

**Foreign Exchange Policy Department**  
**Bangladesh Bank**  
**Head Office**  
Dhaka  
www.bb.org.bd

FE Circular Letter No. 27

Date: 02-10-2016

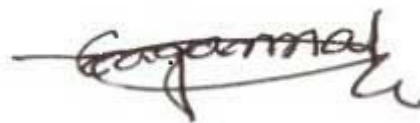
All Authorized Dealers of  
Foreign Exchange in Bangladesh

Dear Sirs,

**Participation Agreement of Green Transformation Fund for export oriented textile & textile products and leather manufacturing industries.**

Bangladesh Bank (BB) has established the Green Transformation Fund (GTF) to accelerate sustainable growth in export oriented textile and leather sectors conducive to transformation of green economy in the country vide FE Circular No. 02 dated January 14, 2016. To further fortify the financing arrangement under GTF, it has been decided to provision for a Participation Agreement to be signed between Bangladesh Bank and intended ADs. To enter into the agreement, ADs have to apply in written to General Manager, Sustainable Finance Department, Bangladesh Bank, Head Office, Dhaka. ADs are advised to take necessary initiatives for entering into Participation Agreement under GTF immediately.

Yours faithfully,



Encl. As  
stated (15 pages)

(Jagannath Chandra Ghosh)  
Deputy General Manager  
Phone: +880 2 9530092  
E-mail: jagannath.ghosh@bb.org.bd

**PARTICIPATION AGREEMENT**

**Between**

**BANGLADESH BANK**

**and**

*[Name of the Authorized Dealer of Foreign Exchange in Bangladesh]*

**As participant in the**

**Green Transformation Fund (GTF)**

# PARTICIPATION AGREEMENT

## PARTIES

This Participating Agreement (hereafter also referred to 'Participating Agreement' or 'Agreement') is signed on the ----- day of -----.

between

**Bangladesh Bank (hereafter called BB)**, established by the Bangladesh Bank order 1972 (P.O no. 127 of 1972) having its Head Office at Motijheel C/A, Dhaka (hereafter called BB) represented by the Sustainable Finance Department (hereafter called SFD).

And

[*Name of the AD*], Duly established under Companies Act of 1994, carrying on its business under Bank Company Act 1991 (Amended in 2013), having license from BB License no..... dated....., permitted by to deal with foreign exchange, having its registered office at ....., (Name of the district), (hereafter also referred to 'Authorized Dealer' 'AD') as participant in the **Green Transformation Fund** (hereafter also referred to GTF).

## PREAMBLE

Whereas,(A) BB established a revolving fund of USD 200 million fund to offer on-lending/refinancing for facilitating access to financing in foreign exchange for all manufacturer-exporters in Export-oriented Textile & Textile Products and Leather Goods Manufacturing Industries to import capital machineries and accessories relevant to environment-friendly/green attributes specified by BB.

Modalities of offering on-lending/refinancing facilities to ADs for lending in above mentioned sectors on terms and conditions set forth in the FE circular no. 02, Dated January 14, 2016 issued by BB.

(B) It is required to enter into a participation agreement between BB and the ADs interested to avail of the on-lending/refinancing facilities under GTF. and

(C) The ADs willing to avail the on-lending/refinancing facilities from the above mentioned fund on terms and conditions set forth in FE circular no. 02, Dated January 14, 2016 issued by BB; agree to comply with the terms and conditions of this agreement.

Now, therefore, the parties hereby agree the follows:-

## **ARTICLE I**

### **DEFINITIONS**

#### **SECTION 1.1 Definitions and Related Terms**

Unless the context otherwise requires, the terms defined in this Section 1.1 will, for all purposes of this Agreement and of any agreement supplemental thereto, have the meanings herein specified, as follows:

