Execution Period will not apply to such Conversion.

D. Retroactive Financing

3.5 The following guideline is provided to facilitate the administration, following a Conversion, of limits specified in the Loan Agreement, if any, on retroactive financing.

   (i) If the Borrower requests a Currency Conversion of the full unwithdrawn amount of the Loan to an Approved Currency, the amount specified in the Loan Agreement as being available for retroactive financing will be converted into the Approved Currency, but only to the extent that the amount available for retroactive financing has not already been withdrawn.

   (ii) If the Borrower requests a Currency Conversion of only part of the unwithdrawn amount of the Loan to an Approved Currency, the amount of the Loan available for retroactive financing will remain in the original Loan Currency, but only to the extent that such amount does not exceed the unwithdrawn amount of the Loan that remains unconverted. If such amount exceeds the unwithdrawn amount of the Loan in the
original Loan Currency, the amount available for retroactive financing will be expressed in
the new Approved Currency (using a new Screen Rate) to the extent it exceeds such
amount.

E.  Imprest Account

3. 6  In case the Borrower intends to request for Currency Conversion of the disbursed
Loan amount including outstanding advances in the Imprest Account, the Borrower must
fully liquidate or refund the outstanding advances to ADB before it requests for such
Currency Conversion. If, as a result of a Currency Conversion of an unwithdrawn amount
of the Loan, the Borrower wishes to open one or more new imprest accounts in the
Approved Currency, it must specify so in the Request certifying that there are no
outstanding balances in the Imprest Account(s) under the converted currency. The matter
will be handled separately from the Conversion following normal procedures for operations
of imprest account.

F.  Local Currency Conversion

3.7  If the Borrower requests a change of the original Loan Currency into its domestic
currency (a Local Currency Conversion), such request will be dealt with separately and on
a case-by-case basis. ADB and the Borrower will agree on the appropriate procedures
which will be based, to the extent practicable, on these Conversion Guidelines. The Loan
must be fully withdrawn and outstanding at the time of such request. Before the Local
Currency Conversion can be undertaken, appropriate amendments to the existing Loan
Agreement will need to be executed. A Local Currency Conversion is subject to ADB’s
ability to enter into appropriate hedging arrangements in the local financial market. In a
Local Currency Conversion of a Loan subject to a Floating Rate, ADB will only convert the
LIBOR or Euribor portion of the Floating Rate. The effective contractual spread will remain
payable in the original Loan Currency.

SECTION 4:  BASIS FOR EXECUTING CONVERSION TRANSACTIONS

A.  Certain Definitions Relating to Conversion Transactions

4.0  (i) “Conversion Date” means, in respect of a Conversion, the date on which
the Conversion enters into effect, as further specified in these Conversion Guidelines.

  (ii) “Conversion Period” means, in respect to a Conversion, the period from
and including the Conversion Date to and including the last day of the Interest Period in
which said Conversion terminates by its terms; provided, that solely for the purpose of
enabling the final payment of interest and principal under a Currency Conversion to be
made in the Approved Currency for said Conversion, such period shall end on the Interest
Payment Date immediately following the last day of said final applicable Interest Period.

  (iii) “Market Transaction” means a derivative transaction including an interest
rate swap transaction, a cross-currency swap transaction undertaken, or an Interest Rate
Cap or Interest Rate Collar, purchased by ADB in the financial markets.
B. Conversion Dates

4.1 The Conversion Date (which is the start of the Conversion Period) will fall on the Interest Payment Date next following the Execution Date except as noted below:

(i) if the Borrower in the Request selects as the Conversion Date an Interest Payment Date after the Interest Payment Date next following the Execution Date, the Conversion will take effect on the Interest Payment Date so selected;

(ii) if the Request is received by ADB within 20 calendar days prior to an Interest Payment Date, and is for a Currency Conversion of a withdrawn portion of the Loan, an Interest Rate Conversion or the establishment of an Interest Rate Cap or an Interest Rate Collar, the Conversion will take effect on the next subsequent Interest Payment Date following the Interest Payment Date after receipt of the Request;

(iii) if the Request is for a Currency Conversion of an unwithdrawn portion of the Loan, the Conversion will take effect on the Execution Date;

(iv) if the Request is for a Currency Conversion upon disbursement of the Loan, the Conversion will take effect on the disbursement date; and

(v) if the Request is for an Interest Rate Conversion upon disbursement of the Loan, the Conversion will take effect on the disbursement date.

C. Failure to Effect Conversion during Execution Period

4.2 ADB will exercise reasonable efforts to execute within the Execution Period any Request which is in form and substance satisfactory to ADB. However, ADB will not be liable if, in the exercise of such reasonable efforts, it fails to do so.

4.3 If, during the Execution Period, any national or international calamity or development, crisis of a political or economic nature or change in the financial markets in which a Conversion may be executed, has occurred, the effect of which, in the judgment of ADB, would materially and adversely affect its ability to execute such Conversion, ADB will notify the Borrower of such circumstances, and ADB and the Borrower together will determine what actions, if any, should be taken with respect to such Conversion.

D. Types of Conversion Transactions

4.4 Interest Rate Conversions, Currency Conversions of withdrawn and outstanding portions of the Loan, and the establishment of Interest Rate Caps and Interest Rate Collars may be effected on the basis of Market Transactions. Interest Rate Conversions and Currency Conversions may also be effected by ADB by the application of Screen Rates (i.e. market rates displayed by established information vendors such as Telerate and Reuters).

4.5 All Conversions will be effected on the basis of Market Transactions, except for:

(i) Currency Conversions of unwithdrawn portions of the Loan described in paragraph 4.12 below; and
(ii) Interest Rate Conversions described in paragraph 4.18 below.

E. Market Transactions

4.6 Any Market Transaction undertaken by ADB in effecting a Conversion will reflect the financial terms for the amount of the Loan to be converted.

4.7 **Financial Terms of Interest Rate Conversion:** In the case of an Interest Rate Conversion of a portion of the outstanding Loan, the terms of the Interest Hedge Transaction entered into by ADB to effect such Conversion will reflect:

(i) the relevant Conversion Period;

(ii) the interest rate prevailing in the Loan Currency on the Execution Date in respect of such portion of the Loan; and

(iii) the repayment provisions relating to such portion.

4.8 **Financial Terms of Currency Conversion:** In the case of a Currency Conversion of a portion of the Loan, the terms of the Currency Hedge Transaction entered into by ADB to effect such conversion will reflect:

(i) the relevant Conversion Period;

(ii) the spot or forward exchange rate between the existing Loan Currency and the Approved Currency into which the portion of the Loan is to be converted, for value on the Conversion Date;

(iii) the interest rates prevailing in the existing Loan Currency and the Approved Currency on the Execution Date; and

(iv) the repayment provisions relating to such portion of the Loan.

4.9 **Amount of Market Transactions:** If ADB undertakes a Market Transaction in respect of a Conversion, ADB may effect a transaction in the financial markets in respect of amounts that are smaller or larger than the amount of the Loan requested to be converted by the Borrower unless, in the opinion of ADB, doing so would have a negative effect on the terms to be obtained by the Borrower for such Conversion. In the event that the amount of the Market Transaction undertaken does not equal the amount of the Loan to be converted, the interest and exchange rates of the cap or collar premium obtained under such Market Transactions will be applied to the entire portion of the Loan to be converted.

