
MTO NUMBER 069022

Third Loan Arrangement

among

**GOVERNMENT OF CANADA,
ACTING THROUGH THE DEPARTMENT OF FOREIGN AFFAIRS, TRADE AND
DEVELOPMENT,**

GREEN CLIMATE FUND

and

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT,
SERVING AS THE TRUSTEE OF THE GREEN CLIMATE FUND TRUST FUND
CONCERNING THE GREEN CLIMATE FUND TRUST FUND
(MTO NO. 069022)**

THIRD LOAN ARRANGEMENT, dated as of the Signature Date, among the Government of Canada, acting through the Department of Foreign Affairs, Trade and Development (the “Lender”) as the lender; the Green Climate Fund (the “Fund”) as the borrower; and the International Bank for Reconstruction and Development (the “Bank”), serving as the “Trustee” of the Green Climate Fund Trust Fund (MTO No. 069022) (“Trust Fund”) (the “Trustee”, and together with the Lender and the Fund, the “Participants”, and each a “Participant”).

WHEREAS the Board of the Fund has decided that contributions to the Trust Fund may be made in the form of concessional loans to the Fund.

WHEREAS the Lender, the Fund and the Bank entered into loan arrangements: (a) dated December 9, 2015, with respect to the loan in the amount in United States Dollars equivalent to one hundred and ten million Canadian Dollars (CAD 110,000,000); and (b) dated March 30, 2022, with respect to the loan in the amount in United States Dollars equivalent to one hundred and ten million Canadian Dollars (CAD 110,000,000); all for the purposes of making Loan Contributions to the Trust Fund.

WHEREAS the Lender has decided to make a third contribution to the Trust Fund in support of the Second Replenishment Period through a loan provided to the Fund, in accordance with and subject to the provisions of this Third Loan Arrangement.

NOW, THEREFORE, the Participants hereto hereby agree as follows:

ARTICLE 1 — DEFINITIONS, INTERPRETATION AND CONSTRUCTION

1.1 Unless otherwise defined herein, all defined terms used herein will have the meaning ascribed thereto in the Standard Provisions (as hereinafter defined) and in addition the following terms will have the following meanings:

“Business Day” means any day (other than a Saturday or Sunday) when (a) banks are generally open for business both in Washington, D.C., U.S.A. and Toronto, Canada, (b) the Bank is generally open for business in Washington, D.C., U.S.A, and (c) the Fund is generally open for business in Songdo, Republic of Korea;

“Canada’s Contribution Arrangement” means the Trust Fund Contribution Arrangement, effective as of December 11, 2015, as amended, entered into among the Government of Canada, acting through the Department of Foreign Affairs, Trade and Development, as a provider of Grant Contributions and Cushions, the Fund and the Trustee;

“Canada’s Third Cushion” means the Cushion provided by the Cushion Contributor pursuant to the Third Cushion Contribution Arrangement to support the Third Loan provided by the Lender under this Third Loan Arrangement;

“Cushion Contributor” means the Government of Canada, acting through the Department of Foreign Affairs, Trade and Development, as the provider of Canada’s Third Cushion;

“Drawdown” means the drawdown and payment of the Third Loan under this Third Loan Arrangement;

“Drawdown Date” means a Business Day on which the proceeds of the Third Loan are drawn by the Trustee in accordance with Sections 2.2, 2.3 and 2.4;

“Drawdown Effective Date” has the meaning given to it in Section 4.1 (b);

“Drawdown Request” means a request for Drawdown submitted to the Lender in accordance with Section 2.3, substantially in the form attached hereto as Annex I (Form of Drawdown Request);

“Electronic Means” means the generation, sending, receiving, storing or otherwise processing of an electronic document by electronic, magnetic, optical or similar means, including, but not limited to, electronic data interchange, electronic mail, telegram, telex or telecopy, acceptable to the Trustee, the Fund and the Lender;

“GCF Trust Fund Agreement” means the Amended and Restated Agreement on the Terms and Conditions for the Administration of the Green Climate Fund Trust Fund (including all Annexes and Attachments attached thereto, which constitute an integral part thereof), dated February 7, 2023, between the Fund and the Trustee, as may be amended from time to time in accordance with its terms;

“Government of Canada’s Fiscal Year” means a twelve-month period extending from April 1 of a given year to March 31 of the following year;

“Individual Lender’s Loan Reflows” means the portion of Lenders’ Loan Reflows determined by the Secretariat as attributable to the Lender;

