

CONTRIBUTION AGREEMENT

BETWEEN

THE GOVERNMENT OF THE UNITED KINGDOM

AND

THE INTERNATIONAL MONETARY FUND, AS TRUSTEE OF THE RESILIENCE AND SUSTAINABILITY TRUST

WHEREAS the International Monetary Fund (the "Fund") has established the Resilience and Sustainability Trust (the "Trust") to assist in fulfilling the purposes of the Fund by providing loans under the Resilience and Sustainability Facility of the Trust (the "RSF") to eligible Fund members to enhance their economic resilience and sustainability;

WHEREAS, the Government of the United Kingdom, acting through His Majesty's Treasury, has committed to contribute financial resources to the loan account ("Loan Account"), the deposit account (the "Deposit Account") and the reserve account (the "Reserve Account") of the Trust in accordance with the provisions of the Instrument to Establish the Resilience and Sustainability Trust (the "RST Instrument");

WHEREAS, to fulfill the United Kingdom's commitment, the Government of the United Kingdom, acting through his Majesty's Treasury, (the "Contributor") and the Fund, as Trustee (the "Trustee") of the Trust, have reached understandings on a borrowing agreement (the "Borrowing Agreement"), a deposit agreement (the "Deposit Agreement"), and a reserve contribution agreement ("Reserve Contribution Agreement"), jointly referred to as the Contribution Agreement;

NOW, THEREFORE, the Contributor and the Fund, as Trustee of the Trust, agree on the terms and conditions of these contributions as follows:

I. Borrowing Agreement

1. Amount. The Contributor agrees to lend an amount up to the equivalent of SDR 2,049,000,000 to the Loan Account of the Trust.

2. Drawings.

(a) The Trustee may make drawings under this Borrowing Agreement at any time during the period from the effective date of this Borrowing Agreement, as set forth in paragraph 3 of the Final Provisions below, through November 30, 2030 (the "drawdown period") to finance loan disbursements under the RSF.

(b) The Trustee may make drawings under this Borrowing Agreement at any time to finance early repayment of outstanding Trust borrowing under other borrowing agreements with the Loan Account pursuant to Section IV, Paragraph 3(b) of the RST Instrument.

(c) The Trustee's drawings under this Borrowing Agreement shall be suspended following the Contributor's request for early repayment under paragraph 6 of this Borrowing Agreement or when the United Kingdom is no longer included for transfers in the Fund's Financial Transactions Plan, in accordance with Section IV, paragraph 4 of the RST Instrument.

(d) If the United Kingdom does not provide its consent to a proposed amendment to the RST Instrument pursuant to Section X, paragraph 2(a) of the RST Instrument, further drawings under this Borrowing Agreement to finance any new commitment of loans under the RSF that is made after the effectiveness of the proposed amendment shall be suspended.

(e) If any installment of principal or interest is not paid to the Contributor within a period of ten Fund business days after its due date, the Trustee shall not make further drawings under this Borrowing Agreement pending consultations with the Contributor on the matter. However, the Trustee may resume drawings under this Borrowing Agreement once all arrears to the Contributor have been discharged.

(f) Unless otherwise agreed between the Contributor and the Trustee, the Trustee shall give the Contributor at least five business days' (London) notice of its intention to draw and shall provide payment instructions at least two (Fund) business days prior to the value date of the transaction by SWIFT.

3. Denomination, Media, and Claim Certificate.

(a) The amount of each drawing shall be denominated in SDRs. The amount shall be paid by the Contributor on the value date specified in the Trustee's notice by transfer of SDRs to an account specified by the Trustee.

(b) Upon request, the Trustee shall issue to the Contributor a non-negotiable certificate evidencing its claim on the Trust resulting from a drawing outstanding under this Borrowing Agreement.

4. Interest.

(a) Each drawing shall bear interest at the SDR interest rate established by the Fund pursuant to Article XX, Section 3 of its Articles of Agreement.

(b) The amount of interest payable in respect of each drawing shall be calculated on an actual day basis and shall be paid on all outstanding drawings under this Borrowing Agreement on a quarterly basis promptly after January 31, April 30, July 31, and October 31 of each year.