4.10 **One or More Market Transactions:** ADB may effect any Conversion in one or more Market Transactions. In the event that ADB effects a Conversion through more than one Market Transaction, ADB will determine the consolidated rate or premium to be applied to the total amount of the Loan to be converted on the basis of the weighted average of the rates or premia obtained in all Market Transactions undertaken to effect
such Conversion. The Execution Date will be determined as being the date on which all actions have been taken by ADB to effect the Conversion of the entire amount.

4.11 Adjustments to Market Transactions: In the case of Interest Rate Conversions, ADB will enter into an Interest Hedge Transaction based on the existing interest rate applicable to the amount of the Loan being converted. However, ADB may also undertake an Interest Hedge Transaction based on current market rates then prevailing and adjust the new rate of interest payable by the Borrower to reflect the off-marketness of the rate payable by the Borrower on the Loan prior to the Interest Rate Conversion. Examples of interest rate adjustments are illustrated in Annex B.

F. Currency Conversion of Unwithdrawn Amounts

4.12 Principal Payable Following Currency Conversion: As described in Section 5.03 of the Loan Regulations, the principal amount of a Currency Conversion of an unwithdrawn portion of the Loan to an Approved Currency is determined by multiplying the amount to be so converted to its currency of denomination immediately prior to said Conversion by the Screen Rate.

4.13 Interest Payable Following Currency Conversion: As described in Section 5.02 of the Loan Regulations, the Borrower shall, in respect of each Interest Period during the Conversion Period, pay interest in said Approved Currency on such principal amount as subsequently withdrawn and outstanding at the Floating Rate.

4.14 Partial Amount Conversions: The Borrower may request a Currency Conversion of all or any portion of the principal amount of the Loan. If the Borrower wishes to Request that the Conversion apply to only part of the Loan (a Partial Amount), the Request will specify the portion of the Loan to be converted. The Partial Amount Conversion will be applied:

(i) pro-rata across all maturities of the Loan; and

(ii) pro-rata across all amounts remaining unwithdrawn and allocated to the withdrawal categories specified in the Loan Agreement (as applicable). If the Borrower wishes that the Conversion be applied to withdrawal categories in a different manner, it will so specify either in the Request or separately. Following any such Conversion, a reallocation will be handled following standard ADB procedures for reallocating amounts among the categories.

G. Conversion of Withdrawn Amounts

4.15 Interest Rate Payable Following Interest Rate Conversion: Upon an Interest Rate Conversion applicable to all or any portion of the principal amount of the Loan, the Borrower shall, in respect of each Interest Period during the Conversion Period, pay interest on such principal amount withdrawn and outstanding from time to time at the Floating Rate or the Fixed Rate, whichever applies to said Conversion.

4.16 Principal Payable Following Currency Conversion: As described in Section 5.03 of the Loan Regulations, the principal amount of the Loan so converted shall be determined by ADB by multiplying the amount to be so converted in its currency of
denomination immediately prior to said Conversion by either: (i) the exchange rate that reflects the amounts of principal in the Approved Currency payable by ADB under the Currency Hedge Transaction relating to said Conversion; or (ii) the exchange rate component of the Screen Rate. The Borrower shall repay such principal amount in such Approved Currency in accordance with the provisions of the Loan Agreement.

4.17 Interest Payable Following Currency Conversion: Upon a Currency Conversion of all or any portion of the withdrawn principal amount of the Loan to an Approved Currency, the Borrower shall, in respect of each Interest Period during the Conversion Period, pay interest on such principal amount withdrawn and outstanding from time to time at the Floating Rate or the Fixed Rate, whichever applies to said Conversion.

4.18 Screen Rates for Interest Rate Conversion: Notwithstanding the provisions of paragraphs 4.7 to 4.9 above, ADB will select and apply a Screen Rate (displayed by an established information vendor) to effect Interest Rate Conversions only in the following two cases:

(i) if, in the opinion of ADB, the amount of an Interest Rate Conversion is not large enough to warrant entering into a Market Transaction; or

(ii) if, in the opinion of ADB, it is more efficient to combine a number of Requests for Interest Rate Conversions (i.e., in respect of other Loans to the Borrower and/or Loans to other Borrowers) and undertake one consolidated Market Transaction on the basis of the combined amounts and repayment schedules of all Conversions so requested. In that case, ADB may determine the new interest rate payable following each such conversion on the basis of the relevant Screen Rate.

H. Partial Maturity Conversion of Withdrawn Amounts

4.19 While ADB assumes that in many cases the Borrower will want a Conversion for the full maturity of the amount of the outstanding Loan to which the Conversion will apply, there may be cases when either (i) ADB is not able to execute a Market Transaction for the full maturity of the loan; or (ii) a Borrower would prefer a Conversion for a shorter period (a Partial Maturity). The consequences of such a Partial Maturity Conversion are described below.

4.20 Partial Maturity Interest Rate Conversion: If ADB is not able to execute a Market Transaction for the full maturity of the Loan or if, at the Borrower’s specific request, ADB effects a Partial Maturity Conversion consisting of an Interest Rate Conversion, Interest Rate Cap or Interest Rate Collar, upon the expiry of the Conversion Period, the interest rate payable on the amount of the Loan to which such Conversion applies will revert to the interest rate that would have been applicable to such amount in the absence of such Conversion.

4.21 Partial Maturity Currency Conversion: If ADB is not able to execute a Market Transaction for the full maturity of the Loan, or if, at the Borrower’s specific request, ADB effects a Partial Maturity Currency Conversion, the principal amount of the Loan the Borrower will owe will not be known until the end of the Conversion Period, and will depend on the difference between the exchange rates in effect at the beginning of the Conversion Period and at the end of such Conversion Period for the original Loan
Currency and the Approved Currency. Any such Partial Maturity Currency Conversion will be dealt with by ADB on a case-by-case basis. A Borrower requesting a Partial Maturity Currency Conversion acknowledges that it is aware of this exchange rate risk.

(i) **Interest Rate:** During the Conversion Period of a Partial Maturity Currency Conversion, the interest rate payable on the amount of the Loan to which such Conversion applies will be the interest rate applicable following such Conversion. Upon the expiry of the Conversion Period, the interest rate payable on the amount to which the Conversion applied will revert to the interest rate that would have been applicable to such amount in the absence of such Conversion.

(ii) **Currency of Payments:** During the Conversion Period of a Partial Maturity Currency Conversion, amounts payable by the Borrower, whether in respect of principal or of interest, will be denominated in the Approved Currency of such conversion. Upon the expiry of the Conversion Period, the currency of denomination will revert to the Loan Currency in which such amount of the Loan would have been denominated in the absence of such Conversion.

(iii) **Principal Payments:** Exchange rates are likely to fluctuate between the beginning and end of the Conversion Period. Thus, following the end of the Conversion Period, the remaining outstanding principal amount of the Loan may be greater or less than the amount that was originally scheduled to be remaining. The adjustment in the remaining principal amount is necessary because ADB will structure the Currency Hedge Transaction for the full principal amount of the Loan to which the Conversion applies in order to determine the amount of interest payable on the entire principal amount of the Loan in the Approved Currency. Upon termination of the Partial Maturity Currency Conversion, the remaining principal amount falling due after the Conversion Period will be determined by ADB by multiplying such remaining principal amount denominated in the Approved Currency by the applicable exchange rate for converting amounts from the Approved Currency into the Loan Currency as of 11:00am New York time for value on the last day of the Conversion Period or as of a time determined by ADB appropriate for the relevant two currencies involved. Since it is important for the Borrower to be aware of the effects of a Partial Maturity Currency Conversion on the principal amount remaining at the end of such Partial Maturity Currency Conversion, Annex C provides examples of how such Currency Conversions would operate.