- a) 'Bangladesh Bank' means the bank established by the Bangladesh Bank Order, 1972 (President's Order No. 127 of 1972) for the purpose of carrying out the business of central banking, as represented by its Governor. Bangladesh Bank shall act as the implementing agency of the project.
- b) 'Scheduled Bank' means a bank as used in Article 37 of Bangladesh Bank Order, 1972 (P.O No. 127 of 1972).
- c) Authorized Dealers (hereafter also referred to 'ADs') means any scheduled bank duly registered according to the applicable laws and regulations of the Recipient, which is authorized by BB to deal in foreign exchange under FER Act, 1947.
- d) 'Governor' means the Governor of Bangladesh Bank.
- e) 'Financing' means the funding that will be provided under the Green Transformation Fund (GTF) facility.
- f) 'Firm' means a private enterprise or an enterprise in which private shareholders have majority ownership, and to which an AD proposes to make or has made a Financing.
- g) 'SFD' means Sustainable Finance Department
- h) 'FEPD' means Foreign Exchange Policy Department
- i) 'FRTMD' means Forex Reserve & Treasury Management Department
- j) 'Beneficiary' means any person/institution to whom the Authorized Dealer (AD) has provided or will provide loan under this Fund.
- k) 'PFIs' means Participating Financial Institutions that will participate in GTF
- l) 'Sub-Project' means a specific Project to be carried out by a Private Firm utilizing the proceeds of GTF.
- m) 'Taka' (hereafter also referred to 'TK') means the currency of the People's Republic of Bangladesh.
- n) 'Dollar' (hereafter also referred to 'USD') means the currency of The United States of America'
- o) 'Circular' means FE circular no. 02, Dated January 14, 2016 or any amendment thereof
- p) 'Fund' means Green Transformation Fund

#### **SECTION 1.2 Articles, Sections, Number, Etc.**

Unless otherwise specified, references to Articles, Sections and other of this subdivisions of this Agreement are to the designated Articles, Sections, and other subdivisions of this Agreement as amended. The words replace - 'hereof,' 'herein,' 'hereunder,' 'hereafter' and words of similar import refer to this Agreement as a whole. The headings or title of the several articles and sections, and the table of contents appended to copies hereof, will be solely for convenience of reference and will not affect the meaning, construction or effect of the provisions hereof. The singular form of any word used herein, including the terms defined in Section 1.1 of this Agreement, will include the plural, and vice versa.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES

#### SECTION 2.1 Representations and Warranties of the Financial Institution

The AD makes the following representations as the basis for its participation in the Project:

(a) The AD is a registered company under the Companies Act of 1913/1994 and licensed to operate as Bank in Bangladesh under the Bank Company Act 1991 having authorized dealership licenses under Foreign Exchange Regulation Act, 1947. Pursuant to the Companies Act of 1913/1994 and by its Articles of Association, the PFI has the power to enter into transactions contemplated by this Agreement and to carry out its obligations hereunder. By proper action, the AD has been duly authorized to execute, deliver and duly perform the duties and fulfill the obligations of this Agreement.

(b) The AD is in full compliance with the eligibility criteria for participation in the fund, as set forth in Article III.

(c) The AD has not experienced any materially adverse financial or business situation, not already disclosed to the BB or stakeholders, which may affect its eligibility as a participant in the Fund.

(d) The AD is not in default under any of provisions of the laws of the People's Republic of Bangladesh, which defaults, would affect its existence or its powers referred to in Section 2.1(a).

(e) The AD is not in default under any provisions of any of its funding agreement with other financial institutions.

## ARTICLE III

### GREEN TRANSFORMATION FUND (GTF)

#### SECTION 3.1 Green Transformation Fund

(a) **Green Transformation Fund** is intended to facilitate access to financing in foreign exchange to Export-oriented Textile & Textile Products and Leather Goods Manufacturing Industries to import capital machinery and other necessities relevant to following environment-friendly/green attributes.

- a) Water use efficiency in wet processing;
- b) Water conservation and management;
- c) Waste management;
- d) Resource efficiency and recycling;
- e) Renewable energy;
- f) Energy efficiency;
- g) Heat and temperature management;
- h) Air ventilation and circulation efficiency;
- i) Work environment improvement initiatives; and
- j) Other sectors to be specified by Bangladesh Bank from time to time

(b) Pursuant to the terms and conditions in the Circular, the ADs will provide best efforts to select and implement the specific sub-project.

(c) All Sub-projects must meet the eligibility criteria pursuant to the Circular.

(d) The requisition for funds by the AD and the disbursement of funds by the FRTMD will be in accordance with the circular.

### **SECTION 3.2 Pricing**

The interest rate will be determined on the basis of pricing methods specified in the Circular.

### **SECTION 3.3 Credit Repayments: Principal Amortization**

(a) Principal and interest payments in foreign currency along with the principal amortization schedule, on the Fund will be determined by the Bangladesh Bank.

