
MTO No. 069040

TRUSTEE AGREEMENT

on

**the Terms and Conditions for the Administration of the Trust
Fund for the Fund for responding to Loss and Damage**

between

**THE BOARD OF THE FUND FOR RESPONDING TO LOSS
AND DAMAGE**

and

**INTERNATIONAL BANK FOR RECONSTRUCTION AND
DEVELOPMENT,
not in its capacity as principal, except as provided herein, but as
interim Trustee of the Trust Fund for the Fund for responding to
Loss and Damage**

This TRUSTEE AGREEMENT (this “Agreement”) is dated as of the Signature Date (as defined below) and made between the BOARD OF THE FUND FOR RESPONDING TO LOSS AND DAMAGE (the “Fund Board” or the “Board”) and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT, not in its capacity as principal, except as provided herein, but solely in its capacity as interim trustee (in such capacity, the “Trustee”) of the Trust Fund for the Fund for responding to Loss and Damage (MTO No. 069040) (the “Trust Fund”) (the Trustee, together with the Fund Board, the “Parties”, and each, a “Party”).

WHEREAS:

- (A) The Conference of the Parties (the “COP”) to the United Nations Framework Convention on Climate Change (the “Convention”) and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (the “CMA”), at their twenty-seventh and fourth sessions respectively (through decisions 2/CP.27 and 2/CMA.4), decided to establish new funding arrangements for assisting developing countries that are particularly vulnerable to the adverse effects of climate change, in responding to loss and damage;
- (B) In this context, the COP and the CMA also decided to establish a fund for responding to loss and damage (the “Fund”) whose mandate includes a focus on addressing loss and damage;
- (C) The COP and the CMA, at their twenty-eighth and fifth sessions respectively (through decisions 1/CP.28 and 5/CMA.5 (the “COP/CMA Decisions”)), approved the Governing Instrument of the Fund (as contained in Annex I to the COP/CMA Decisions, the “Governing Instrument”), in accordance with which the Fund is to be operationalized, and designated the Fund as an entity entrusted with the operation of the financial mechanism of the Convention, also serving the Paris Agreement, which will be accountable to and function under the guidance of the COP and the CMA;
- (D) The roles and functions of the trustee are set forth in paragraphs 36 through 40 of the Governing Instrument;
- (E) The COP/CMA Decisions also decided that the Fund Board will be conferred with the legal personality and the legal capacity as necessary for discharging its roles and functions, in particular the legal capacity to negotiate, conclude and enter into a hosting arrangement with the World Bank as interim trustee and host of the Fund’s secretariat (the “Secretariat”); and invited the World Bank, subject to certain conditions set out in paragraph 20 thereof, to operationalize the Fund as a World Bank hosted financial intermediary fund for an interim period of four years,

with the Fund to be serviced by a new, dedicated and independent secretariat hosted by the World Bank; and

- (F) The World Bank agrees to establish and administer the Trust Fund as interim trustee in accordance with the terms of this Agreement and Contribution Agreements (as defined below).

NOW THEREFORE, the Parties hereto agree as follows:

ARTICLE I

INTERPRETATION; DEFINITIONS

1.01. All Annex(es) hereto constitute an integral part of this Agreement, whose terms taken together shall constitute the entire agreement and understanding between the Parties.

1.02. References in this Agreement to Articles, paragraphs and Annexes are to the Articles and paragraphs of, and the Annexes to, this Agreement. The headings of the Articles, paragraphs and Annexes are inserted in this Agreement for reference only and shall not be taken into consideration in interpreting this Agreement.

1.03. Unless the context otherwise requires, the several terms defined in the preamble to this Agreement shall have the respective meanings therein set forth when used in this Agreement, and the following additional terms shall have the following meanings:

“Authorized Designee” means any person duly designated and authorized in writing by the Fund Board to act on behalf of the Fund Board.