(iv) **No further Currency Conversions.** Unless otherwise agreed with ADB, the Borrower may not request a further Currency Conversion of any amount which is then subject to a Partial Maturity Currency Conversion.

I. **Interest Rate Cap or Collar**

4.22 **Interest Rate Cap:** Upon establishment of an Interest Rate Cap on the Floating Rate, the Borrower shall, for each Interest Period during the Conversion Period, pay interest on the principal amount of the Loan withdrawn and outstanding from time to time to which said Conversion applies at said Floating Rate, unless on any Reference Rate Reset Date during said Conversion Period such Floating Rate exceeds such Interest Rate Cap, in which case, for the Interest Period to which said Reference Rate Reset Date relates, the Borrower shall pay interest on such principal amount at a rate equal to such Interest Rate Cap.
4.23 The Borrower may request the establishment of an Interest Rate Cap by specifying the upper limit applicable to the Floating Rate.

4.24 **Interest Rate Collar:** Upon establishment of an Interest Rate Collar on the Floating Rate, the Borrower shall, for each Interest Period during the Conversion Period, pay interest on the principal amount of the Loan withdrawn and outstanding from time to time to which said Conversion applies at said Floating Rate, unless on any Reference Rate Reset Date during said Conversion Period such Floating Rate: (i) exceeds the upper limit of such Interest Rate Collar, in which case, for the Interest Period to which such Reference Rate Reset Date relates, the Borrower shall pay interest on such principal amount at a rate equal to such upper limit: or (ii) falls below the lower limit of said Interest Rate Collar, in which case, for the Interest Period to which such Reference Rate Reset Date relates, the Borrower shall pay interest on such principal amount at a rate equal to such lower limit.

4.25 The Borrower may request the establishment of an Interest Rate Collar by specifying the upper limit (cap) and lower limit (floor) applicable to the Floating Rate.

4.26 **Premium on Interest Rate Cap or Collar:** Upon establishment of an Interest Rate Cap or an Interest Rate Collar, the Borrower shall pay to ADB a premium on the principal amount of the Loan withdrawn and outstanding from time to time to which said Conversion applies, calculated on the basis of the premium, if any, payable by ADB in respect of an Interest Rate Cap or Interest Rate Collar purchased by ADB from a counterparty for the purpose of establishing said Interest Rate Cap or Interest Rate Collar.

4.27 In order to reduce the premium payable by the Borrower in respect of establishing an Interest Rate Cap on the Floating Rate, the Borrower may choose to establish an Interest Rate Collar instead of the Interest Rate Cap. By establishing an Interest Rate Collar, the Borrower, in addition to establishing an upper limit (a cap) on its Floating Rate for which it pays a premium to ADB, also established a lower limit (a floor) on the same Floating Rate for which it receives a premium from ADB. The premium the Borrower pays is netted against the premium it receives.

4.28 The premium payable by ADB to the Borrower in respect of the floor may not exceed the premium to be paid by the Borrower in respect of the cap (thus, the Borrower will never receive a net premium payment). If, as a result of interest rate fluctuations during the Execution Period, the premium on the floor were to exceed the premium on the cap, then ADB may lower the floor to reduce the premium, so that it will not exceed the premium on the cap. The Borrower may also request that ADB determine the floor so that the premium in respect of such floor will be equal to the premium in respect of the cap, thereby establishing an interest rate collar at no premium cost (Zero Cost Collar).

4.29 **Payment out of the Loan Proceeds:** The Loan Agreement may provide that premium payable in respect of Interest Rate Caps and Interest Rate Collars will be paid out of the proceeds of the Loan in the applicable Loan Currency (which may be an Approved Currency for amounts withdrawn and outstanding to which a Conversion applies), up to a specified amount. In such case, ADB will deduct any amounts in respect of premium from the Loan Account on the Execution Date of such Conversion, provided that the unwithdrawn amount available for that purpose is sufficient to cover the cost of the premium in full. If the amount allocated for said purpose only partially covers the amount of
the premium payable, the Borrower will be required to pay the balance of the premium out of its own resources not later than 60 calendar days after the Execution Date.

4.30 **Payment out of Borrower's Own Resources:** If the Borrower elects to pay any premium in respect of an Interest Rate Cap or Interest Rate Collar out of its own resources, such premium will be payable not later than 60 calendar days after the Execution Date for such Conversion. Premium in respect of Interest Rate Caps and Interest Rate Collars will be paid in the applicable Loan Currency (which may be an Approved Currency for amounts withdrawn and outstanding to which a Conversion applies). ADB may, on a case-by-case basis, consider a request from the Borrower for payment of the premium on an amortized basis on each Interest Payment Date throughout the Conversion Period.

**J. Conditional Requests**

4.31 The Borrower may submit a Request with certain conditions relating to the terms of the Conversion requested (Conditional Request). The Borrower may specify the maximum fixed interest rate or spread over LIBOR it is willing to pay under an Interest Rate Conversion or Currency Conversion. In the case of a Currency Conversion, the conversion of the principal amount of the Loan will be effected at the then prevailing market exchange rate.

4.32 If the Borrower is requesting an Interest Rate Cap or Interest Rate Collar, it may specify the maximum premium to be paid on the Interest Rate Cap or Interest Rate Collar. If the Borrower is requesting for a Zero Cost Collar, it may specify the maximum strike rate.

4.33 If ADB is unable during the Execution Period to execute the Conversion on the conditional terms set by the Borrower, the Conditional Request will expire, and ADB will promptly notify the Borrower thereof.

4.34 The minimum principal amount of a Loan which may be covered by a Conditional Request is **US$25 million equivalent**.

4.35 Given the volatility of interest and exchange rates, ADB can give no assurance that it will be able to actually obtain the rate specified in the Conditional Request, even if such a rate were to prevail at any given point during the Execution Period.

**K. Notification of Conversion Transactions**

4.36 **Conversion Notice:** Within 10 calendar days after the Execution Date of any Conversion, ADB will send to the Borrower a conversion notice setting out the terms obtained in the conversion, including:

(i) the Execution Date of the Conversion;

(ii) whether a Market Transaction was entered into or a Screen Rate was used;

(iii) the new interest rate payable under an Interest Rate Conversion or a Currency Conversion (whether a Floating Rate or a Fixed Rate), including in the case of a Currency Conversion of an unwithdrawn amount, the effective contractual spread payable
as part of the new Floating Rate that will be applicable to such amount once it is withdrawn;

(iv) (if applicable) the exchange rate used in effecting a Currency Conversion;

(v) the Conversion Date determined in accordance with paragraph 4.1 above; and

(vi) the amount of any transaction fees, and if applicable, the amount of any premium payable by the Borrower in connection with the establishment of an Interest Rate Cap or Interest Rate Collar, and the due date for payment of such fees and premium.

4.37 Consolidated Statement of Financial Terms: As soon as practicable following the Execution Date of a Conversion, ADB will send to the Borrower, a consolidated statement of all the financial terms of the Loan showing the following information:

(i) the total amount of the Loan and the Loan Currency (if the Loan is denominated in more than one currency, and/or if more than one interest rate applies to the Loan, the Loan will be shown as divided into portions (Loan Portions), reflecting the different currencies and interest rates applicable to each Loan Portion outstanding);

(ii) the interest rate applicable to each Loan Portion;

(iii) if applicable, the revised amortization schedule applicable to each Loan Portion;

(iv) to the extent any amount of the Loan is undisbursed, a revised withdrawal schedule (where applicable) showing the amount allocated to each disbursement category for each Loan Portion; and

(v) to the extent any amount of the Loan is undisbursed, the currency of denomination and amount of the Loan which may be used for retroactive financing.