5. Maturity and Repayment.

Except as otherwise provided in this Borrowing Agreement, each drawing shall be repaid in accordance with the repayment schedule for the loan disbursement under the RSF for which it was drawn, and at the time of each drawing, the Trustee shall provide information to the Contributor on the specific repayment schedule for the amount drawn.

6. Encashment. The Contributor shall have the right to seek early repayment of all or part of the principal amount of its outstanding claims on the Loan Account of the Trust pursuant to Section IV, paragraph 3(b) of the RST Instrument if the Contributor represents that the balance of payments and reserve position of the United Kingdom justify the early repayment, and the Trustee, having given this representation the overwhelming benefit of any doubt, agrees. Early repayment is in all cases subject to the availability of resources under borrowing agreements to the Loan Account of the Trust.

7. Early Repayment. The Trustee may repay any drawing or part thereof at any time in advance of maturity upon its receipt of early repayment of the corresponding loan disbursement under the RSF, provided that the Trustee will give notice to the Contributor at least five (5) (Fund) business days prior to such advance repayment.

8. Modality of Principal Repayment and Interest Payments.

(a) Unless otherwise agreed between the Trustee and the Contributor, payments of principal and interest by the Trustee shall be made in SDRs.

(b) Payments in SDRs by the Trustee shall be made by crediting the United Kingdom's holdings account in the Special Drawing Rights Department. If the due date is not a business day of the Fund, the payment shall be made on the following business day of the Fund.

(c) Payments by the Trustee in currencies shall be made to an account as agreed between the Trustee and the Contributor. If the due date is not a business day of the Fund or the Target system or the domestic markets of the non-euro currencies included in the SDR basket, the payment shall be made on the following business day for the Fund, the Target system and the domestic markets of the non-euro currencies included in the SDR basket.

9. Transfer of Claims.

(a) The Contributor shall have the right to transfer at any time all or part of any claim to any member of the Fund that is a participant in the Fund's SDR Department, to the central bank or other fiscal agency designated by such a member for purposes of Article V, Section 1 of the Fund's Articles of Agreement or to any official entity that has been prescribed as a holder of SDRs pursuant to Article XVII, Section 3 of the Fund's Articles of Agreement.

(b) The transferee shall acquire all the rights of the Contributor under this Borrowing Agreement with respect to repayment of principal and interest on the transferred claim, except that the transferee shall acquire the right to request early repayment under paragraph 6 of this Borrowing Agreement only if it is a member or the central bank or other fiscal agency of a member and, at the time of transfer, the member's balance of payments and reserve position was considered sufficiently strong in the opinion of the Fund for its currency to be usable in transfers under the Fund's Financial Transactions Plan.

10. Exchange Rates. Unless otherwise agreed between the Trustee and the Contributor, all transfers, exchanges, and payments of principal and interest in currencies shall be made at the exchange rates for the relevant currencies in terms of the SDR established by the Fund pursuant to Article XIX, Section 7(a) of the Fund's Articles of Agreement and the rules and regulations of the Fund

thereunder for the second (Fund) business day before the value date of the transfer, exchange or payment.

11. SDR Basket. If the Fund changes the currency composition or currency weights of the SDR basket, all transfers, exchanges, and payments of principal and interest made two or more (Fund) business days after the effective date of the change shall be made on the basis of the new SDR basket.

II. Deposit Agreement

1. Amount of the Deposit. The Contributor shall make a deposit (the "Deposit") equivalent to SDR 410,000,000 with the Deposit Account of the Trust (the "Original Amount of the Deposit").

2. Denomination and Media.

(a) The Deposit shall be denominated in SDRs.

(b) The Deposit shall be made in SDRs.

(c) The Deposit shall be made promptly on or after the effectiveness of the Contribution Agreement.

3. Maturity. The Deposit shall mature on November 30, 2050 (the "Maturity Date").

4. Investment Strategy and Risk Disclosure.

(a) The resources from the Deposit shall be invested by the Trustee in accordance with the guidelines adopted by the Trustee pursuant to Section VI, paragraph 4(a) of the RST Instrument.