## **ARTICLE IV**

### **ELIGIBILITY CRITERIA FOR CONTINUED PARTICIPATION BY ADs**

#### **SECTION 4.1 Eligibility Criteria for ADs**

The ADs will be required to meet the eligibility criteria for participating in the facility and maintain the required standard level of operation for continuation of participation during the tenure. In order to become eligible to participate in the fund, the financial institutions must meet and maintain the following criteria:

(a) The ADs must hold a valid license from Bangladesh Bank to operate as banks which are authorized by BB to deal in foreign exchange and must have a demonstrated track record of providing long term lending;

(b) The ADs must have qualified and experienced management, adequate organization and institutional capacity for its specific risk profile;

(c) The ADs must have appropriate capacity, including staffing, for carrying out appraisal (including environmental assessment) of loans to borrowers and for supervising implementation thereof;

(d) The ADs must have well defined credit/loan policies and procedures for management of financial risks (liquidity, credit, foreign exchange, interest rate and market risk including risks associated with balance sheet and income statement);

(e) The ADs must have adequate and functional internal audits and controls;

(f) The ADs will be required to meet the eligibility criteria described in the Circular for continued participation in the Fund, as modified from time to time.

#### **SECTION 4.2 Compliance and Continuing Eligibility**

(a) After being contracted as AD, to participate in the Facility, the AD must continue to satisfy the eligibility criteria referred to above in Sec 4.1 of this Agreement.

(b) If the AD is not in compliance with any of the eligibility criteria, the SFD will promptly notify to the AD that identifies the specific eligibility criteria with which the AD is not in compliance and seek appropriate response from the AD to remedy the non-compliance within an agreed upon time period.

(c) If the AD fails to maintain its eligibility status under the Facility, the SFD, will have the right to suspend all disbursements under the Fund in respect of the AD from the date of such failure.

(d) The SFD may re-establish the eligibility status of the AD upon demonstrated compliance by the AD that the specific eligibility deviations have been removed, mitigated or no longer exists.

### **SECTION 4.3 Eligibility Criteria for Sub-Project**

#### **a) Eligible activities:**

Re-financing will be provided only against loans disbursed after the issuance of FE Circular No. 2 dated January 14, 2016. This facility will be available for both on-lending and re-financing in foreign exchange to Export-oriented Textile & Textile Products and Leather Goods Manufacturing Industries to import capital machinery and other necessities relevant to following environment-friendly/green attributes.

- a) Water use efficiency in wet processing;
- b) Water conservation and management;
- c) Waste management;
- d) Resource efficiency and recycling;
- e) Renewable energy;
- f) Energy efficiency;
- g) Heat and temperature management;
- h) Air ventilation and circulation efficiency;
- i) Work environment improvement initiatives; and
- j) Other sectors to be specified by Bangladesh Bank from time to time

#### **b) Eligible borrowers:**

The financing will be available only for export oriented leather and textile manufacturing industries to import capital machineries and accessories in the country. Any firm eligible to borrow in local currency from banking system as per foreign exchange regulations will be eligible to avail this facility, subject to the following conditions:

- a) The firm has demonstrated compliance with all relevant Environmental Acts and Regulations of Bangladesh and Environmental Risk Management Guidelines (amendments thereof) of BB.
- b) The Firm has demonstrated compliance with the eligibility criteria pursuant to the Circular.

## **ARTICLE V**

### **COVENANTS OF THE PARTICIPATING FINANCIAL INSTITUTION**

#### **SECTION 5.1 Regular Re-payments and Unconditional Obligation**

The PFI will make regular re-payment of amounts due on any outstanding facility. The obligation of the PFI to make payments required hereof and to perform and observe the other agreements on its part contained herein will be absolute and unconditional, irrespective of any defense or any rights to set-off, recoupment or counterclaim it might otherwise have against Bangladesh Bank, and during the term of this Agreement, the PFI will pay absolutely the gross payments to be made on account of the Fund as and all other payments required hereunder, free of any deductions and without abatement, diminution or set-off.

The PFI hereby agrees and authorize Bangladesh Bank that the due installments will be recovered from the PFIs' Foreign Currency Account maintained with Bangladesh Bank as per the amortization schedule. If adequate fund is not available in the PFIs' F/C Account to recover the due installment, the equivalent BDT (at BB Selling Rate on that date) will be debited from the respective PFIs' current account maintained with BB. In case of unavailability of funds in both accounts, BB will charge a penal interest on such dues at a rate 2% above the repo rate and will become payable on demand. BB will also have the right to set off such overdue installment from any of the PFIs' assets held in BB in its security depository or in others. The PFIs will require submitting a debit authority or security encashment authority to BB for realizing the due installments at the time of first application.