L. Interest Payments on Conversion Date

4.38 The Conversion Period will always commence on the Conversion Date. For all conversions other than Currency Conversions of unwithdrawn amounts or Interest Rate Conversions upon disbursement, this will always fall on an Interest Payment Date. As interest accrues in arrears, any interest payable on a Conversion Date will be payable at the rate applicable immediately prior to the Conversion. Any principal payable on a Conversion Date will not form part of the amount converted and will, in the case of a Currency Conversion, be payable in the currency in which the principal was payable immediately prior to such Conversion.

4.39 The Conversion Period of a Currency Conversion is extended (solely for the purpose of making payments of principal and interest and not for the calculation of the interest payment due) by one day to include the Interest Payment Date and, if applicable, the Principal Payment Date immediately following the final Interest Period of the Conversion Period. Thus, on such Principal/Interest Payment Date, payment of principal and interest will be made in the Approved Currency (i.e., the currency into which the amount of the loan was converted during the Conversion Period).
SECTION 5: SPECIFIED RATE FIXING (SRF)

A. Request for SRF

5.0 The Borrower may direct ADB to automatically implement a series of interest rate fixings either by amount, i.e., upon reaching certain levels of disbursements as specified by the Borrower or by period, i.e., regular time intervals as specified by the Borrower. The SRF schedule may be arranged by the Borrower at any time during the life of the Loan by submitting a formal request to ADB. Prior to rate fixing, the Loan will carry a floating rate.

5.1 Any such Request may be withdrawn by the Borrower at any time, subject to paragraph 2.11 above.

B. SRF by Amount

5.2 The Borrower may specify a “threshold” amount for disbursed amounts subject to rate fixing (e.g., every US$5 million; after disbursements exceed US$5, US$10, US$20 million etc.). The Borrower can, for example, instruct ADB to fix the rate on disbursed amounts every time that cumulative Loan disbursements totaling US$15 million have been reached.

5.3 If the Borrower requests an SRF every time a specified cumulative amount of the loan has been withdrawn, such conversion will (subject to paragraph 5.4 below) take effect from the Interest Payment Date next following the date such threshold is reached. The amount so converted will be limited to the threshold specified, except that the final rate fixing will be for the balance of the Loan withdrawn but not yet converted, irrespective of the amount involved.

5.4 The cut–off date for disbursed amounts of the specified threshold to be converted on the following Interest Payment Date is 20 calendar days prior to the Interest Payment Date. In the event that the threshold amount is not reached by this cut-off date but is reached 20 calendar days prior to the subsequent Interest Payment Date, the conversion will only be effected on that subsequent Interest Payment Date. The Execution Period for an SRF by amount will commence from the date the threshold amount has been reached.

5.5 SRF by amount is subject to a maximum threshold amount of US$500 million equivalent and a minimum amount of US$3 million equivalent. Exceptions may be considered on a case-by-case basis.

C. SRF by Period

5.6 The Borrower may specify the frequency of rate fixing (e.g., semi-annually, annually). The Borrower can, for example, instruct ADB to fix the rate on semi-annual rate-fixing dates for Loan amounts disbursed during the preceding six-month period. The rate-fixing dates have to coincide with Interest Payment Dates.
5.7 If a Request is made by the Borrower for an SRF at the end of each Interest Period, all amounts of the Loan withdrawn during an Interest Period will be converted with effect from the first day of the next Interest Period.

5.8 If the Borrower requests an SRF at the end of the multiple Interest Period (e.g., every 12 or 18 months), all amounts of the loan withdrawn during such multiple Interest Periods will be converted with effect from the first day of the Interest Period next following the end of such multiple Interest Periods.

5.9 The cut-off date for disbursements to be converted on the applicable Interest Payment Date is 20 calendar days prior to that Interest Payment Date. The Execution Period for an SRF by period will commence 20 calendar days prior to the applicable Interest Payment Date.

5.10 SRF by period is subject to a minimum amount of \textdollar{}3 million equivalent except that the final rate fixing by period will be for the balance of the Loan withdrawn but not yet converted, irrespective of the amount involved.

D. Subsequent Request

5.11 If, after requesting an SRF in respect of any amounts of the Loan, the Borrower submits a request for an Interest Rate Conversion to a Floating Rate or a Currency Conversion, such request, if accepted by ADB, will supercede the terms established for the SRF.

SECTION 6: TRANSACTION FEES

A. Amount of Fee Payable

6.0 In accordance with Section 5.01 of the Loan Regulations, except as otherwise provided in paragraph 6.3 below, the Borrower shall pay to ADB a transaction fee in respect of any Conversion and the early termination of any Conversion, in such amount or at such rate as determined by ADB from time to time and in effect on the Execution Date.

6.1 The fees charged by ADB in respect of conversions are displayed on ADB’s website at \url{www.adb.org/Documents/Guidelines/LIBOR}. Transaction fees charged by ADB may be revised from time to time, and the revised fees will apply to Conversions effected after such revision. The table below presents the prevailing transaction fees of ADB for Conversions.

B. Currency of Payment of Transaction Fees

6.2 Transaction fees will be payable in the applicable Loan Currency and, in the case of a Currency Conversion, in the Loan Currency applicable immediately prior to the Currency Conversion. Transaction fees will be payable not later than 60 calendar days after the Execution Date of the Conversion or the early termination date, as applicable.
Transaction Fees for Conversions

(expressed as percentage of the principal amount involved)

<table>
<thead>
<tr>
<th>Transaction Type</th>
<th>Fees (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Currency Conversion</strong></td>
<td></td>
</tr>
<tr>
<td>Of undisbursed loan amounts</td>
<td>0.0625</td>
</tr>
<tr>
<td>Of disbursed loan amount</td>
<td>0.125</td>
</tr>
<tr>
<td><strong>Local Currency Conversion</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>0.02 p.a</td>
</tr>
<tr>
<td><strong>Interest Rate Conversion</strong></td>
<td></td>
</tr>
<tr>
<td>Initial Rate fixings for up to the full maturity of the loan for amounts up to the outstanding loan amount</td>
<td>No charge</td>
</tr>
<tr>
<td>Additional rate fixing/unfixing</td>
<td>0.0625</td>
</tr>
<tr>
<td><strong>Interest Rate Caps and Collars</strong></td>
<td></td>
</tr>
</tbody>
</table>
|                                     | 0.0625    

a Conversion Fees are expressed as percentage of the principal amount involved and it is a one-time fee except in the case of a Local Currency Conversion.
b For a Local Currency Conversion, an annual fee of 0.02% of the outstanding principal hedged amount will be payable by the Borrower.
c Except for interest rate fixing described in paragraph 6.4.

C. Conversions Free of Charge

6.3 **Free Rate Fixing:** To allow the Borrower to fix the interest rate on the outstanding Loan amount for up to its full maturity, no transaction fee will be payable by the Borrower in respect of an initial Interest Rate Conversion from the Floating Rate to a Fixed Rate. This will apply for up to the total principal amount of the Loan outstanding and for a period of up to the final maturity of the Loan. If the Borrower requests an Interest Rate Conversion of the outstanding amount for its full maturity, but the maximum period or amount that ADB determines is feasible at the time to execute the relevant Interest Hedge Transaction is for a shorter period or a smaller amount, then the Borrower may request a second Interest Rate Conversion that would also be free of charge, provided that the second request is for up to the remaining maturity and amount of the Loan.