“Contribution” means any financial contribution provided by a Contributor to the Trust Fund under a Contribution Agreement.

“Contribution Agreement” means a contribution agreement/arrangement entered into between the Trustee and a Contributor in respect of the respective Contributor’s Contributions to the Trust Fund; and a “Contribution Agreement” means any one of them.

“Contributor” means a contributor that provides a Contribution.

“Contributor’s Share” means the share of Trust Fund resources that a Contributor is entitled to receive as calculated pursuant to paragraph 9.09 below.

“Earlier Termination Date” means the date on which the World Bank’s role as interim trustee of the Trust Fund shall be terminated prior to the Termination Date in accordance with paragraph 9.04 below.

“Holding Currency” means any currency in which the Trustee maintains the Trust Fund in accordance with this Agreement.

“Recipients” means the implementing entities and other entities accessing the Fund’s resources via modalities developed by the Fund Board from time to time, pursuant to such processes, policies and/or standards as the Fund Board shall determine.

“Signature Date” means the later of the two dates on which the Parties signed this Agreement.

“Termination Date” has the meaning ascribed to it in paragraph 9.03 below.

“Transaction Document” means each of this Agreement, any Contribution Agreement and any other agreements executed by relevant parties in connection with the establishment, administration or operation of the Trust Fund.

“Written Instruction” means an instruction in writing, duly issued, executed and delivered to the Trustee by the Fund Board, or an Authorized Designee on behalf of the Fund Board, in a form and manner agreed with the Trustee.

“World Bank” means the International Bank for Reconstruction and Development, acting in its legal capacity as a multilateral development bank pursuant to its Articles of Agreement.

ARTICLE II

ESTABLISHMENT AND ADMINISTRATION OF THE TRUST FUND

2.01. The Trustee shall establish the Trust Fund to receive Contributions from the Contributors, and shall hold in trust, as a holder of the legal title, and administer the funds, assets and receipts that constitute the Trust Fund to support the activities of the Fund, in accordance with the terms of this Agreement, including all Annexes attached hereto, which constitute an integral part hereof.

2.02. The Trustee shall have no duty to take or refrain from taking any action with respect to the Trust Fund, any Recipient or any Transaction Document, except as expressly set forth in the terms hereof or thereof or as duly provided in writing to the Trustee by the Fund Board or an Authorized Designee. Without prejudice to the generality of the foregoing, and except as otherwise provided herein, the Trustee shall administer the funds, assets and receipts that constitute the Trust Fund only for the purpose of, and in accordance with, the terms of this Agreement and any relevant decisions of the Fund Board or Authorized Designee, duly and validly issued and received by the Trustee in writing. The Fund Board shall consult closely with the Trustee in the development and consideration of decisions taken by the Fund Board or the Authorized Designee that relate in any way to the functions of the Trustee performed or to be performed under this Agreement. In the absence of such consultation and agreement of the Trustee, the Trustee shall not be required to implement any decision of the Fund Board or the Authorized Designee that the Trustee determines would modify or vary from the terms of this Agreement or change the scope or manner of activities being undertaken by the Trustee or otherwise adversely affects the Trustee in its provision of services under this Agreement.

2.03. The Trustee shall incur no liability to anyone in acting in reliance upon any decision, resolution, instrument, request, report, opinion or other document reasonably believed by it to be genuine and reasonably believed by it to be signed by the proper party or parties. Unless other evidence in respect thereof is specifically prescribed herein, any decision provided by the Fund Board or any Authorized Designee shall be sufficiently evidenced by written instruments signed by the Co-Chairs of the Fund Board, or as may otherwise be agreed by the Fund Board and the Trustee. The Trustee may accept a copy of a decision of the Fund Board, certified by the Co-Chairs as necessary, as having been duly adopted and in full force and effect, as conclusive evidence that such decision has been duly adopted by the Fund Board and that the same is in full force and effect. As to any fact or matter the manner of ascertainment of which is not specifically described herein, the Trustee may for all purposes hereof rely on a certificate signed by any persons pursuant to procedures adopted by the Fund Board as to such fact or matter, and such certificate shall constitute full protection to the Trustee for any action taken or omitted to be taken by it in good faith in reliance thereon.