#### **SECTION 5.2 Records, Financial Statements and Budgets**

(a) The PFI will: (i) verify and document the status of the Sub-project supported under the Fund by on-site inspection at least half yearly; (ii) prepare Sub-project progress reports covering operations under the credit to be submitted to the SFD within 30 days of each quarter and (iv) undertake quarterly, half yearly and annual assessments of the demand for financing from the Fund to be presented to the FRTMD.

(b) In addition, the PFI will, within 120 days (or such other period as determined by SFD) after the close of each fiscal year, submits its annual audited financial statements to the SFD. The SFD and/or the representatives will be permitted at all reasonable times during the term of this Agreement to examine the books and records of the PFI with respect to the Sub-project.

#### **SECTION 5.3 Documents and Supporting Schedules**

(a) The PFI will be required to maintain complete documentation and supporting schedules for each sub-project accepted for financing under the Project. The FEPD/FRTMD/SFD or any other relevant Department/Cell may periodically request from the PFI, and the PFI will promptly provide, material documents, schedules and other information on a specific Firm or Sub-Project, as required by Bangladesh Bank.

(b) The PFI will maintain credit files for each Firm and Sub-Project in accordance with the Circular and Banking best practice.



#### **SECTION 5.4 Right of Access to the Sub-project**

The PFI agrees that during the term of this Agreement the SFD and /or other authorised representatives from SFD will have the right at all reasonable times during normal business hours to enter upon the site of the Sub-project to examine and inspect the Sub-project; provided, however, that this right is subject to the laws and the regulations of the People's Republic of Bangladesh.

### **ARTICLE VI**

#### **GENERAL AND SPECIAL CONDITIONS**

#### **SECTION 6.1 General Conditions for PFIs**

Bangladesh Bank shall have the right to

- (a) suspend or terminate the right of the PFI to use the proceeds of the Financing made available to it to make Sub-loans or declare it due and payable upon the PFI's failure to perform any of its obligations under the Participation Agreement; and
- (b) require the PFI:
  - (i) to maintain qualified management staff in adequate numbers as required for the purposes of the Fund;
  - (ii) to provide, promptly as needed, the funds, facilities, services and other resources required for such purposes;
  - (iii) to make one or more Sub-loans to one or more Eligible Sub-borrower under Sub-loan Agreements on the terms and conditions that might include conditions set forth in Section 7.3 to this Agreement;
  - (iv) to exercise its rights in relation to each such Sub-loan in such manner as to protect its interests and the interests of BB and, comply with its obligations under its respective Participation Agreement, and achieve the purposes of the Fund;
  - (v) to not assign, amend, abrogate or waive any of its agreements providing for a Sub-loan, or any provision thereof, without the prior consent of the BB; and
  - (vi) to supervise, monitor and report on the activities to be carried out under a Sub-project by each Eligible Sub-borrower in accordance with the provisions of the Circular.
  - (vii) to exchange views with and furnish all such information to BB, as may be reasonably requested by BB, with regard to the progress of the activities under the Project, the performance of its obligations under its respective Participation Agreement, and other matters relating to the purposes of the Fund;
  - (viii) to prepare and submit to the BB: (A) reports on Sub-loan disbursements in line with the requirements of the interim unaudited financial report format included in the Circular as and when reimbursement claims are made; and (B) annual financial performance reports until the Participation Agreement has ended; and

- (ix) to inform promptly the BB of any condition which interferes or threatens to interfere with the progress of its activities under its respective Participation Agreement.
- (x) to obtain rights to examine and inspect the Sub-project; by its officials and or other authorized representatives at all reasonable times during normal business hours to enter upon the site of the Sub-project provided, however, that this right is subject to the laws and the regulations of the People's Republic of Bangladesh.

## **SECTION 6.2 Special Terms and Conditions**

The PFI shall ensure that their Financing Agreement with the sub-borrower (sub-project) given them adequate rights to protect its interest and those of the BB, including the right to:

- (a) suspend or terminate the right of the Sub-borrower to use the proceeds of the Sub-loans or declare it due and payable upon the Sub-borrower's failure to perform any of its obligations under the Sub-loan Agreement; and
- (b) require the Eligible Sub-borrower to:
  - (i) carry out the Sub-project financed out of the proceeds of a Sub-loan with due diligence and efficiency and in accordance with sound technical, economical, financial, managerial, environmental and social standards and practices, including those set forth in the Circular and other relevant Guidelines;
  - (ii) (a) maintain policies and procedures to enable it to monitor and evaluate the progress of the Sub-loan in accordance with indicators acceptable to BB; and (b) prepare financial statements in accordance with consistently applied accounting standards in accordance with the Circular;
- (c) require that:
  - (i) (a) the goods, works and services to be financed out of the proceeds of the Sub-loan shall be procured in accordance with the provisions of the Circular and (b) such goods, works and services shall be exclusively used in the carrying out of the activities financed out of the proceeds of the relevant Sub-Loan;
  - (ii) to inspect, by itself or jointly with representatives of the BB, if the BB shall so request, such goods and the sites, works, plants and construction included in the activities to be financed out of the proceeds of a Sub-loan, the operation thereof, and any relevant records and documents; and
  - (iii) Obtain all such information as the BB shall reasonably request relating to the foregoing and to the administration, operations and financial condition of the Eligible Sub-borrower and to the benefits to be derived from the activities financed out of the proceeds of a Sub-loan.

## **ARTICLE VII**

### **DEFAULT EVENTS AND REMEDIES**

#### **SECTION 7.1 Events of Default**

Any one of the following, which occurs and continues, will constitute an Event of Default:

(a) Failure by the PFI to pay any amounts required to be paid hereof which failure causes an Event of Default to the agreements relating to the received Fund Loan;

(b) Failure of the PFI to observe and perform any covenant, condition or agreement on its part required to be observed or performed by this Agreement, other than making the payments referred to in (a) above, which continues for a period of 30 days after written notice, which notice will specify such failure and request that it be remedied, given to the PFI by the FRTMD/SFD, unless the FRTMD/SFD, will agree in writing to an extension of such time; provided, however, that if the failure stated in the notice cannot be corrected within such period, the FRTMD/SFD will not unreasonably withhold their consent to an extension of such time if corrective action is instituted within such period and diligently pursued until the default is corrected;

(c) The filing of bankruptcy by the PFI; and

(d) Non-compliance with applicable laws and regulations governing the operation of the PFI.

(e) In the event of default by the borrower/final beneficiary/owner of sub-project under this fund, BB reserves the full authority to cancel the financing facility.

#### **SECTION 7.2 Remedies on Default**

Upon the occurrence and continuation of an Event of Default, the FRTMD will proceed to protect and enforce the rights of the BB, FRTMD, in the manner it deems most expedient to the interest of the Fund and Bangladesh Bank.

#### **SECTION 7.3 Remedies Not Exclusive**

No remedies herein conferred upon or reserved to the Fund is intended to be exclusive of any other available remedy or remedies.

#### **SECTION 7.4 Expenses on Default**

In the event the PFI should default under this Agreement and the Bangladesh Bank, should employ legal counsel or incur other expenses for the collection of the payment due under this Agreement or the enforcement of performance or observance of any obligation or agreement on the part of the PFI, the PFI agrees to pay the Bangladesh Bank the reasonable fees of such legal counsel and such other expenses so incurred by Bangladesh Bank.

#### **SECTION 7.5 Notices of Default**

The FRTMD will issue to the PFI the Notice of Default by registered mail or in person duly acknowledged by the PFI.

**ARTICLE VIII**  
**INDEMNIFICATION**

**SECTION 8.1            Non-liabilities of Green Transformation Fund**

Bangladesh Bank will not be obligated to pay any liabilities of the PFIs regarding the Green Transformation Fund.

**SECTION 8.2            Indemnifications**

The PFI releases Bangladesh Bank and covenants and agrees that Bangladesh Bank will not be liable for and holds harmless Bangladesh Bank, and Bangladesh Bank employees and agents from and against, any and all losses, claims, damages, liabilities or expenses, of every conceivable kind, character and nature whatsoever arising out of, resulting from or in any way connected with the Sub-project financed under Green Transformation Fund.