6.4 If the Borrower requests a Conversion Period that is shorter than the maximum period that ADB determines is feasible at that time to execute the relevant Interest Hedge Transaction, then such Conversion will be free of charge, but the Borrower will be charged a transaction fee for any subsequent Interest Rate Conversion for the remaining balance of the amount of the Loan so converted.

6.5 If the Borrower requests a Conversion for the full maturity of the Loan of an amount less than the full amount of the Loan outstanding as of the Conversion Date, then such Conversion will be free of charge and any additional Interest Rate Conversion for the full maturity of the Loan for any amount of the Loan not subject to such Conversion will also be free of charge.

6.6 In addition, if the maximum feasible maturity for Conversion of a partial amount of the Loan is for less than the full maturity, no transaction fee will be payable in respect of
the second Conversion of such partial amount (or lesser amount then outstanding) for the remaining maturity.

6.7 **Examples:** For a USD loan with a US$50 million outstanding and a remaining maturity of 20 years, ADB determines that the maximum feasible Conversion at that time in USD is for 15 years and the Borrower makes one of the following requests:

(i) **Interest Rate Conversion for full amount and full maturity.** No transaction fee for first Interest Rate Conversion for US$50 million with a Conversion Period of 15 years; no transaction fee for subsequent, second Interest Rate Conversion provided the second Conversion is for the then outstanding amount and remaining 5 years.

(ii) **Interest Rate Conversion for US$50 million for 10 years.** No transaction fee for first Interest Rate Conversion for US$50 million for 10 years; transaction fee payable for subsequent Interest Rate Conversions for up to the remaining 10 years.

(iii) **Interest Rate Conversion for US$30 million for full maturity.** No transaction fee for first Interest Rate Conversion for US$30 million for 15 years; no transaction fee for subsequent, second Interest Rate Conversion on the amount of the US$30 million outstanding on the Conversion Date for the second Conversion provided the second Conversion is for the full outstanding amount of that portion of the Loan and the remaining 5 years; no transaction fee payable for any Interest Rate Conversion for the full maturity on the US$20 million (or lesser amount then outstanding) that was not requested to be converted in the original Interest Rate Conversion.

**D. Transaction Fees and Unwinding Amounts**

6.8 “Unwinding Amount” means, in respect of the early termination of a Conversion: (i) an amount payable by the Borrower to ADB equal to the net aggregate amount payable by ADB under transactions undertaken by ADB to terminate said Conversion, or if no such transactions are undertaken, an amount determined by ADB on the basis of the Screen Rate, to represent the equivalent of such net aggregate amount; or (ii) an amount payable by ADB to the Borrower equal to the net aggregate amount receivable by ADB under transactions undertaken by ADB to terminate said Conversion, or if no such transactions are undertaken, an amount determined by ADB on the basis of the Screen Rate, to represent the equivalent of such net aggregate amount.

6.9 **Prepayment and Acceleration:** If, upon a prepayment or acceleration, the aggregate of all transaction fees and Unwinding Amounts and Acceleration Amounts represents an amount payable by ADB to the Borrower, such amount will be subtracted from the amount to be prepaid or payable by the Borrower.

6.10 **Early Termination of Caps and Collars:** If, as a result of an early termination of an Interest Rate Collar, an Unwinding Amount is payable by the Borrower to ADB, the Borrower will pay such amount, together with a transaction fee in respect of such early termination, not later than 60 calendar days after the effective date of such early termination.

6.11 If, as a result of an early termination of an Interest Rate Cap or an Interest Rate Collar, an Unwinding Amount is payable by ADB to the Borrower, ADB will pay such
amount by deducting it against any amounts payable by the Borrower to ADB under the Loan Agreement as such amounts become due.

6.12 If the Borrower wishes to effect a Currency Conversion of an amount subject to an Interest Rate Cap or Interest Rate Collar, no transaction fee will be payable by the Borrower for the early termination of the Interest Rate Cap or Interest Rate Collar. However, a transaction fee will be payable in respect of the Currency Conversion.

SECTION 7: Rounding Convention Used in Conversions

7.0 ADB will round all currency amounts to the nearest applicable whole currency unit (e.g., 1 USD, 1 Euro, 1 Yen). ADB will round interest rates to two decimal places and exchange rates to four decimal places. In each case, ADB will round upwards if the number ends in a figure of five or above, and downwards if the number ends in a figure below five.
Annex A

Form of Request

(Please see conversion request forms below)

Specified Rate Fixing
www.adb.org/Finance/Libor/request_forms/srf.pdf

Interest Rate Conversion
www.adb.org/Finance/Libor/request_forms/irc.pdf

Interest Rate Cap or Collar
www.adb.org/Finance/Libor/request_forms/capcoll.pdf

Currency Conversion of Withdrawn Amounts
www.adb.org/Finance/Libor/request_forms/cc.pdf

Currency Conversion of Unwithdrawn Amounts
www.adb.org/Finance/Libor/request_forms/ud.pdf
Request for Conversion of ADB LBL
Specified Rate Fixing

Borrower's Explanatory Statement for the Conversion Request:
The borrower's conversion selection, as requested, and the reasons for this selection, are as follows:

We represent that:

(a) we have made our own independent decision to request this conversion;
(b) we are not relying on any communication or confirmation from ADB as a recommendation to request this conversion;
(c) unless expressly agreed with ADB by separate agreement, ADB is not acting as a fiduciary for, or an advisor to, us in respect of this conversion.

Information on the Existing LBL to be Converted:

<table>
<thead>
<tr>
<th>Loan Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan/Project Name</td>
</tr>
<tr>
<td>Loan Signing Date</td>
</tr>
<tr>
<td>Loan Closing Date</td>
</tr>
<tr>
<td>Loan Final Maturity Date</td>
</tr>
<tr>
<td>Next Interest Payment Date</td>
</tr>
<tr>
<td>Loan Currency</td>
</tr>
</tbody>
</table>
Information on the Requested Conversion:
(All tranches listed below must have identical conversion requests. Separate request forms must be submitted for other tranches having different financial terms and conversion requirements)

Choose one:

- [ ] Automatically fix the rates on newly disbursed amounts which have accumulated within a:
  - [ ] Semester
  - [ ] Year
  - [ ] Other multiple of semester Please describe:

- [ ] Automatically fix the rates on new disbursed loan amounts each time the accumulated Disbursed amount reaches a threshold of amount.

(See Section 5 of the Guidelines for Conversion of Loan Terms for ADB LIBOR-Based Loans)

Authorizations:
Specimen signatures of the authorized representatives of the Borrower below must be on file at ADB before processing of this request may begin.