(b) The assets of the Deposit Account are exposed to market and credit risk which could result in potential losses to the Original Amount of the Deposit.

5. Notional Value of the Deposit. For the purposes set out in paragraphs 6, 7, 8, and 9 of this Deposit Agreement, the Trustee shall calculate the notional value of the Deposit based on the Original Amount of the Deposit and subsequently any attributed investment earnings or losses, interest payments made to the Contributor pursuant to paragraph 6 of this Deposit Agreement, if any, and transfers pursuant to paragraphs 8, 9, 10 or 11 of this Deposit Agreement or pursuant to Section VI, paragraphs 1(c) and 4(b)(2) of the RST Instrument ("Notional Value").

6. Interest.

(a) The Trustee shall pay the Contributor interest on the Original Amount of the Deposit less any amounts repaid to the Contributor under paragraphs 8 or 9 or transferred by the Contributor under paragraph 11 of this Deposit Agreement, at the SDR interest rate established by the Fund pursuant to Article XX, Section 3 of the Fund's Articles of Agreement. Interest shall accrue daily and shall be paid promptly by the Trustee on a quarterly basis after January 31, April 30, July 31 and October 31 of each year. Any payment of interest shall be limited to the Notional Value of the Deposit.

(b) Following any full repayment of the Deposit in accordance with paragraphs 7 and 9 of this Deposit Agreement, all remaining interest under paragraph 6(a) above, shall be paid to the Contributor at the end of the Fund financial quarter in which repayment was made.

7. Repayment upon Maturity. As soon as practicable following the Maturity Date, the Trustee shall repay the Deposit to the Contributor. The repayment amount shall be the lower of: (a) the Original Amount of the Deposit less any amount(s) repaid to the Contributor under paragraphs 8 or 9 or transferred by the Contributor under paragraph 11 of this Deposit Agreement, and (b) the Notional Value of the Deposit. To the extent any transfers are received in the Deposit Account pursuant to Section VI, paragraph 1(c) of the RST Instrument after the Maturity Date, the Trustee shall promptly repay to the Contributor any amounts received that are attributable to the Deposit.

8. Encashment. The contributor shall have the right to seek early repayment of all or part of the Deposit (the "Encashed Deposit") pursuant to Section VI, paragraph 5(e) of the RST Instrument, if the Contributor represents that the balance of payments and reserve position of the United Kingdom justifies the early repayment in advance of the Maturity Date and the Trustee, having given the representation the overwhelming benefit of any doubt, agrees. The Encashed Deposit amount may not exceed the Original Amount of the Deposit less any amount(s) repaid to the Contributor under this paragraph or paragraph 9 or transferred by the Contributor under paragraph 11 of this Deposit Agreement, or the Notional Value of the Deposit, whichever is lower. The Contributor agrees to restore an amount equivalent to the Encashed Deposit to the Deposit Account as soon as practicable in light of favorable developments in the United Kingdom's balance of payments and reserve position, as evidenced by the inclusion of the United Kingdom's currency in the Fund's Financial Transactions Plan.

9. Early Repayment.

(a) The Trustee may repay all or part of the Deposit at any time in advance of the Maturity Date; provided that the repayment amount may not exceed the Original Amount of the Deposit less any amount(s) repaid to the Contributor under this paragraph or paragraph 8 or transferred by the Contributor under paragraph 11 of this Deposit Agreement, or the Notional Value of the Deposit, whichever is lower; and provided further that the Trustee will give notice to the Contributor at least five (5) Fund business days prior to any advance repayment.

(b) If the Government of the United Kingdom does not provide its consent to a proposed amendment to the RST Instrument as required under Section X, paragraph 2(a) of the RST Instrument, the Contributor may request the return of a portion of the Original Amount of the Deposit less any amount(s) repaid to the Contributor under this paragraph and paragraph 8 or transferred by the Contributor under paragraph 11 of this Deposit Agreement, or the Notional Value of the Deposit, whichever is lower, with that portion based on the ratio of remaining uncommitted loan resources to total loan commitments under the Contributor's Borrowing Agreement in accordance with Section X, paragraph 2(b) of the RST Instrument.