2.04. The Fund Board, and not the Trustee, shall be responsible for (a) (i) the development of modalities to facilitate access to the Fund's resources through Recipients whose safeguards and standards have been judged functionally equivalent to those of multilateral development banks in accordance with a process adopted by the Fund Board and satisfactory to the Trustee; (ii) the approval, adequacy and application of all relevant environmental and social safeguards, accountability systems, procurement, financial management, integrity, and other policies or programs, either directly or through the Recipients; (b) assessing the capacity of Recipients to comply with those policies; and (c) monitoring the Recipients' compliance with any terms and conditions of funding and for providing grievance redress and accountability mechanisms. The Trustee shall play no role in the identification, preparation, appraisal, implementation or monitoring of projects, programs or activities, which is the responsibility of Recipients.

2.05. The Trustee shall have no responsibility for any decision or determination made by the Fund Board or Authorized Designee in connection with the Trust Fund or this Agreement. The Trustee shall not be responsible for: (a) inquiring or investigating whether any decisions of the Fund Board or Authorized Designee or Written Instruction provided to the Trustee contravene any existing decisions of the Fund Board or Authorized Designee; or (b) making any inquiry or investigation into the facts or matters stated in any such decisions or Written Instructions, and shall have no liability for relying in good faith on any such decisions or Written Instructions, without further inquiry or investigation on its part or otherwise for any actions taken, or omitted to be taken, in good faith.

2.06. Unless otherwise specified in this Agreement, any Written Instructions, other instruction, confirmation, information, or agreement permitted or required to be provided by, or to, the Fund Board under this Agreement shall be transmitted through the Secretariat in writing to ensure smooth delivery of any such instruction, confirmation, information or agreement. The Trustee shall not be required to take any action if the Trustee reasonably determines or has been advised by counsel (including its General Counsel) that such action is contrary to the terms of any of the Transaction Documents to which the Trustee or the

World Bank is a party, or is otherwise contrary to applicable World Bank policies and procedures.

2.07. The Parties acknowledge that the privileges and immunities accorded to the World Bank under its Articles of Agreement or relevant national laws apply to the funds, assets and receipts that constitute the Trust Fund and held by the World Bank in trust as legal owner.

2.08. The Trustee shall be responsible only for performing those functions specifically set forth in this Agreement and Contribution Agreements and shall not be subject to any other duties or responsibilities to the Fund Board, the Fund, Contributors or any other Fund participant, including, without limitation, any duties or obligations that might otherwise apply to a fiduciary or trustee under general principles of trust or fiduciary law. Nothing in this Agreement shall be considered a waiver of any privileges or immunities of: (a) the World Bank under its Articles of Agreement or any applicable law, all of which are expressly reserved, or (b) the Fund Board under any applicable law and agreements, all of which are expressly reserved.

2.09. The Trustee shall perform its functions under this Agreement in accordance with the World Bank's applicable policies and procedures, as the same may be amended from time to time.

2.10. The Trustee shall be fully indemnified, out of the assets of the Fund, including the Trust Fund resources, and held harmless by the Fund Board, against any liabilities, claims, losses, costs and expenses, including attorneys' fees and expenses, incurred by the Trustee in connection with or arising out of the performance of its role and responsibilities under this Agreement and other Transaction Documents, provided, however, that such indemnity shall not include any liabilities, claims, losses, costs or expenses incurred by the Trustee as a direct result of its own gross negligence or willful misconduct.