“Individual Lender’s Loan Resources” means the portion of Lenders’ Loan Resources that may be used to make interest payment and/or repayment of the Outstanding Loan Balance at a given Payment Date, as determined by the Secretariat in accordance with Section 5.1;

“Interest Payment Amount” means for each Interest Payment Date, the amount of interest payable on the Third Loan on such date;

“Interest Payment Date” means each date on which interest on the Third Loan is payable, as specified in Section 3.1 and as may be revised pursuant to Section 5.2;

“Interest Period” means (a) the initial period from and including the date that is sixty (60) months from the Drawdown Effective Date to, but excluding the immediately following, June 15 or December 15, whichever occurs first, and (b) after the initial period, each six (6) month period thereafter from and including the last day of the preceding period to but excluding the immediately following June 15 or December 15, whichever occurs first;

“Lenders’ Loan Reflows” means the portion of the reflows of funds from loans extended by the Fund, as allocated by the Secretariat for Loan Contributions in accordance with the Applicable Policies and paragraph 3.3(e) of the Standard Provisions;

“Lenders’ Loan Resources” means the resources consisting of (a) proceeds from Loan Contributions in the amount determined by the Secretariat as available for making any principal, interest and other payments to be made on the loans under the Loan Agreements/Arrangements, and (b) Lenders’ Loan Reflows;

“Loan Agreements/Arrangements” means any of all loan agreements/arrangements entered into by the Fund and the Trustee for any loans to the Fund, whose proceeds are held, or to be held, in the Trust Fund as Loan Contributions;

“Non-Performing Loan” has the meaning given to it in Section 5.2(i)(A);

“Outstanding Loan Balance” means the principal amount of the Third Loan drawn by the Trustee and outstanding from time to time from the Drawdown Effective Date;

“Payment Date” means any Interest Payment Date or Principal Repayment Date, as applicable;

“Principal Repayment Amount” means for each Principal Repayment Date, the amount of principal of the Third Loan payable on such date;

“Principal Repayment Date” means each date on which all or any portion of the principal amount of the Third Loan is payable, as specified in Section 3.2 and as may be revised pursuant to Section 5.2;

“Second Replenishment Period” means the period from 2024 to 2027.

“Signature Date” means the later of the three dates on which the Participants signed this Third Loan Arrangement;

“Standard Provisions” means the Standard Provisions Applicable to the Contributions to the Green Climate Fund Trust Fund, incorporated in the GCF Trust Fund Agreement as Annex I, as such standard provisions may be amended from time to time in accordance with its terms;

“Third Cushion Contribution Arrangement” means the Amendment No. 5 to Canada’s Contribution Arrangement entered into on or around the date hereof, among the Cushion Contributor, the Fund and the Trustee, in respect of Canada’s Third Cushion;

“Third Loan” means the repayable contribution to be provided to the Fund as borrower solely for the benefit of the Trust Fund, by the Lender under this Third Loan Arrangement;

“Third Loan Arrangement” means this arrangement and its annexes; and

“Unpaid Amount” has the meaning given to it in Section 5.2(i)(A).

1.2 In this Third Loan Arrangement, unless the context otherwise requires:

(a) Headings are inserted for convenience of reference only and do not affect the interpretation of this Third Loan Arrangement; and

(b) A reference to a document includes an amendment or supplement to, or replacement or novation of, that document but disregarding any amendment, supplement, replacement or novation made in breach of this Third Loan Arrangement.

1.3 All annexes attached hereto will constitute an integral part of this Third Loan Arrangement.

1.4 For the purpose of this Third Loan Arrangement:

1.4.1 all references made in the Standard Provisions to “shall”, “Contribution Agreements”, “Contribution Agreement”, “Loan Agreements” and “Loan Agreement” will have the same meaning as the term “will”, “Contribution Arrangements”, “Contribution Arrangement”, “Loan Arrangements” and “Loan Arrangement”, respectively;

1.4.2 all references made in paragraph 11 of the Standard Provisions to “parties” will have the same meaning as the term “participants”;

1.4.3 all provisions in the Standard Provisions that indicate an agreement on the part of the Contributor or the Lender will be read to mean an acceptance by the Contributor or the Lender, respectively; and

1.4.4 all references made in paragraph 5.4 and 8.1 of the Standard Provisions to “obligation(s)” will have the same meaning as the term “commitment(s)”; all references made in paragraph 5.3 of the Standard Provisions to “obligation(s)” will be read as “obligation(s)” or “commitment(s)”, as appropriate.