10. Liquidation. If the Trustee decides to wind up the operations of the Trust, the Trust shall repay the Deposit to the Contributor, at the Original Amount of the Deposit less any amount(s) repaid to the Contributor under paragraphs 8 or 9 or transferred by the Contributor under paragraph 11 of this Deposit Agreement, or the Notional Value of the Deposit, whichever is lower, and in accordance with liquidation procedures under the RST Instrument, provided that the Trustee shall notify the Contributor

in advance of the repayment. Payment will be made to an account specified by the Contributor, which can include an account or trust administered by the Fund.

11. Transfer of Claims.

(a) The Contributor shall have the right to transfer at any time all or part of any claim on the Deposit Account to any member of the Fund that is a participant in the Fund's SDR Department, to the central bank or other fiscal agency designated by such a member for purposes of Article V, Section 1 of the Fund's Articles of Agreement, or to any official entity that has been prescribed as a holder of SDRs pursuant to Article XVII, Section 3 of the Fund's Articles of Agreement.

(b) The transferee shall acquire all the rights of the Contributor under this Deposit Agreement with respect to repayment of and interest on the transferred claim, except that the transferee shall acquire the right to request early repayment under paragraph 8 of this Deposit Agreement only if it is a member or the central bank or other fiscal agency of a member and, at the time of transfer, the member's balance of payments and reserve position was considered sufficiently strong in the opinion of the Fund for its currency to be usable in transfers under the Fund's Financial Transactions Plan.

12. Modality of Interest Payment and Repayment of the Deposit.

(a) Unless otherwise agreed between the Contributor and the Trustee, payment of interest shall be made in SDRs and repayment of the Deposit shall be made in SDRs.

(b) Payment of interest and/or repayment of the Deposit in SDRs shall be made by crediting the amount due to the United Kingdom's holdings account in the Special Drawing Rights Department. If the due date is not a business day of the Fund, the payment shall be made on the following business day for the Fund.

(c) Payment of interest and/or repayment of the Deposit by the Trustee in currencies shall be made to an account as agreed between the Trustee and the Contributor. If the due date is not a business day of the Fund or the Target system or the domestic markets of the non-euro currencies included in the SDR basket, the payment shall be made on the following business day for the Fund, the Target system and the domestic markets of the non-euro currencies included in the SDR basket.

13. Exchange Rate. Unless otherwise agreed between the Contributor and the Trustee, all transfers, exchanges, payments of interest, or repayments of the Deposit under this Deposit Agreement in currencies shall be made at the exchange rates for the relevant currencies in terms of the SDR established by the Fund pursuant to Article XIX, Section 7(a) of the Fund's Articles of Agreement and the rules and regulations of the Fund thereunder for the second (Fund) business day before the value date of the transfer, exchange, payment of interest, or repayment.

14. SDR Basket. If the Fund changes the currency composition or currency weights of the SDR basket, all transfers, exchanges, payment of interest, and repayments of the Deposit two or more (Fund) business days after the effective date of the change shall be made on the basis of the new SDR basket.

III. Reserve Contribution Agreement

1. Amount. The Contributor shall provide a contribution equivalent to SDR 41,000,000 to the Reserve Account of the Trust (the "Contribution").

2. Denomination and Media.

(a) The Contribution shall be denominated in SDRs.

(b) The Contribution shall be made in freely usable currency.

(c) The Contributor shall transfer the Contribution to an account specified by the Trustee on or promptly after the effectiveness of the Contribution Agreement.

3. Investment Strategy and Risk Disclosure.

(a) The resources in the Reserve Account shall be invested by the Trustee in accordance with the guidelines adopted by the Trustee pursuant to Section V, paragraph 3(a) of the RST Instrument.

(b) The assets of the Reserve Account are exposed to the market and credit risk which could result in potential losses to the Contributor's share in the resources of the Reserve Account.

4. Remuneration. No remuneration shall be paid to the Contributor in respect of the Contribution.

5. Contributor's Share in the Reserve Account. The Contributor shall have a proportional share in the Reserve Account based on its: (i) Contribution, (ii) any resources that are transferred from the Deposit Account and attributed to the Contributor's contribution to the Deposit Account pursuant to Section VI, Paragraph 5(d) of the RST Instrument, and (iii) attributed investment earnings or losses in the Reserve Account.