2.11. In acting hereunder, the Trustee acts solely as trustee and not in its capacity as principal, except as otherwise expressly provided herein; and, except as otherwise expressly referred to herein, all persons, other than the Fund Board, as provided herein, having any claim against the Trustee by reason of the transactions contemplated hereby, shall look only to the Trust Fund for payment or satisfaction thereof. The Parties acknowledge that the World Bank (and each of its affiliated institutions) may undertake different roles in relation to the Trust Fund or any Recipient, including (a) the role of Trustee (as provided herein), (b) the host of the Secretariat, and (c) the role of implementing entity in cases and on terms (if any) agreed by the Fund Board and the World Bank. In addition, the World Bank and its affiliated institutions shall continue to engage in such activities and undertake such operations and undertake such transactions and arrangements as it, in its sole discretion, determines, consistent with its role as a multilateral development finance institution (including lender, investor, advisor, service provider, and knowledge-provider to clients and partners). The Parties acknowledge and waive any claim or assertion that any such transaction constitutes a conflict of interest or the appearance of a conflict of interest.

ARTICLE III

CONTRIBUTIONS AND CONTRIBUTION AGREEMENTS

3.01. The Trustee may accept Contributions from Contributors, on terms agreed with the Trustee and approved by the Fund Board or the Authorized Designee, in accordance with the provisions of this Agreement and pursuant to the relevant Contribution Agreements. Any such acceptance of Contributions shall be made consistent with the provisions of this Agreement and the Trustee's policies and procedures including due diligence procedures.

3.02. As set out in paragraph 54 of the Governing Instrument, the Fund is able to receive contributions from a wide variety of sources of funding, including grants and concessional loans from public, private and innovative sources, as appropriate. Contributions to the Trust Fund may be made in the form of grants in accordance with this Agreement and the respective Contribution Agreements. The Trustee may also receive Contributions in the form of concessional loans following agreement between the Fund Board and the Trustee (with such amendments to this Agreement as may be required) on the terms and conditions under which such Contributions shall: (a) be received and administered in the Trust Fund, and (b) be serviced, including with respect to principal, interest and other payments to be made on the loan.

3.03. The Trustee shall enter into a Contribution Agreement with each Contributor. Each Contribution Agreement shall provide, among other things, that the Contribution from the Contributor shall be administered by the Trustee in accordance with the terms of this Agreement. Each Contribution Agreement shall be substantially in a form agreed between the Fund Board and the Trustee.

3.04. Unless otherwise agreed with the Fund Board and the Trustee, Contributions shall be made by means of payment in cash, or if so agreed with the Fund Board and the Trustee, by the delivery to the Trustee of promissory notes, in a form and substance acceptable to the Trustee.

3.05. Contributors may make payments of Contributions in any freely convertible currency acceptable to the Trustee.

3.06. The relevant Contribution Agreement shall specify the terms of payments agreed with the respective Contributor and the Trustee.

ARTICLE IV

COMMINGLING, EXCHANGE AND INVESTMENT OF THE CONTRIBUTIONS

4.01. The funds deposited in the Trust Fund shall be accounted for as a single trust fund and shall be kept separate and apart from the funds of the World Bank. For administrative

and investment purposes, the funds deposited in the Trust Fund may be commingled with other trust fund assets maintained by the World Bank.

4.02. The Trust Fund shall be maintained by the Trustee in the currency(-ies) set forth in Annex 1 (Holding Currency) attached hereto (a "Holding Currency"), as the same may be amended from time to time in accordance with paragraph 9.02 below.

4.03. In the case of deposits of Contributions received in a currency other than any Holding Currency, promptly upon the receipt of such amounts in cash (including cash received from encashment of promissory notes) and the accompanying deposit instructions, as required under the relevant Contribution Agreement, the Trustee shall convert such amount into the Holding Currency at the exchange rate obtained by the Trustee on the date of the conversion. If there is more than one Holding Currency added to the Trust Fund, the Fund Board or Authorized Designee shall deliver a Written Instruction to the Trustee, in the manner and procedures agreed between the Fund Board and the Trustee, to instruct in which Holding Currency the Contribution shall be converted under this paragraph 4.03. Where deposits prove to be insufficient to complete activities as a result of exchange rate fluctuations, neither the Trustee nor the Contributor shall be responsible for providing any additional financing.