1.5 It is understood that this Third Loan Arrangement is not an international treaty. It is an administrative arrangement among the Lender, the Fund and the Trustee.

1.6 In providing the Third Loan under this Third Loan Arrangement, the Lender does not assume any responsibility or liability towards the Fund, the Trustee or any third parties for any claims, debts, demands, damage or loss as a result of the implementation of the activities of the Fund.

ARTICLE 2 – THE LOAN

2.1 The Lender will contribute to the Fund, on the terms and conditions set forth or referred to in this Third Loan Arrangement, the Third Loan in the amount in United States Dollars equivalent to one hundred eighty million Canadian Dollars (CAD 180,000,000) for the purpose of making a Loan Contribution to the Trust Fund. For the avoidance of doubt, the Loan Contribution does not constitute a loan to the Trust Fund. The amount in United States Dollars will be deposited by the Lender in accordance with Section 2.4 using the prevailing foreign exchange rate obtained by the Lender through its correspondent bank on the date of the deposit. The amount of the Third Loan, including the interest payments and principal repayments, will be denominated in United States Dollars.

2.2 The Third Loan will consist of one Drawdown. Upon satisfaction of the condition precedent to the Drawdown specified in Section 4.2 to this Third Loan Arrangement, the Lender and the Fund will decide in writing in advance on a Drawdown Date, which will occur before the end of the Government of Canada’s Fiscal Year 2023/24.

2.3 Upon agreement by the Lender and the Fund in Section 2.2, the Secretariat will send a Written Instruction, specifying the Drawdown Date to the Trustee. By sending such Written Instruction to the Trustee, the Fund irrevocably and unconditionally authorizes the Trustee, and the Trustee will, subject to Section 2.2, within ten (10) Business Days from its receipt of such instruction, request the Drawdown of the full amount of the Third Loan as set out in Section 2.1 by delivering to the Lender a Drawdown Request. If the Drawdown Request is not received by the Lender as specified in this Section 2.3, the Lender shall promptly notify the Fund and the Trustee in writing thereof. If, subsequent to such notice, the Drawdown Request shall not have been received by the Lender prior to March 28, 2024, unless agreed otherwise by the Lender and the Fund, the Loan shall be deemed cancelled as of March 28, 2024.

2.4 Upon receipt of the Drawdown Request, subject to there being an appropriation by the Parliament of Canada for the Government of Canada’s Fiscal Year in which the Drawdown Date falls, the Lender will, on or before the Drawdown Date, deposit the amount in cash in United States Dollars into the account designated by the Trustee in the Drawdown Request. When making such deposit, the Lender will instruct its bank to include in its payment details information (remittance advice) field of its SWIFT payment

message, the deposit instructions which include information indicating: the amount paid, that the payment is made by the Lender for MTO No. 069022 (Green Climate Fund), and the date of the deposit.

2.5 The Trustee will promptly notify the Lender and the Fund of the amount of the proceeds it received in United States Dollars. Upon receipt by the Fund of the notifications from the Trustee on the amount of the proceeds it received, the Fund will promptly send a notice to the Lender and the Trustee confirming (i) the amount of the Third Loan under this Third Loan Arrangement, (ii) the Drawdown Effective Date, and (iii) the schedule for its repayment in United States Dollars in accordance with the terms of this Third Loan Arrangement.

2.6 The proceeds of the Third Loan will be credited to the Trust Fund as the Loan Contribution by the Lender to be used and administered in accordance with the GCF Trust Fund Agreement. The Lender confirms that it has received a copy of the GCF Trust Fund Agreement.

2.7 The Bank will act under this Third Loan Arrangement solely in its capacity as trustee of the Trust Fund and neither in its individual or personal capacity nor as borrower, guarantor or surety. The Trustee will be responsible only for performing those functions specifically set forth in this Third Loan Arrangement and the GCF Trust Fund Agreement, and will not be subject to any other duties or responsibilities to the Fund or the Lender. The Trustee will not be responsible for any determination made by the Fund or the Secretariat under this Third Loan Arrangement, and may rely in good faith on any instruction provided by the Fund or the Secretariat under this Third Loan Arrangement without further inquiry or investigation on its part, and will have no liability for relying in good faith on any such instruction or otherwise for any actions taken, or omitted to be taken, in good faith. Absent any gross negligence or willful misconduct on the part of the Trustee, the Trustee's liability under this Third Loan Arrangement will in any event be limited to the extent of the resources made available in the Trust Fund pursuant to the GCF Trust Fund Agreement and this Third Loan Arrangement.