6. Transfer of the Contributor's Share. The Contributor shall have the right to transfer at any time all or part of its share in the Reserve Account to any member of the Fund that is a participant in the Fund's SDR Department, to any member's central bank or other fiscal agency designated by such a member for purposes of Article V, Section 1 of the Fund's Articles of Agreement, or to any official entity that has been prescribed as a holder of SDRs pursuant to Article XVII, Section 3 of the Fund's Articles of Agreement. The transferee shall acquire all the rights of the Contributor under this Reserve Contribution Agreement with respect to the transferred amount.

7. Distribution of Resources in the Reserve Account.

(a) The Contribution shall have no fixed maturity.

(b) Upon the liquidation of the Trust, the Trustee shall distribute to the Contributor its share in the resources of the Reserve Account of the Trust in accordance with Section V, paragraph 4(c) of the RST Instrument.

(c) Prior to the liquidation of the Trust and following the Trustee's decision to distribute a portion of the balances in the Reserve Account of the RST in accordance with Section V, paragraph 4(d) of the RST Instrument, the Contributor shall receive part of this distribution in proportion to its share in the Reserve Account.

(d) If the United Kingdom does not provide its consent to a proposed amendment to the RST Instrument as required under Section X, paragraph 2(a) of the RST Instrument, the Contributor may request the return of a portion of its share in the Reserve Account based on the ratio of remaining uncommitted loan resources to total loan commitments under the Contributor's Borrowing Agreement in accordance with Section X, paragraph 2(b) of the RST Instrument.

8. Modality of Distribution.

(a) Unless otherwise agreed between the Trustee and the Contributor, any distribution to the Contributor under this Reserve Contribution Agreement shall be made in SDRs.

(b) Distribution in SDRs shall be made by crediting the United Kingdom's holdings account in the Special Drawing Rights Department on a business day of the Fund.

(c) Distribution in currencies shall be made to an account as agreed between the Trustee and the Contributor and on the business day of the Fund, the Target system and the domestic markets of the non-euro currencies included in the SDR basket.

9. Exchange Rates. Unless otherwise agreed between the Trustee and the Contributor, all transfers, exchanges, and distribution in currencies shall be made at the exchange rates for the relevant currencies in terms of the SDR established by the Fund pursuant to Article XIX, Section 7(a) of the Fund's Articles of Agreement and the rules and regulations of the Fund thereunder for the second (Fund) business day before the value date of the transfer, exchange or payment.

10. SDR Basket. If the Fund changes the currency composition or currency weights of the SDR basket, all transfers, exchanges, and distribution made two or more (Fund) business days after the effective date of the change shall be made on the basis of the new SDR basket.

IV. Final Provisions

1. **Dispute Resolution:** Any question arising under this Contribution Agreement shall be settled by mutual agreement between the Contributor and the Trustee.

2. **Execution:** This Contribution Agreement may be executed in one or more duplicate counterparts, each of which shall be deemed an original, and which together shall constitute one and the same instrument.

3. **Effectiveness:** This Contribution Agreement shall become effective on the last date written below; provided, however, that, Section I. (Borrowing Agreement) shall become effective on the last date written below or the date the contributions to the Reserve and Deposit Accounts are received in full by the Trust, whichever is later.

IN WITNESS WHEREOF, the Government of the United Kingdom and the International Monetary Fund, as Trustee of the Resilience and Sustainability Trust, have executed this agreement.

For THE GOVERNMENT OF THE UNITED KINGDOM, ACTING THROUGH HIS MAJESTY'S TREASURY:



11/04/23

Jeremy Hunt MP
Chancellor of the Exchequer

Date

For the INTERNATIONAL MONETARY FUND as Trustee:

Kristalina Georgieva
Managing Director

Date

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Jeremy Hunt MP
Chancellor of the Exchequer

Date

For the INTERNATIONAL MONETARY FUND as Trustee:



Kristalina Georgieva
Managing Director

April 11, 2023

Date