4.04. The funds deposited in the Trust Fund may be freely exchanged by the Trustee into other currencies as may facilitate their administration as provided herein, at the exchange rate obtained by the Trustee on the date of the conversion.

4.05. The Trustee shall invest and reinvest the funds deposited in the Trust Fund pending their transfer in accordance with the World Bank's applicable policies and procedures for the investment of trust funds administered by the World Bank. The Trustee shall credit all income from such investment to the Trust Fund to be used for any purposes provided for under this Agreement.

ARTICLE V

TRANSFER OF TRUST FUND RESOURCES

5.01. Except as provided in Article VI (Compensation) below, and subject to the availability of resources held in the Trust Fund, the Trustee shall commit and transfer Trust Fund resources in the manner and pursuant to procedures agreed between the Fund Board and the Trustee; and only at, and in accordance with, a Written Instruction provided by the Fund Board or Authorized Designee to the Trustee, in a form and manner agreed between the Fund Board and the Trustee.

5.02. The Fund Board may cause to be entered into any financial agreement with Recipients for commitments and transfers of relevant Trust Fund resources and the Trustee is authorized to execute any such financial agreements with the relevant Recipients on behalf of and at the direction of the Fund Board; provided that the Trustee shall have agreed in writing with the Fund Board on terms and procedures according to which such agreements shall be entered into; and provided further that the Trustee has carried out a

limited screening of individual Recipients, including for Anti Money Laundering – Countering of Financing for Terrorism, insofar as to ensure that the Trustee can freely sign financial agreements with such Recipient and transfer funds to them as instructed by the Fund Board. The Trustee shall enter into financial agreements only at, and in accordance with, a Written Instruction provided by the Fund Board or Authorized Designee to the Trustee in a form and manner agreed between the Fund Board and the Trustee.

5.03. Each financial agreement to be entered into under paragraph 5.02 shall be substantially in a form agreed between the Fund Board and the Trustee from time to time, and its provisions shall be made consistent with the terms and conditions of this Agreement, including but not limited to the conditions set out in paragraphs 5.05 and 5.06 below.

5.04. The Fund Board or the Authorized Designee, through the Secretariat, shall provide the Trustee with the necessary information for the Trustee to effect any commitment and transfer of Trust Fund resources under paragraphs 5.01, 5.02 and 5.03 above.

5.05. Following the transfer of Trust Fund resources by the Trustee under paragraph 5.01 above, the Trustee shall have no responsibility for the use of the Trust Fund resources so transferred and any of the activities carried out therewith. Each entity to whom the Trust Fund resources are transferred by the Trustee shall be responsible to the Fund Board for the use of the Trust Fund resources so transferred and the activities carried out therewith. It is acknowledged that neither the Trustee nor the Contributors accept any responsibility or liability towards any third parties (including any person or third party engaged by the Fund Board or the Fund), including any claims, debts, demands, damage or loss, as a result of implementation of any activities funded with the Trust Fund funds transferred by the Trustee.

5.06. Without prejudice to the manner and the procedures that may be agreed for transfer of funds under paragraph 5.01 above, the Trustee may not transfer Trust Fund funds under this Agreement if a resolution duly adopted by the United Nations Security Council taken under Chapter VII of the Charter of the United Nations prohibits or restricts, in the Trustee's determination, a member State of the United Nations to make or receive such a transfer. For the avoidance of doubt, this provision does not create any obligation of the Trustee under the anti-terrorist financing and asset control laws, regulations, rules and executive orders of an individual member country that may apply to a Contributor.