<table>
<thead>
<tr>
<th>Name of Borrower</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

By
Signature of Authorized Representative

<table>
<thead>
<tr>
<th>Name</th>
<th>Tel</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Title</td>
<td>Fax</td>
</tr>
<tr>
<td>Date</td>
<td>Email</td>
</tr>
</tbody>
</table>

Contact Information for Transaction Confirmation:

<table>
<thead>
<tr>
<th>Name</th>
<th>Tel</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Title</td>
<td>Fax</td>
</tr>
<tr>
<td>Address1</td>
<td>Email</td>
</tr>
<tr>
<td>Address2</td>
<td></td>
</tr>
</tbody>
</table>

This completed form and any related correspondence should be addressed to:

Attn: Loan Accounting Section
Loan Administration Division
Controller’s Department
Asian Development Bank
6 ADB Avenue, Mandaluyong City
1550 Metro Manila, Philippines

Tel +63 2 632 4444
Fax +63 2 632 2586
Request for Conversion of ADB LBL
Interest Rate Conversion

Borrower's Explanatory Statement for the Conversion Request:
The borrower's conversion selection, as requested, and the reasons for this selection, are as follows:

We represent that:
(a) we have made our own independent decision to request this conversion;
(b) we are not relying on any communication or confirmation from ADB as a recommendation to request this conversion;
(c) unless expressly agreed with ADB by separate agreement, ADB is not acting as a fiduciary for, or an advisor to, us in respect of this conversion.

Information on the Existing LBL to be Converted:

<table>
<thead>
<tr>
<th>Loan Number</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan/Project Name</td>
<td></td>
</tr>
<tr>
<td>Loan Signing Date</td>
<td></td>
</tr>
<tr>
<td>Loan Closing Date</td>
<td></td>
</tr>
<tr>
<td>Loan Final Maturity Date</td>
<td></td>
</tr>
<tr>
<td>Next Interest Payment Date</td>
<td></td>
</tr>
<tr>
<td>Loan Currency</td>
<td></td>
</tr>
</tbody>
</table>
Information on the Requested Conversion:

Loan amount to be converted:

Choose one:
- [ ] Convert the full outstanding loan balance (applicable to project loans only)
- [ ] Convert [ ] percent of the outstanding loan balance (applicable to project loans only)
- [ ] Convert these particular tranches of the loan (applicable to program loans only)

(All tranches listed below must have identical conversion requests. Separate request forms must be submitted for other tranches having different financial terms and conversion requirements.)

(tranche numbers)

Choose one:
- [ ] Convert the full outstanding amount of each tranche above
- [ ] Convert [ ] of the outstanding amount of each tranche above

Conversion Date

Date that conversion will take effect [ ]

(For assistance in completing this date, please refer to paragraph 4.1 of the Guidelines for Conversion of Loan Terms for ADB LIBOR-Based Loans)

Final maturity of the conversion:

Choose one:
- [ ] Convert to the final maturity date of the loan or tranches, if market permits
- [ ] Convert up to and excluding this date:

[ ] final maturity date of conversion (must correspond with a loan payment date)

Rate of Interest to be Paid Following Conversion

Choose one:
- [ ] Fixed rate of interest
- [ ] Floating rate of interest

Optional: Conditional Requests—limited to transactions greater than US$25 million equivalent

Execute transactions related to this conversion request only if:

- [ ] The fixed interest rate to be paid is less than or equal to [ ]
- [ ] The spread over LIBOR to be paid in a floating interest rate is less than or equal to [ ] basis points.
**Authorizations:**
Specimen signatures of the authorized representatives of the Borrower below must be on file at ADB before processing of this request may begin.

<table>
<thead>
<tr>
<th>Name of Borrower</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>By</td>
<td></td>
</tr>
<tr>
<td>Signature of Authorized Representative</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name</th>
<th>Tel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title</td>
<td>Fax</td>
</tr>
<tr>
<td>Date</td>
<td>Email</td>
</tr>
</tbody>
</table>

**Contact Information for Transaction Confirmation:**

<table>
<thead>
<tr>
<th>Name</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Title</td>
<td></td>
</tr>
<tr>
<td>Address1</td>
<td>Fax</td>
</tr>
<tr>
<td>Address2</td>
<td>Email</td>
</tr>
</tbody>
</table>

**This completed form and any related correspondence should be addressed to:**

Attn: Loan Accounting Section  
Loan Administration Division  
Controller's Department  
Asian Development Bank  
6 ADB Avenue, Mandaluyong City  
1550 Metro Manila, Philippines  
Tel +63 2 632 4444  
Fax +63 2 632 2586
Request for Conversion of ADB LBL
Interest Rate Cap or Collar

Borrower's Explanatory Statement for the Conversion Request:
The borrower's conversion selection, as requested, and the reasons for this selection, are as follows:

We represent that:
(a) we have made our own independent decision to request this conversion;
(b) we are not relying on any communication or confirmation from ADB as a recommendation to request this conversion;
(c) unless expressly agreed with ADB by separate agreement, ADB is not acting as a fiduciary for, or an advisor to, us in respect of this conversion.

Information on the Existing LBL to be Converted:

<table>
<thead>
<tr>
<th>Loan Number</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan/Project Name</td>
<td></td>
</tr>
<tr>
<td>Loan Signing Date</td>
<td></td>
</tr>
<tr>
<td>Loan Closing Date</td>
<td></td>
</tr>
<tr>
<td>Loan Final Maturity Date</td>
<td></td>
</tr>
<tr>
<td>Next Interest Payment Date</td>
<td></td>
</tr>
<tr>
<td>Loan Currency</td>
<td></td>
</tr>
</tbody>
</table>
Information on the Requested Conversion:

Loan amount to be converted:

Choose one:
- Convert the full outstanding loan balance *(applicable to project loans only)*
- Convert ___% of the outstanding loan balance *(applicable to project loans)*
- Convert these particular tranches of the loan *(applicable to program loans)*

(All tranches listed below must have identical conversion requests. Separate request forms must be submitted for other tranches having different financial terms and conversion requirements.)

(tranche numbers)

Choose one:
- Convert the full outstanding amount of each tranche above
- Convert ___% of the outstanding amount of each tranche above

Conversion Date

Date that conversion will take effect ___(any date that coincides with interest payment dates)

(For assistance in completing this date, please refer to paragraph 4.1 of the Guidelines for Conversion of Loan Terms for ADB LIBOR-Based Loans)

Final maturity of the conversion:

Choose one:
- Convert to the final maturity date of the loan or tranches, if market permits
- Convert up to and excluding this date: ___ final maturity date of conversion (must correspond with a loan payment date)

Cap or Collar Terms:

Choose one:
- Interest rate cap such that the lending rate will not exceed ___%.
- Interest rate collar such that the lending rate will not exceed ___% and will not decline below ___%.
- Zero-cost interest rate collar such that the lending rate will not exceed ___%, and will not decline below the floor rate to be determined.

Please see Section 4, subsection I of the Guidelines for Conversion of Loan Terms for ADB LIBOR-Based Loans.

Optional: Conditional Requests—limited to transactions greater than US$25 million equivalent
Execute transactions related to this conversion request only if

For cap or collar:
☐ The premium to be paid on the cap or collar is less than or equal to

For zero-cost collar:
☐ The floor on the zero-cost collar is at a strike rate less than or equal to

Choose one:
Payment of cap or collar premium, if any, to be financed from:
☐ proceeds of the loan (if sufficient unwithdrawn balance in Loan Account, and provided for in withdrawal schedule to Loan Agreement)
☐ borrower’s own funds
**Authorizations:**
Specimen signatures of the authorized representatives of the Borrower below must be on file at ADB before processing of this request may begin.

