

SFA/AXXR/029538.00010/19694492.13

Amended and Restated Additional Portfolio Assets Sale
Undertaking Deed in respect of the U.S.\$25,000,000,000 Trust
Certificate Issuance Programme

Dated 25 February 2021

The Islamic Development Bank
(IsDB)

IDB Trust Services Limited
(Trustee)

IsDB Trust Services No.2 SARL
(Trustee)

Dentons & Co.
Level 18, Boulevard Plaza 2
Burj Khalifa District
PO Box 1756, Dubai
United Arab Emirates

دنتونز أند كو
الطابق ١٨ بوليفارد بلازا ٢
حي برج خليفة
ص ب ١٧٥٦ ، دبي
الإمارات العربية المتحدة

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Additional Portfolio Assets Sale Undertaking Deed

This **Additional Portfolio Assets Sale Undertaking Deed** (this **Deed**) is dated 25 February 2021 and made as a deed,

By

- (1) **The Islamic Development Bank**, whose principal office is at 8111 King Khalid Street, Al Nuzlah Al Yamania District - Unit No. 1, Jeddah 22332-2444, Kingdom of Saudi Arabia (the **IsDB**),

in favour of

- (2) **IDB Trust Services Limited**, a company incorporated under the laws of Jersey, whose registered office is at 44 Esplanade, St Helier, Jersey JE4 9WG (in its capacity as issuer and its capacity as trustee for the Certificateholders); and
- (3) **IsDB Trust Services No.2 SARL**, a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand-Duchy of Luxembourg, registered with the Luxembourg trade and companies register (*Registre de commerce et des sociétés*, Luxembourg) under number B247570 having its registered office at 6, rue Eugène Ruppert, L-2453 Luxembourg (in its capacity as issuer and its capacity as trustee for the Certificateholders).

Whereas

- A The IsDB and IDB Trust Services Limited have established a trust certificate issuance programme (the **Programme**) pursuant to which IDB Trust Services Limited may issue from time to time up to U.S.\$25,000,000,000 of trust certificates (the **Trust Certificates**) in Series, which may comprise one or more Tranches under that Series. It is now intended that IsDB Trust Services No.2 SARL be added as an issuer and trustee under the Programme.
- B From the date of this Deed, each Series of Trust Certificates issued under the Programme will be issued by IDB Trust Services Limited or IsDB Trust Services No.2 SARL, in each case as specified in the applicable Final Terms or Pricing Supplement. References herein to the **Trustee** or the **Issuer** shall, in relation to any issue or proposed issue of Trust Certificates, be references to whichever of IDB Trust Services Limited or IsDB Trust Services No.2 SARL is the issuer or proposed issuer and trustee of such Trust Certificates whereas references herein to the **Issuers** or **Trustees** shall be to each of IDB Trust Services Limited and IsDB Trust Services No.2 SARL. The IsDB has entered into this Deed in favour of the Trustees in connection with the Programme.
- C The IsDB will, in respect of each Tranche under a Series, create a portfolio of assets which shall be separate and independent from all of its other assets and shall comprise:
 - (a) at least 51 per cent. tangible assets comprising of Lease Assets, Disbursing Istisna'a Assets, Shares, Sukuk and/or Restricted Mudaraba Assets; and
 - (b) no more than 49 per cent., intangible assets comprising of Istisna'a Receivables, Loan (Qard) Receivables, Commodity Murabaha (Tawarruq) Receivables and/or Murabaha Receivables,

including, without limitation, the right to receive payment of any amounts due in connection with such assets, the right to demand, sue for, recover, receive and give receipts for all amounts payable, or to become payable, under the assets and/or agreements relating to the assets and the benefit of, and the right to sue on, all covenants in favour of the IsDB and the right to exercise all powers of the IsDB thereunder (such portfolio being, in respect of the first Tranche under a Series, the **Initial Portfolio** and, in respect of any other Tranche under a Series, the **Additional Portfolio**).