5.07. Subject to paragraph 5.08 below, the Fund Board and the Trustee shall agree to the manner and procedures by which the Trustee may receive any return or reflow of funds from any of the entities in receipt of the Trust Fund resources transferred by the Trustee pursuant to this Agreement. To the extent that the Trustee has received any such return or reflow of funds from any such entities, the Trustee shall credit to the Trust Fund such amount received, which shall become available for further transfer of funds under and pursuant to this Agreement.

5.08. The Trustee shall not be required to undertake any action seeking to enforce the return of any Trust Fund resources, including any misused funds or reflow of funds, from any of the entities in receipt of the Trust Fund resources transferred under this Agreement.

ARTICLE VI
COMPENSATION

6.01. The Fund Board shall pay the Trustee for costs, expenses and fees incurred by it in connection with performing its functions as Trustee under this Agreement on a full cost recovery basis. For that purpose, the Trustee shall submit annually (or such other frequency as may be agreed between the Fund Board and the Trustee) to the Fund Board for approval its proposed work program and estimated budget to cover the full costs of services to be provided by the Trustee in the upcoming budget period (and/or the services provided prior to the execution of this Agreement) in connection with the performance of its functions under this Agreement.

6.02. Following approval by the Fund Board of the proposal, the Trustee shall transfer the approved amount of the Trustee's budget to its own account from the Trust Fund resources; provided that the amount of the funds transferred may be subject to an end of budget period adjustment on the basis of full cost recovery for the services provided during the budget period, as such arrangement may be agreed between the Fund Board and the Trustee in connection with the aforementioned proposal.

6.03. With respect to the administrative budget of the Secretariat, following approval by the Fund Board of the proposed annual budget and work plan, the Trustee shall transfer to the Secretariat from the Trust Fund resources the approved amount of the Secretariat's budget; provided that the amounts transferred may be subject to an end of budget period adjustment on the basis of full cost recovery for the services provided during the budget period, as such arrangement may be agreed between the Fund Board and the Secretariat in connection with the aforementioned proposal.

ARTICLE VII
ACCOUNTING AND FINANCIAL REPORTING

7.01. The Trustee shall maintain separate records and ledger accounts in respect of the funds deposited in the Trust Fund account and transfers made therefrom.

7.02. The Trustee shall furnish to the Fund Board, through the Secretariat, annual (or at any other frequency agreed between the Fund Board and the Trustee) financial reports of the Trust Fund on the receipts in, transfers from and fund balance of the Trust Fund in the relevant Holding Currency.

7.03. Unless otherwise agreed by the Fund Board and the Trustee, the Trustee shall provide to the Fund Board, within six (6) months following the end of each World Bank fiscal year, an annual single audit report, comprising: (a) a management report together with an audit opinion from the World Bank's external auditors concerning the adequacy of internal control over cash-based financial reporting for all cash-based trust funds as a

whole; and (ii) a combined financial statement for all cash-based trust funds together with the World Bank's external auditor's opinion thereon. The cost of the single audit shall be borne by the World Bank.

7.04. If the Fund Board or a Contributor wishes to request, on an exceptional basis, a financial statement audit by the World Bank's external auditors of the Trust Fund, the Trustee shall first consult with the Fund Board or, as the case may be, the Contributor as to whether such an external audit is necessary, and may agree on the appropriate scope and terms of reference of such audit. Following agreement on the scope and terms of reference, the Trustee shall arrange for such external audit. The costs of any such audit, including the internal costs of the Trustee with respect to such audit, shall be borne by the Trust Fund (if requested by the Fund Board) or the requesting Contributor if the audit was requested by the Contributor.

ARTICLE VIII

REPRESENTATIONS

8.01. The Fund Board hereby represents that:

- (a) it is duly established under the law of the Republic of the Philippines and endowed with the legal personality and the legal capacity as necessary for discharging its roles and functions;
- (b) it has the power and authority to execute and deliver this Agreement and act in accordance with the provisions of this Agreement; and
- (c) the Fund Board shall ensure that any document provided by or on behalf of the Fund Board will be duly and properly authorized, executed and delivered in accordance with all relevant processes thereof.