<table>
<thead>
<tr>
<th>Name of Borrower</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>By</td>
<td></td>
</tr>
<tr>
<td>Signature of Authorized Representative</td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td>Tel</td>
</tr>
<tr>
<td>Title</td>
<td>Fax</td>
</tr>
<tr>
<td>Date</td>
<td>Email</td>
</tr>
</tbody>
</table>

**Contact Information for Transaction Confirmation:**

<table>
<thead>
<tr>
<th>Name</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Title</td>
<td>Tel</td>
</tr>
<tr>
<td>Address1</td>
<td>Fax</td>
</tr>
<tr>
<td>Address2</td>
<td>Email</td>
</tr>
</tbody>
</table>

**This completed form and any related correspondence should be addressed to:**

Attn: Loan Accounting Section  
Loan Administration Division  
Controller's Department  
Asian Development Bank  
6 ADB Avenue, Mandaluyong City  
1550 Metro Manila, Philippines  
Tel +63 2 632 4444  
Fax +63 2 632 2586
Request for Conversion of ADB LBL
Currency Conversion of Withdrawn Amounts

Borrower’s Explanatory Statement for the Conversion Request:
The borrower's conversion selection, as requested, and the reasons for this selection, are as follows:

We represent that:
(a) we have made our own independent decision to request this conversion;
(b) we are not relying on any communication or confirmation from ADB as a recommendation to request this conversion;
(c) unless expressly agreed with ADB by separate agreement, ADB is not acting as a fiduciary for, or an advisor to, us in respect of this conversion.

Information on the Existing LBL to be Converted:

<table>
<thead>
<tr>
<th>Loan Number</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan/Project Name</td>
<td></td>
</tr>
<tr>
<td>Loan Signing Date</td>
<td></td>
</tr>
<tr>
<td>Loan Closing Date</td>
<td></td>
</tr>
<tr>
<td>Loan Final Maturity Date</td>
<td></td>
</tr>
<tr>
<td>Next Interest Payment Date</td>
<td></td>
</tr>
<tr>
<td>Loan Currency</td>
<td></td>
</tr>
</tbody>
</table>
Information on the Requested Conversion:

Loan amount to be converted:

Choose one:
- Convert the full outstanding loan balance *(applicable to project loans only)*
- Convert percent of the outstanding loan balance *(applicable to project loans only)*
- Convert these particular tranches of the loan *(applicable to program loans only)*

(All tranches listed below must have identical conversion requests. Separate request forms must be submitted for other tranches having different financial terms and conversion requirements.)

(tranche numbers)

Choose one:
- Convert the full outstanding amount of each tranche above
- Convert percent of the outstanding amount of each tranche above

Conversion Date

Date that conversion will take effect

(For assistance in completing this date, please refer to Section 4.1 of the Guidelines for Conversion of Loan Terms for ADB LIBOR-Based Loans)

Final maturity of the conversion:

Choose one:
- Convert to the final maturity date of the loan or tranches, if market permits
- Convert up to and excluding this date: Final maturity date of conversion*

*Please see paragraph 4.21 of the Guidelines for Conversion of Loan Terms for ADB LIBOR-Based Loans. Such final maturity date of conversion must coincide with a loan payment date.

Currency and Interest Rate to be Paid Following Conversion

Change the currency from to

Choose one:
- Fixed rate of interest
- Floating rate of interest

Optional: Conditional Requests—limited to transactions greater than US$25 million equivalent

Execute transactions related to this conversion request only if:

- The fixed interest rate to be paid is less than or equal to
- The spread over LIBOR to be paid in a floating interest rate is less than or equal to basis points.
**Authorizations:**
Specimen signatures of the authorized representatives of the Borrower below must be on file at ADB before processing of this request may begin.

<table>
<thead>
<tr>
<th>Name of Borrower</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>By</td>
<td></td>
</tr>
<tr>
<td>Signature of Authorized Representative</td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td>Tel</td>
</tr>
<tr>
<td>Title</td>
<td>Fax</td>
</tr>
<tr>
<td>Date</td>
<td>Email</td>
</tr>
</tbody>
</table>

**Contact Information for Transaction Confirmation:**

<table>
<thead>
<tr>
<th>Name</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Title</td>
<td>Tel</td>
</tr>
<tr>
<td>Address1</td>
<td>Fax</td>
</tr>
<tr>
<td>Address2</td>
<td>Email</td>
</tr>
</tbody>
</table>

**This completed form and any related correspondence should be addressed to:**

Attn: Loan Accounting Section  
Loan Administration Division  
Controller’s Department  
Asian Development Bank  
6 ADB Avenue, Mandaluyong City  
1550 Metro Manila, Philippines  
Tel +63 2 632 4444  
Fax +63 2 632 2586
Request for Conversion of ADB LBL
Currency Conversion of Unwithdrawn Amounts

Borrower's Explanatory Statement for the Conversion Request:

The borrower's conversion selection, as requested, and the reasons for this selection, are as follows:

We represent that:

(a) we have made our own independent decision to request this conversion;
(b) we are not relying on any communication or confirmation from ADB as a recommendation to request this conversion;
(c) unless expressly agreed with ADB by separate agreement, ADB is not acting as a fiduciary for, or an advisor to, us in respect of this conversion.

Information on the Existing LBL to be Converted:

<table>
<thead>
<tr>
<th>Loan Number</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan/Project Name</td>
<td></td>
</tr>
<tr>
<td>Loan Signing Date</td>
<td></td>
</tr>
<tr>
<td>Loan Closing Date</td>
<td></td>
</tr>
<tr>
<td>Loan Final Maturity Date</td>
<td></td>
</tr>
<tr>
<td>Next Interest Payment Date</td>
<td></td>
</tr>
<tr>
<td>Loan Currency</td>
<td></td>
</tr>
</tbody>
</table>
Currency to be Paid Following Conversion:  
(Separate request forms must be submitted for each tranche.)

Please specify if only specific categories under the Withdrawal Schedule of Loan Agreement are to be converted: ____________________________ 
Refer to Section 4, subsection F of the Guidelines for Conversion of Loan Terms for ADB LIBOR-Based Loans.

Choose one:

☐ Convert the full unwithdrawn amount, or  
☐ Convert ____________________ percent of the unwithdrawn amount.  
Note: Unwithdrawn amount excludes any front end fee or premiums capitalized under the loan for caps/collars.

Change the currency from ____________________ to ____________________

For information on the Effective Date of conversion, please see Section 4, subsection B 4.1 of the Guidelines for Conversion of Loan Terms for ADB LIBOR-Based Loans.

Please list any Commitment Letters denominated in the new currency which you wish to form part of the conversion.  
Please see Section 3, subsection C of the Guidelines for Conversion of Loan Terms for ADB LIBOR-Based Loans.

Please specify if an Imprest Account in the new Approved Currency is to be opened: ____________________

Please see Section 3, subsection E of the Conversion Guidelines.

Authorizations:
Specimen signatures of the authorized representatives of the Borrower below must be on file at ADB before processing of this request may begin.