- D In connection with each Series outstanding from time to time under the Programme, the IsDB wishes to grant to the Trustees the right to require the IsDB to sell its rights, title, interest and benefit in and to certain Additional Portfolio Assets in the circumstances specified and subject to the terms set out in this Deed.
- E In connection with a previous update of the Programme, the IsDB entered into an amended and restated additional portfolio assets sale undertaking deed dated 19 September 2019 (**Original Additional Portfolio Assets Sale Undertaking Deed**). The IsDB now wishes to amend and restate the Original Purchase Undertaking Deed upon the terms set out herein, which will apply to the Trust Certificates issued under the Programme on or after the date of this Deed.
- F It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

It is agreed:

1 Interpretation

1.1 Definitions

In this Deed, capitalised terms and expressions which are not defined herein shall have the meanings set out in the Master Purchase Agreement, the Conditions (as defined in the Master Purchase Agreement) and the Master Wakala Agreement. The following expressions shall have the meanings ascribed hereto:

Additional Portfolio Assets Exercise Notice means a notice substantially in the form of Schedule 1 (*Form of Additional Portfolio Assets Exercise Notice*);

Master Purchase Agreement means the amended and restated master purchase agreement dated 25 February 2021 made between the Trustees and the IsDB;

Master Wakala Agreement means the amended and restated master wakala agreement dated 25 February 2021 made between the Trustees, the IsDB and the Delegate;

Purchase Price means the purchase price payable by the relevant Trustee in respect of any Additional Portfolio Assets calculated on the Settlement Date on which such Additional Portfolio Assets are purchased by such Trustee, as the Net Asset Value of such Additional Portfolio Assets on such Settlement Date;

Series has the meaning given in the Master Trust Deed; and

Tranche has the meaning given in the Master Trust Deed.

1.2 Construction

- 1.2.1 The headings and contents pages in this Deed shall not affect its interpretation. References in this Deed to Clauses, sub-Clauses and Schedules shall, unless the context otherwise requires, be references to clauses of, sub-clauses of and schedules to, this Deed.
- 1.2.2 References in this Deed to a person shall be construed as a reference to any individual, firm, company, body corporate, government, state or state entity or any association or partnership (whether or not having separate legal personality) or any two or more of the foregoing.
- 1.2.3 References in this Deed to any person shall include references to his successors, transferees and assigns and any person deriving title under or through him.
- 1.2.4 References in this Deed to any statutory provision shall, unless the context otherwise requires, be deemed also to refer to any statutory modifications or re-enactments thereof and to any statutory instruments, orders or regulations made thereunder or under any such re-enactments.
- 1.2.5 References in this Deed to any agreement or other document shall be deemed also to refer to such agreement or document as modified, novated, supplemented or replaced from time to time with the prior consent of the parties thereto.
- 1.2.6 References herein to Portfolio or Additional Portfolio Assets are, in respect of each Series, to such Portfolio or Additional Portfolio Assets as are purchased by the relevant Trustee and not subsequently repurchased by the IsDB.
- 1.2.7 References herein to an amount falling due in respect of any Trust Certificates shall be deemed to include any amounts which are expressed to be payable under such Trust Certificates.
- 1.2.8 For the purpose of this Deed, the Trust Certificates of each Series shall form a separate Series and the provisions of this Deed (other than the Schedules) shall apply *mutatis mutandis* separately and independently to the Trust Certificates of each Series and, in this Deed, the expressions Trust Certificates, Certificateholders (as defined in the Conditions) and related expressions shall be construed accordingly.
- 1.2.9 With respect to Luxembourg entities, any references in this Deed to liquidation, winding-up, administration, and other similar insolvency proceedings and related concepts are to be construed as references to substantially equivalent proceedings and concepts under Luxembourg law (which include, without limitation, controlled management (*gestion contrôlée*), moratorium of payments (*sursis de paiement*), composition procedures (*concordat préventif de faillite*), judicial liquidation (*liquidation judiciaire*) or voluntary liquidation (*liquidation volontaire*)), unless the context requires otherwise.

1.3 Amendment and Restatement

The Original Additional Portfolio Assets Sale Undertaking Deed shall be amended and restated on the terms of this Deed. This Deed will apply to any Trust Certificates issued on or after the date of this Deed. This does not affect any Trust Certificates issued prior to the date

of this Deed. Subject to such amendment and restatement, the Original Additional Portfolio Assets Sale Undertaking Deed shall continue in full force and effect.

1.4 **Delegate**

The IsDB acknowledges that each Trustee has delegated certain of its rights under the Master Trust Deed to the Delegate and the Delegate may:

- (a) enforce the obligations of the IsDB under this Deed on behalf of each Trustee; and
- (b) exercise the rights of each Trustee, in accordance with its terms and the terms of the Master Trust Deed.