8.02. The World Bank hereby represents that:

- (a) it is an international organization duly established and validly existing pursuant to its Articles of Agreement; and
- (b) it has the power and authority to execute and deliver this Agreement and act in accordance with the provisions of this Agreement.

ARTICLE IX

EFFECTIVENESS, AMENDMENT, AND TERMINATION

- 9.01. This Agreement shall become effective as of the Signature Date.
- 9.02. This Agreement may be amended only with the written agreement of the Fund Board and the Trustee, following consultations with Contributors. The Trustee shall notify all Contributors of any amendment made to this Agreement.
- 9.03. Unless otherwise agreed in writing between the Fund Board and the World Bank, the World Bank's role as trustee of the Trust Fund shall terminate on December 31, 2028 (the "Termination Date").
- 9.04. Either Party may at any time prior to the Termination Date terminate the World Bank's role as trustee of the Trust Fund by giving the other Party a notice in writing no less than six (6) months prior to any sessions of the COP and the CMA. The World Bank's role as trustee of the Trust Fund shall be terminated immediately after the session of the COP and the CMA that immediately follows the notice by the terminating Party. In the event that no session of the COP and the CMA is held within twelve (12) months of the terminating Party giving notice, however, the World Bank's role shall be terminated twelve (12) months after that Party has given notice.
- 9.05. Following the Termination Date, or as the case may be, the Earlier Termination Date, the World Bank as Trustee shall carry on no business for the Trust Fund except for the purpose of winding up its affairs or to the extent needed to avoid discontinuity in trustee services. The Trustee, in consultation with the Fund Board, shall take all necessary actions, including as set out in paragraph 9.06 below, for winding up the Trustee's affairs in an expeditious manner, including for the transferring of Trust Fund assets to the successor trustee as directed by the Fund Board in writing without undue delay, and for meeting outstanding commitments. All of the powers and rights of the Trustee under this Agreement, including the right to be paid for fees, costs and expenses incurred by the Trustee under this Agreement, shall continue until the affairs of the Trustee have been wound up. The Fund Board agrees to make all reasonable efforts to assist the Trustee with the winding up under this paragraph.
- 9.06. In the event that the World Bank's role as the trustee of the Trust Fund shall be terminated pursuant to the terms of this Agreement, the Trustee may: (a) without requiring any consent or approval by the Contributors, transfer its rights and obligations under any relevant Contribution Agreement to the successor trustee of the Trust Fund upon the Fund's appointment of such trustee and as directed by the Fund Board; or (b) if: (i) the Fund fails to appoint a successor trustee; or (ii) the successor trustee fails to agree to the transfer of the rights and obligations under a Contribution Agreement, in either case, within six (6) months of termination of the World Bank's role, then terminate the Contribution Agreement, by giving the relevant Contributor one (1) month's prior written notice. In the case of (b) above, the Trustee shall return to the Contributor (unless otherwise informed in

writing by the Contributor and agreed with the Trustee) the Contributor's Share; provided that such return shall be made as and when the relevant resources are made available to the Trustee.

9.07. By signing the Contribution Agreements, the Contributors shall be understood to have agreed that the Trustee has the right to transfer all Trust Fund assets and liabilities, including any of its rights or obligations under this Agreement and the Contribution Agreements, to a successor trustee of the Trust Fund upon the Fund's appointment of such trustee and as directed by the Fund Board without requiring any consent or approval by the Contributors, and that the Contributors shall carry out at the request of the Fund Board or the Trustee necessary actions, if any, to effect such transfer.