Name of Borrower ____________________
By ____________________
Signature of Authorized Representative ____________________
Name ____________________  Tel ____________________
Title ____________________  Fax ____________________
Date ____________________  Email ____________________

Contact Information for Transaction Confirmation:

Name ____________________
Title ____________________  Tel ____________________
Address1 ____________________  Fax ____________________
Address2 ____________________  Email ____________________

This completed form and any related correspondence should be addressed to:
Attn: Loan Accounting Section  
Loan Administration Division  
Controller’s Department  
Asian Development Bank  
6 ADB Avenue, Mandaluyong City  
1550 Metro Manila, Philippines  
Tel +63 2 632 4444  
Fax +63 2 632 2586
Annex B

Examples of Interest Rate Adjustment

A. Interest Rate Adjustment in a Fixed to Floating Rate Conversion

<table>
<thead>
<tr>
<th>Loan Amount</th>
<th>US$100 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed rate under loan</td>
<td>6%</td>
</tr>
<tr>
<td>Current market fixed rate</td>
<td>9%</td>
</tr>
</tbody>
</table>

Borrower requests conversion to floating rate. ADB can effect the conversion in two ways, which are financially equivalent:

(i) One way is for ADB to enter into a market transaction with a counterparty at current rates:

Market counterparty pays fixed @ 9%
Market counterparty receives LIBOR

The borrower’s floating rate would then be LIBOR + [(6-9)*360/365]% \(^1\)

i.e., LIBOR less 2.96%

(ii) The other way is for ADB to enter into an off-market transaction with a counterparty at current rates:

Market counterparty pays fixed@6%
Market counterparty received LIBOR + [(6-9)*360/365]%

i.e., LIBOR less 2.96%

In either case, the borrower’s new floating rate is LIBOR less 2.96%

---

\(^1\) Adjustment reflects appropriate market conventions on the fixed rate and floating legs of the swap, namely a day count convention of 30/360 or Actual/365 on the fixed side, and a day count convention of Actual/360 on the variable side.
B. Interest Rate Adjustment in a Floating to Fixed Rate Conversion

Loan: US$100 million
Floating interest rate under loan: LIBOR + 60 basis points
Current market fixed rate: 6%

Borrower requests conversion to fixed rate. ADB can effect the conversion in two ways, which are financially equivalent:

i) One way is for ADB to enter into a market transaction with a counterparty at current rates:

   Market counterparty pays floating @ LIBOR

   Market counterparty receives fixed @ 6%

   Borrower’s fixed rate would then be 6% + [0.60*365/360]%\(^1\)

   i.e., 6.61%

(iii) The other way is for ADB to enter into an off-market transaction with a counterparty at current rates:

   Market counterparty pays floating rate @ LIBOR + 60 basis points

   Market counterparty receives fixed @ 6% + [0.60 * 365/360]%

   i.e., 6.61%

   In either case, the borrower’s new Fixed rate is 6.61%
Example of Partial Maturity Currency Conversion

The following example outlines the mechanics associated with a Partial Maturity currency conversion. The attached table lists the cashflows for the illustrative example described below:

Assumption:

Borrower has a US$100 million disbursed loan that has a grace period of 5 years, a final maturity of 15 years and 10 equal annual principal repayments of US$10 million each.

Step 1: Request

Borrower request a currency conversion of the USD loan soon after withdrawal to a Euro loan for the first 10 years only.

Step 2: Currency Hedge Transaction with Market Counterparty

ADB executes a 10-year, amortizing, fixed USD to fixed Euro currency hedge transaction with a market counterparty. Assume the USD/Euro exchange rate at the time of the swap is 0.91.

a. Currency Hedge Transaction details:

   (i) There will be no initial principal exchange on the currency hedge Transaction.

   (ii) There will be principal exchanges of US$10 million against Euro 11 million from years 6 through 10 (taking into account the grace period), in line with the amortization schedule on the underlying loan.

   (iii) There will be a final exchange of principal at the end of the 10th year upon maturity of the currency hedge Transaction—US$50 million against Euro 55 million, corresponding to the unamortized principal balance at the time.

Step 3: Loan Conversion

Borrower’s outstanding loan amount is converted from US$100 million to Euro 110 million at the US$0.91/Euro exchange rate; annual principal repayments of EUR 11 million from years 6 through 10 will leave an outstanding principal balance of Euro 55 million at the end of the 10th year.
Step 4: Final exchange of principal between ADB and Market Counterparty, upon maturity of Currency Hedge Transaction at the end of Year 10

ADB has to pay Euro 55 million to counterparty against receipt of US$50 million. Since there will be no corresponding exchange of principal between ADB and the borrower (there will instead be a redenomination of the loan currency from Euro back to USD), ADB will have to generate the Euro 55 million it needs to pay the counterparty by purchasing the Euro with USD. Assume ADB is able to effect this transaction from USD to Euro at the then prevailing exchange rate of 1.18 USD/Euro (i.e., the Euro has appreciated from US$0.91 to US$1.18 over the 10 years).

Step 5: Redenomination of borrower’s loan at the end of Year 10

Borrower’s outstanding loan amount is converted from Euro 55 million to US$65 million at the US$1.18/Euro exchange rate; annual principal repayments of US$13 million from years 11 through 15 will bring the outstanding loan balance to zero at the end of the 15th year.
**PRINCIPAL CASHFLOWS ON ORIGINAL LOAN, HEDGE SWAP AND CONVERTED LOAN IN CASE OF PARTIAL MATURITY CURRENCY CONVERSION**

(Table does not show interest flows)

Exchange Rate on Currency Hedge Transaction/Currency Conversion at Year-1: US$0.91/Euro
Assumed Exchange Rate at the end of Year-10 At which loan amount will revert to USD US$1.18/Euro

<table>
<thead>
<tr>
<th>Year</th>
<th>Original Loan (USD Million)</th>
<th>Bank Currency Hedge Transaction with Counterparty Principal Exchange</th>
<th>Converted Loan (Years 1–10: Euro Million Years 11–15: US$ Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Principal Amortization Schedule</td>
<td>Outstanding Principal Amount</td>
<td>Bank Receives (US$ Million)</td>
</tr>
<tr>
<td>0</td>
<td>CURRENCY HEDGE TRANSACTION/CURRENCY CONVERSION AT THE BEGINNING OF YEAR 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>-</td>
<td>100</td>
<td>-</td>
</tr>
<tr>
<td>2</td>
<td>-</td>
<td>100</td>
<td>-</td>
</tr>
<tr>
<td>3</td>
<td>-</td>
<td>100</td>
<td>-</td>
</tr>
<tr>
<td>4</td>
<td>-</td>
<td>100</td>
<td>-</td>
</tr>
<tr>
<td>5</td>
<td>-</td>
<td>100</td>
<td>-</td>
</tr>
<tr>
<td>6</td>
<td>10</td>
<td>90</td>
<td>10</td>
</tr>
<tr>
<td>7</td>
<td>10</td>
<td>80</td>
<td>10</td>
</tr>
<tr>
<td>8</td>
<td>10</td>
<td>70</td>
<td>10</td>
</tr>
<tr>
<td>9</td>
<td>10</td>
<td>60</td>
<td>10</td>
</tr>
<tr>
<td>10</td>
<td>10</td>
<td>50</td>
<td>10 + 50 = 60</td>
</tr>
<tr>
<td>11</td>
<td>10*</td>
<td>40</td>
<td>13 USD</td>
</tr>
<tr>
<td>12</td>
<td>10*</td>
<td>30</td>
<td>13 USD</td>
</tr>
<tr>
<td>13</td>
<td>10*</td>
<td>20</td>
<td>13 USD</td>
</tr>
<tr>
<td>14</td>
<td>10*</td>
<td>10</td>
<td>13 USD</td>
</tr>
<tr>
<td>15</td>
<td>10*</td>
<td>0</td>
<td>13 USD</td>
</tr>
</tbody>
</table>

* As soon as a Partial Maturity Currency Conversion is effected, the principal repayment amounts remaining at the end of Conversion Period (i.e., US$10 million in years 11–15) are subject to adjustment as described in paragraph 4.21(iii) above. In the case of this example, the Borrower’s principal repayments for years 11–15 will be adjusted to US$13 million annually.