**ARTICLE IX**

**REPRESENTATIVES OF THE BANGLADESH BANK AND PARTICIPATING FINANCIAL INSTITUTION; ADDRESSES**

**SECTION 9.1 Representative of the Bangladesh Bank; Addresses**

Authorized Representative: General Manager  
Sustainable Finance Department  
Bangladesh Bank

Address: Bangladesh Bank, Head Office  
Motijheel, Dhaka-1000

Telephone: +88029530320  
Facsimile: +88029530327  
Email: manoj.biswas@bb.org.bd

**SECTION 9.2 Representative of the Financial Institution; Addresses**

Authorized Representative: -----

Address: -----  
-----  
-----

Telephone: -----  
Facsimile: -----  
Email: -----

**ARTICLE X**  
**MISCELLANEOUS**

**SECTION 10.1 Notices**

All notices, certificates or other communications will be deemed sufficiently given on the next day following the day on which the same have been either sent by facsimile or mailed by registered mail, courier, postage prepaid, addressed to the Bangladesh Bank or the PFI, as the case may be, as follows:

To Bangladesh Bank:

General Manager  
Sustainable Finance Department  
Bangladesh Bank (2<sup>nd</sup> Annex Building, 19<sup>th</sup> floor),  
Head Office, Motijheel, Dhaka 1000

To Financial Institution:

[Name and address of the PFI]

**SECTION 10.2 Severability of Invalid Provision**

If any provision of this Agreement will be held or deemed to be, or will in fact be, illegal, inoperative or unenforceable, the same will not affect any other provision or provisions herein contained or render the same invalid, inoperative, or unenforceable to any extent whatever.

**SECTION 10.3 Execution of Counterparts**

This Agreement may be simultaneously executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

**SECTION 10.4 Amendments, Changes and Modifications**

Except as otherwise provided in this Agreement, this Agreement may not be effectively amended changed, modified, altered or terminated without the written consent of the parties to this Agreement.

**SECTION 10.5 Governing Law**

This Agreement will be governed exclusively by and construed in accordance with the applicable laws of the People's Republic of Bangladesh.

**SECTION 10.6 Terms of the Agreement**

This Agreement will be in full force and effect from the date hereof and will continue in effect as long as any Financing given to the PFI under the Green Transformation Fund is outstanding.

**SECTION 10.7 Binding Effect**

This Agreement will inure to the benefit of and will be binding upon the GTF, the PFI and their respective successors and assigns, however, to the limitations contained in Article IV.

IN WITNESS WHEREOF, the [*Name of the PFI*] has caused this Agreement to be executed in its name and its corporate seal to be hereunto affixed and attested by its duly authorized officers, and the Bangladesh Bank as the Administrator of the Fund, has caused this Agreement to be executed, all as of the date first above written.

[Name of the PFI]

[PFI SEAL]

[Signature]

[Name of the authorized PFI representative]

[SEAL]

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BANGLADESH BANK

[Signature]

[BB SEAL]

**General Manager**  
Sustainable Finance Department

[SEAL]

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WITNESS:

1. [Signature]

[Name and designation of witness from BB]

[SEAL]

2. [Signature]

[Name and designation of witness from PFI]

[SEAL]

**SCHEDULE 1**  
**PROMISSORY NOTE**  
(to be on letter head pad)

**Principal Amount:**

Interest Rate:

**Date of Note:**

**PROMISE TO PAY.** \_\_\_\_\_ (AD) promises to pay to \_\_\_\_\_ (BANGLADESH BANK), or order, in lawful money of the People’s Republic of Bangladesh, the principal amount of US Dollar \_\_\_\_\_ in figure (US Dollar \_\_\_\_\_ in words), together with interest on the unpaid principal balance/outstanding amount from \_\_\_\_\_, until paid in full.

**PAYMENT.** [AD/PFI] will pay this loan in \_\_\_ payments of US Dollar\_\_\_\_\_ each payment. AD's first payment is due on \_\_\_\_\_, and all subsequent payments are due on the same day of each \_\_\_\_\_ after that. AD's final payment will be due on \_\_\_\_\_, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Interest on this Note is computed on a 365/365 simple/compound interest basis; that is, by applying the ratio of the annual interest rate over the number of days in a year (366 during leap years), multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. AD will pay FRTMD /BANGLADESH BANK at FRTMD/BANGLADESH BANK's address shown above or at such other place as FRTMD /BANGLADESH BANK may designate in writing. Unless otherwise agreed or required by applicable law, payments will be applied first to accrued unpaid interest, then to principal, and any remaining amount to any unpaid collection costs and late charges.

**INTEREST RATE.** The interest rate on this Note is

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**PRIOR TO SIGNING THIS NOTE, AD READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. AD AGREES TO THE TERMS OF THE NOTE AND ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THE NOTE.**

**Name of the Sub-project:**

<b>Name of PFI</b>	
<b>Signature</b>	
<b>Authorized Signatory(ies)</b>	
<b>Title(s)</b>	
<b>Witness(es)</b>	
<b>Date Signed</b>	