9.08. In the event of termination of the World Bank's role as the trustee of the Trust Fund, and if a Contributor does not wish its Contributor's Share to be transferred to the successor trustee under paragraph 9.06 above, the Contributor may request, prior to the Termination Date or the Earlier Termination Date, as applicable, a return of its Contributor's Share to it by delivering a written notice to the Trustee and the Fund Board. In such a case, unless otherwise agreed between the Trustee and the Contributor, the Trustee will return to that Contributor, as soon as reasonably practicable, the amount of all of its Contributor's Share calculated as of the Termination Date or, as the case may be, the Earlier Termination Date.

9.09. For the purpose of this Agreement, a "Contributor's Share" shall mean the aggregate of the respective Contributor's share, calculated as relevant Holding Currency amounts, of: (a) the applicable outstanding fund balance in the Trust Fund that is not allocated by the Fund, as of the calculation date of the share, and (b) the amount of the funds received in the Trust Fund or released from previous commitments or allocations of Trust Fund resources after the date of calculation, to the extent that such funds are received or released from any such commitment or allocation made prior to the date of calculation. The foregoing is subject to the proviso that (i) the Contributor's Share in the Trust Fund shall be calculated on pro rata basis, based on the total Contributions deposited in the Trust Fund by the Contributor for whom the calculation is made, relative to the total Contributions deposited in the Trust Fund by all Contributors.

ARTICLE X

NOTICES

10.01. Unless otherwise specified in this Agreement, any notice, request or other communication to be given or made under this Agreement shall be in writing and delivered by mail or e-mail to the respective Party's address specified below or at such other address as such Party notifies in writing to the other Party from time to time.

For the Fund Board:

Secretariat of the Fund for responding to Loss and Damage
1818 H Street, N.W.
Washington, DC 20433 U.S.A.

Attention: Co-Chairs of the Board of the Fund for responding to Loss and Damage

Telephone: +1 202-473-1000
E-mail: firdsecretariat@fird.org

For the Trustee:

Director
Trust Funds and Partner Relations
Development Finance
The World Bank
1818 H Street, N.W.
MSN G 6-602
Washington, DC 20433
U.S.A.

Telephone: +1 202-473-0197
E-mail: firdtrustee@worldbank.org

ARTICLE XI

DISPUTE RESOLUTION

11.01. The Parties shall use their best efforts to amicably settle any dispute, controversy or claim arising out of or relating to this Agreement.

11.02. Any dispute, controversy or claim arising out of or relating to this Agreement, which has not been settled by agreement of the Parties, shall be settled by arbitration in accordance with the United Nations Commission on International Trade Law Arbitration Rules (the UNCITRAL Arbitration Rules) in force on the effective date of this Agreement, and the following provisions: (a) the appointing authority shall be the Secretary-General of the Permanent Court of Arbitration; and (b) the language of the arbitral proceedings shall be English. The arbitral award will be final and binding on the Parties.

ARTICLE XII

DISCLOSURE

12.01. The Fund Board and the World Bank agree that this Agreement will be made publicly available and that any related information on this Agreement in a Party's possession may be publicly disclosed in accordance with the respective Party's policies and procedures with respect to any such information in that Party's possession.

12.02. Notwithstanding paragraph 12.01 above, neither Party shall publicly disclose information in their respective possession related to this Agreement that has been indicated or marked in writing by either Party as confidential, unless prior written consent has been obtained from the Party providing the information.

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AGREED as of the Signature Date.

**THE BOARD OF THE FUND FOR RESPONDING
TO LOSS AND DAMAGE**

By

Jean-Christophe Donnellier

Authorized Representative

Name: Jean-Christophe Donnellier

Title: Co chair of the Board

Date: 25-Oct-2024

By

Richard Sherman

Authorized Representative

Name: richard sherman

Title: Co-Chair of the Board

Date: 25-Oct-2024

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT, in its
capacity as Trustee of the Trust Fund for the Fund
for responding to Loss and Damage**

By

Maitreyi Das

Authorized Representative

Name: Maitreyi Das

Title: Director, Trust Funds & Partner Relations

Date: 25-Oct-2024

ANNEX 1

Holding Currency

1. United States Dollars