ARTICLE 3 — TERM; INTEREST AND PRINCIPAL REPAYMENTS

3.1 Subject to the provisions of Section 5.2, interest will accrue on the Outstanding Loan Balance at a rate of one per cent (1%) per annum during each Interest Period. Interest will accrue from the date that is sixty (60) months from the Drawdown Effective Date and will be payable on the immediately following June 15 or December 15, whichever occurs first, and thereafter will be payable semi-annually in arrears on the immediately following June 15 and December 15 of each year, whichever occurs first. The Interest Payment Amount will be computed on the basis of the actual number of days elapsed and a year of three hundred and sixty (360) days.

3.2 Subject to the provisions of Section 5.2, the Third Loan will be repaid in forty (40) equal semi-annual installments on June 15 and December 15 of each year, with the first such repayment occurring on June 15 or December 15, whichever occurs first following sixty (60) months after the Drawdown Effective Date.

3.3 Upon giving not less than thirty (30) Business Days' prior written notice to the Lender (with a copy to the Trustee), the Fund may prepay the Outstanding Loan Balance and any accrued interest, in whole or in part without penalty.

3.4 Unless otherwise specified in the Standard Provisions, the Lender will not have the right to demand any payment under this Third Loan Arrangement in advance of maturity.

ARTICLE 4 — CUSHION

4.1 (a) The Lender will provide a Contribution in the amount of thirty six million Canadian Dollars (CAD 36,000,000) to the Trust Fund to serve as Canada's Third Cushion, in accordance with the Third Cushion Contribution Arrangement;

(b) The term of the Third Loan, referred to in Article 3 above, will begin on the last day on which the Trustee has received (i) the proceeds of the Third Loan; and, (ii) Canada's Third Cushion in the amount of thirty six million Canadian Dollars (CAD 36,000,000), in accordance with Sections 2.4 and 4.1(a) of this Third Loan Arrangement and the Third Cushion Contribution Arrangement (the "Drawdown Effective Date").

4.2 The signature of the Third Cushion Contribution Arrangement by all Participants is a condition precedent to Drawdown.

4.3 All or any portion of Canada's Third Cushion may be converted into a Grant Contribution in accordance with paragraph 3.4 of the Standard Provisions.

4.4 The Fund will be responsible for ensuring that Canada's Third Cushion is used in accordance with the terms of this Third Loan Arrangement, the Third Cushion Contribution Arrangement, and the Applicable Policies. Canada's Third Cushion will only be used to make interest payments and/or repayments of the Outstanding Loan Balance due by the Fund to the Lender under this Third Loan Arrangement, and not to any other lenders, as set out in Section 5.2 below.

ARTICLE 5 — LIMITED RECOURSE; PAYMENT ARRANGEMENTS

5.1 The Lender accepts that any payment and repayment terms of the Fund hereunder will be limited to the available Individual Lender's Loan Resources and Canada's Third Cushion held in the Trust Fund, and the Lender will not have any recourse against any other assets of the Fund or the Trust Fund. The Secretariat will, in accordance with the terms of the Standard Provisions, the Applicable Policies, including International Financial Reporting Standards, and this Third Loan Arrangement, determine the amount of the Individual Lender's Loan Resources and Canada's Third Cushion available in the Trust Fund for the purpose of making any interest payment and/or repayment of the Outstanding Loan Balance under Sections 3.1, 3.2, 3.3 and/or 5.2. For the purpose of this Third Loan Arrangement, the Individual Lender's Loan Resources will be determined, in relation to each Payment Date, by firstly, deducting from the Lenders' Loan Resources available in the Trust Fund the total amount of resources to be applied for the reimbursement of Canada's Third Cushion in accordance with Section 5.2(ii) and for the reimbursement of other lenders' respective Cushions in a similar manner as Section 5.2(ii) at that Payment Date, as applicable, and secondly, calculating the pro rata share of the remaining Lenders' Loan Resources available in the Trust Fund based on the amount of the payment payable under this Third Loan Arrangement to the Lender at that Payment Date, relative to the total amounts of payments payable under all Loan Agreements/Arrangements at that Payment Date.

5.2 (i) If two (2) months prior to any Payment Date, the Secretariat determines that the Individual Lender's Loan Resources available in the Trust Fund are less than the amount due and payable under this Third Loan Arrangement, the payment on such Payment Date will be made only to the extent of such Individual Lender's Loan Resources available, and:

- (A) If the Secretariat determines that any part or all of the insufficient Individual Lender's Loan Resources are due to financial losses from non-performing loans extended by the Fund under paragraph 3.3(d) of the Standard Provisions as

determined by the Secretariat (“Non-Performing Loans”), the Secretariat will (a) use any available Canada’s Third Cushion to pay the amount representing the difference between the Individual Lender’s Loan Resources available in the Trust Fund and the scheduled Principal Repayment Amount and Interest Payment Amount (the “Unpaid Amount”), and (b) in the event of insufficient Canada’s Third Cushion, write off any or all of such portion of the Unpaid Amount.

- (B) If the Secretariat determines, in respect to any Payment Date other than a last scheduled Payment Date, that any part or all of the insufficient Individual Lender’s Loan Resources are due to any reasons other than financial losses from Non-Performing Loans, the Secretariat will (a) use any available Canada’s Third Cushion to pay the Unpaid Amount and (b) in the event of insufficient Canada’s Third Cushion, carry forward any and all portion of the Unpaid Amount remaining unpaid after (a) above, and add such amount to the scheduled Principal Repayment Amount due and payable at the following Payment Date and the Outstanding Loan Balance will be adjusted by the Secretariat accordingly. For the avoidance of doubt, if any portion of the Unpaid Amount is carried forward, it will form part of the Outstanding Loan Balance for calculating the Interest Payment Amount due and payable on any subsequent Payment Date and the Outstanding Loan Balance will be adjusted by the Secretariat accordingly. The Secretariat will also promptly notify the Lender and the Trustee of the revised schedule for the interest payment and/or repayment of the Outstanding Loan Balance to reflect such carrying forward of the Unpaid Amount.

- (C) If the Secretariat determines, in respect of a last scheduled Payment Date, that the insufficient Individual Lender’s Loan Resources are due to any reasons other than financial losses from Non-Performing Loans, and:
 - (1) the Secretariat determines that all Individual Lender’s Loan Reflows (excluding those amounts of financial losses from the Non-Performing Loans, against which any portion of the Unpaid Amount has been paid through the use of Canada’s Third Cushion or written off under Section 5.2(i)(A)) have been collected by the Fund in accordance with Applicable Policies approved by the Board, then any shortfall of the interest payment and/or repayment of the Outstanding Loan Balance will be paid from the then available Canada’s Third Cushion on the last scheduled Payment Date, and to the extent there is insufficient available Canada’s Third Cushion, any shortfall of the interest payment and/or repayment of the Outstanding Loan Balance will be written off by the Secretariat on the last scheduled Payment Date; or

 - (2) the Secretariat determines that any Individual Lender’s Loan Reflows (excluding those amounts of financial losses from the Non-Performing Loans, against which any portion of the Unpaid Amount has been paid through the use of Canada’s Third Cushion or written off under Section 5.2(i)(A)) have not been collected by the Fund in accordance with Applicable Policies approved by the Board, then, notwithstanding Section 3.2, the schedule for the remaining interest payment and/or repayment of the Outstanding Loan Balance will be revised by the Secretariat, taking into account the amounts and timing of when such Individual Lender’s Loan Reflows are expected to be collected by the Fund as determined by

the Secretariat. In such case, the Secretariat will promptly notify the Lender and the Trustee of the revised schedule for the repayment of the Outstanding Loan Balance on the new Payment Dates. For greater clarity, the Secretariat may revise the schedule for the remaining interest payment and/or repayment of the Outstanding Loan Balance in accordance with this Section 5.2(i)(C)(2) until the Secretariat determines that all Individual Lender's Loan Reflows (excluding those amounts of financial losses from the Non-Performing Loans, against which any portion of the Unpaid Amount has been paid through the use of Canada's Third Cushion or written off under Section 5.2(i)(A) will have been collected by the Fund in accordance with Applicable Policies approved by the Board. Notwithstanding the foregoing, the Secretariat may only revise the payment schedule to the extent that the last Payment Date under any new schedule will not extend beyond five (5) years from the original last Payment Date specified in the notice from the Fund to the Lender and the Trustee pursuant to Section 2.5, unless otherwise agreed in writing by the Lender, the Fund and the Trustee. The provisions of Section 5.2 will apply to the payments to be made under any new payment schedule. If the payment schedule may not be revised further under this Section 5.2(i)(C)(2), and if the Secretariat determines two (2) months prior to the last Payment Date thereunder that there are insufficient Individual Lender's Loan Resources, any shortfall of the interest payment and/or repayment of the Outstanding Loan Balance will be paid from the then available Canada's Third Cushion on the last Payment Date, and to the extent there is insufficient available Canada's Third Cushion, any shortfall of the interest payment and/or repayment of the Outstanding Loan Balance will be written off by the Secretariat on the last Payment Date.

(ii) In the event the Secretariat determines that any amount of the Individual Lender's Loan Reflows, against which any amount of Canada's Third Cushion has been used under Sections 5.2(i)(B) and (i)(C)(2) for cases where the insufficient Individual Lender's Loan Resources are due to any reasons other than financial losses from Non-Performing Loans, have been collected, such amount of Individual Lender's Loan Reflows as determined by the Secretariat will be applied for reimbursing Canada's Third Cushion at the immediately following Payment Date. The reimbursement of Canada's Third Cushion under this Section 5.2(ii) may be made up to the date falling five (5) years from the original last Payment Date specified in the notice from the Fund to the Lender and the Trustee pursuant to Section 2.5, unless otherwise agreed in writing by the Lender, the Fund and the Trustee. If any date of reimbursement falls after all payments to the Lender under this Third Loan Arrangement have been made in full, such amount of reimbursement will be added to the amount of the Grant Contribution in accordance with paragraph 3.4 of the Standard Provisions.

(iii) Within twenty (20) Business Days prior to the Payment Date in relation to which any interest payment and/or repayment of the Outstanding Loan Balance will be written off, the Secretariat will notify the Lender and the Trustee in writing of the amount and the date of the interest payment and/or repayment, respectively, of the Outstanding Loan Balance to be written off. The Lender and the Fund acknowledge that any amount so written off in accordance with the provisions of this Section 5.2 will no longer be considered due and payable by the Fund to the Lender under this Third Loan Arrangement, following such notification by the Secretariat.

5.3 Following determination by the Secretariat of the available resources under Sections 5.1 and 5.2 above, and no later than ten (10) Business Days, but no earlier than thirty (30) Business Days, prior to any Payment Date, the Secretariat will deliver to the Trustee a Written Instruction instructing the amount of interest payment and/or repayment of the Outstanding Loan Balance to be made under this Third Loan Arrangement on such Payment Date. With the Secretariat's delivery of such Written Instruction to the Trustee, the Fund irrevocably and unconditionally authorizes the Trustee, and the Trustee agrees, to process such interest payment and/or repayment of the Outstanding Loan Balance in accordance with, and to the extent of, the Written Instruction and in accordance with the provisions of Article 5.

5.4 Subject to the provisions of Section 5.3, the Trustee will transfer to the Lender, on each Payment Date and out of the Trust Fund resources held by it, the amount so instructed by the Secretariat in the Written Instruction, as payments under Sections 3.1, 3.2, 3.3 and/or 5.2, as applicable.

5.5 Except as otherwise agreed by the Participants, any payment under this Third Loan Arrangement will be made in United States Dollars.

5.6 Any payment which is due to be made on a day that is not a Business Day will be made on the next Business Day.

5.7 All payments by the Trustee under this Third Loan Arrangement will be paid to the bank account of the Lender designated by the Lender to the Secretariat in writing, which the Secretariat will communicate to the Trustee through the Written instruction set forth in section 5.3 of this Agreement.

5.8 All payments required to be made by the Fund or the Trustee under this Third Loan Arrangement will be calculated without reference to any set-off and will be made free and clear of and without any deduction for or on account of any set-off.

5.9 The Fund will verify, keep record of and track the uses of the Lenders' Loan Resources, the Lenders' Loan Reflows, the Individual Lender's Loan Resources, the Individual Lender's Loan Reflows and Canada's Third Cushion under this Third Loan Arrangement and the Third Cushion Contribution Arrangement. The Fund will report to the Lender on the uses of such types of resources on a semi-annual basis, unless otherwise agreed between the Fund and the Lender. The Trustee will neither verify, keep record of, track, nor report on, any uses of such types of resources, and will not establish any sub-account in the Trust Fund for this purpose. The Trustee will process any interest payment and/or repayment of the Outstanding Loan Balance out of the Trust Fund resources at the Written Instruction from the Secretariat in accordance with Sections 5.3 and 5.4, without regard to types of resources tracked by the Fund, whether Lenders' Loan Resources, Lenders' Loan Reflows, Individual Lender's Loan Resources, Individual Lender's Loan Reflows, Canada's Third Cushion or otherwise and without tracking the Contributions made or reflows received during any replenishment period.

5.10 The Fund will provide relevant financial information to the Lender in order to support any decision that may be taken to revise interest payment and/or repayment schedule under Section 5.2(i)(C)(2), as may be reasonably requested by the Lender.

ARTICLE 6 — DECLARATIONS

6.1 Each of the Participants to this Third Loan Arrangement declares by confirming its acceptance below, that it is authorized to enter into this Third Loan Arrangement and act in accordance with its provisions.

ARTICLE 7 — NOTICES

7.1 Any notice, request or other communication to be given or made under this Third Loan Arrangement will be in writing in English language and delivered by mail, facsimile or e-mail to the respective Participant's address specified below or at any other address as the Participant notifies in writing to the other Participants from time to time:

For the Lender:

Director General
Innovative and Climate Finance
Global Affairs Canada
111 Sussex Drive
Ottawa, Ontario, K1N 1J1
Canada

E-mail: innovationinvest@international.gc.ca

For the Fund:

Chief Financial Officer
Green Climate Fund Secretariat
G-Tower, 175 Art Center-daero
Yeonsu-gu, Incheon 22004, Republic of Korea

Tel: + 82 32 458 6075
Fax: + 82 32 458 6094
E-mail: CFO@gcfund.org

For the Trustee:

Director
Trust Funds and Partner Relations
Development Finance
The World Bank
1818 H Street, N.W.
Washington, D.C. 20433
U.S.A.

Tel: +1 202-473-0197
E-mail: gcftrustee@worldbank.org

ARTICLE 8 — AMENDMENTS AND WAIVERS; SEVERABILITY; COUNTERPARTS

8.1 This Third Loan Arrangement may be amended only in writing among the Fund, the Trustee and the Lender.

8.2 If the Board adopts or amends policies and guidelines that regulate how the Fund will manage its financial risks on a day-to-day basis including liquidity, asset-liability, market and credit risk management (including the debt instruments extended by the Fund), the Fund will notify the Lender and the Trustee if and to the extent that such policies and guidelines contradict the terms of Sections 5.1, 5.2, 5.9 and/or 5.10 of this Third Loan Arrangement. The Participants hereto will discuss in good faith to amend Sections 5.1, 5.2, 5.9 and/or 5.10 of this Third Loan Arrangement as necessary to reflect the adopted or amended policies and guidelines, and such amendment to be mutually agreed by the Participants.

8.3 No failure or delay in exercising any entitlement under this Third Loan Arrangement will impair such entitlement or operate, or be construed, as a waiver or variation of it or preclude its exercise at any subsequent time, and no single or partial exercise of any entitlement will preclude any other or further exercises thereof or the exercise of any other entitlement.

8.4 None of the Participants will be deemed to have waived any of its entitlements under this Third Loan Arrangement, unless expressly so stated in a notice by the Participant waiving such an entitlement to the other Participants.

8.5 None of the Participants to this Third Loan Arrangement may assign, transfer, novate or dispose of any of its entitlements or commitments under the Third Loan Arrangement without the prior written consent of the other Participants to the Third Loan Arrangement (such consent not to be unreasonably withheld or delayed).

8.6 Notwithstanding Section 8.5 above, if the Bank's role as the trustee of the Trust Fund will be terminated pursuant to the terms of the GCF Trust Fund Agreement: (i) the Trustee may assign, transfer or novate any of its entitlements or commitments under this Third Loan Arrangement to a successor as directed by the Secretariat; and (ii) the Fund and the Lender will carry out necessary actions, if any, to effect such assignment, transfer or novation. The Fund will also take all necessary actions to appoint such successor without undue delay. If: (i) the Fund fails to appoint a successor; or (ii) the successor fails to agree to such assignment, transfer or novation, in both cases within six (6) months of termination of the Bank's role as the trustee of the Trust Fund, then the Trustee, the Fund and the Lender will promptly agree to any other arrangement with a view to winding up the Trustee's affairs in an expeditious manner while avoiding discontinuity in the operations under this Third Loan Arrangement.

8.7 This Third Loan Arrangement executed by Electronic Means will be deemed an original.

8.8 If the Board amended or adopted any Applicable Policies, the Fund will notify the Lender and the Trustee if and to the extent that such amended or adopted Applicable Policies contradict with the terms of this Third Loan Arrangement. The Participants hereto will discuss in good faith to amend this Third Loan Arrangement as necessary, and such amendments to this Third Loan Arrangement are to be mutually agreed by the Participants. For the avoidance of doubt, to the extent that any Applicable Policies amended or adopted by the Board relate in any way to the functions of the Trustee performed or to be performed under this Third Loan Arrangement, the Trustee will not be bound by any such amended or adopted Applicable Policies in the absence of the agreement of the Trustee.

ARTICLE 9 — EFFECTIVENESS AND TERMINATION

9.1 This Third Loan Arrangement will come into effect upon signature by the Participants.

9.2 If this Third Loan Arrangement has come into effect, this Third Loan Arrangement and all entitlements and commitments of the Participants hereunder will terminate upon the full payment, or write off in accordance with Section 5.2, of all amount due and payable under this Third Loan Arrangement and the completion of the reimbursement of Canada's Third Cushion in accordance with Section 5.2(ii).

ARTICLE 10 — DISPUTE RESOLUTION

10.1 The entitlements and commitments of the Fund, the Trustee and the Lender under this Third Loan Arrangement will be administered in accordance with their terms. None of the Fund, the Trustee or the Lender will be entitled in any proceeding under this Article to assert any claim that any provision of this Third Loan Arrangement is invalid because of any provision of the Articles of Agreement of the Bank.

10.2 The terms and conditions of the GCF Trust Fund Agreement, as may be amended from time to time in accordance with its terms, will apply to this Third Loan Arrangement. In case of any inconsistency between this Third Loan Arrangement and the Standard Provisions, the terms of the Standard Provisions will prevail.

10.3 Any dispute, controversy or claim arising out of this Third Loan Arrangement between the Participants will be settled by negotiation or other mutually accepted mode of settlement.

10.4 The commitments of the Trustee under this Third Loan Arrangement are not the obligations of any government or member of the Bank.

10.5 Nothing in this Third Loan Arrangement will operate as or be construed to constitute a waiver, renunciation or any other modification of any privilege or immunity of:

- (a) the Bank under its Articles of Agreement or under any applicable law;
- (b) the Fund under any privilege or immunity that it may have under its Governing Instrument or under any applicable law, treaty or binding international agreement or instrument; or
- (c) the Lender under applicable law.

IN WITNESS whereof, the Participants hereto, acting through their duly authorized representatives, have caused this Third Loan Arrangement to be signed in their respective names.

GOVERNMENT OF CANADA, ACTING THROUGH THE DEPARTMENT OF FOREIGN AFFAIRS, TRADE AND DEVELOPMENT

By: Andrew Hurst Date: 29-Feb-2024
Andrew Hurst
Executive Director
Climate Finance

GREEN CLIMATE FUND

By:  Date: February 29, 2024 | 4:44 PM KST
DocuSigned by:
5747063FF23E432...
(Authorized Representative)

Name: Hong Paterson
Title: Chief Financial Officer and Chief Operating Officer

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT, SERVING AS THE TRUSTEE OF THE GREEN CLIMATE FUND TRUST FUND

By: Maitreyi Das Date: 27-Feb-2024
(Authorized Representative)

Name: Maitreyi B Das
Title: Director
Trust Funds and Partner Relations
Development Finance

Annex I

Form of Drawdown Request

[Trustee's Letterhead]

[insert date]

To: *[Address details of Lender]*

Dear [●],

Re: Drawdown Request

We refer to the Third Loan Arrangement (the "Third Loan Arrangement") dated *[insert date]* between the Government of Canada, acting through the Department of Foreign Affairs, Trade and Development (the "Lender") as the lender; the Green Climate Fund (the "Fund") as the borrower; and the International Bank for Reconstruction and Development (the "Bank"), serving as the trustee (the "Trustee") of the Green Climate Fund Trust Fund (MTO No. 069022) (the "Trust Fund"). Unless otherwise defined in this request, all capitalized terms appearing herein will have the meanings ascribed to them under the Third Loan Arrangement.

In accordance with the Written Instruction received from the Fund (a copy attached), we hereby request a Drawdown of the Third Loan in the amount in United States Dollars equivalent to *[insert loan currency and amount in words]*(*[insert loan currency and amount in figures]*)) on or before *[insert Drawdown Date]*, pursuant to Section 2.3 of the Third Loan Arrangement.

Please arrange for the proceeds to be deposited on or before *[insert Drawdown Date]* to the following account:

Account Name: [○]

Account Number: [○]

Bank Name and Address: [○]

Swift/BIC code: [○]

Sincerely,

International Bank for Reconstruction and Development, serving as the trustee of the Green Climate Fund Trust Fund

Attachment: a copy of the Written Instruction from the Fund