2 **Grant of Right**

2.1 Subject to the sale and purchase of the relevant Portfolio, the IsDB unconditionally and irrevocably grants to the relevant Trustee, in respect of each Series, the right to require the IsDB to sell (and, upon the receipt of an Additional Portfolio Assets Exercise Notice, the IsDB shall be irrevocably obliged to sell) on the relevant Settlement Date specified in the Additional Portfolio Assets Exercise Notice, at the relevant Purchase Price:

- (a) the legal title (apparent ownership) of the relevant Additional Portfolio Assets;
- (b) the beneficial title (real ownership) of the relevant Additional Portfolio Assets; and
- (c) any ancillary rights (including any Share Ancillary Rights), guarantees and security together with any analogous rights in respect of the relevant Additional Portfolio Assets provided that the IsDB shall not transfer, and shall retain the ownership of, any Accrued IsDB Amounts paid or to be paid to it prior to (but excluding) the Settlement Date in respect of such Additional Portfolio Assets and any such amounts shall be held by the IsDB.

2.2 To the extent that the sale and purchase or transfer of any Additional Portfolio Assets is not effective in any jurisdiction for any reason, the IsDB hereby agrees as consideration for the payment of the relevant Purchase Price to either replace such Additional Portfolio Assets with alternative Additional Portfolio Assets of the same or greater Net Asset Value (determined as at date of replacement) or pay any and all amounts received by it in respect of such Additional Portfolio Assets in such jurisdiction to the relevant Trustee immediately upon receipt and that it shall in any case hold the interest, title and rights in such Additional Portfolio Assets on trust for the relevant Trustee absolutely as the owner thereof or as the relevant Trustee may direct, save that the IsDB shall be under no obligation to exercise any Share Ancillary Rights (except for the right to receive dividends which shall be held for the benefit of the relevant Trustee) for the benefit of the relevant Trustee. The IsDB further undertakes that it shall therefore cease to have any right to retain any amounts received in respect of such Additional Portfolio Assets in such jurisdiction.

2.3 The sale of the relevant Additional Portfolio Assets shall occur upon the execution by the relevant Trustee and the IsDB of a sale agreement substantially in the form appearing in Schedule 2 (*Form of Sale Agreement*) hereto and dated the relevant Settlement Date (**Additional Portfolio Assets Sale Agreement**), but without any further steps being required to be undertaken on such date.

- 2.4 The relevant Trustee expressly declares that the relevant Purchase Price represents a fair price for the purchase of all of the IsDB's rights, benefits and entitlements in and to the relevant Additional Portfolio Assets.

3 Exercise

- 3.1 The right granted under Clause 2.1 (*Grant of Right*) may only be exercised by the relevant Trustee if, and only to the extent that, the IsDB has relevant Additional Portfolio Assets on its balance sheet and at its disposal for sale to such Trustee (as specified in the immediately preceding Purchase Report) and if:

- (a) in respect of the relevant Series, on the relevant Report Date prior to the relevant Settlement Date:
- (i) the Tangibility of the Portfolio, as identified in the immediately preceding Servicing Report, is less than 51 per cent.; or
 - (ii) there is a Revenue Generating Assets Shortfall as set out in the immediately preceding Servicing Report,

by delivering an Additional Portfolio Assets Exercise Notice to the IsDB specifying the Settlement Date and details of the Additional Portfolio Assets to be purchased; and

- (b) the Additional Portfolio Assets specified in the relevant Additional Portfolio Assets Exercise Notice comprise of:
- (i) in the event that the relevant Additional Portfolio Assets Exercise Notice is delivered pursuant to sub-Clause 3.1(a)(i) the rights, title, interest and benefit of the IsDB in, to and under Lease Assets (together with the relevant underlying assets), Disbursing Istisna'a Assets, Shares, Sukuk and/or Restricted Mudaraba Assets (as, and only to the extent, specified in the relevant Purchase Report) the aggregate Net Asset Value of such Lease Assets, Disbursing Istisna'a Assets, Shares, Sukuk and/or Restricted Mudaraba Assets being no greater than the relevant Tangibility Make-Whole Amount; and
 - (ii) in the event that the relevant Additional Portfolio Assets Exercise Notice is delivered pursuant to sub-Clause 3.1(a)(ii), the rights, title, interest and benefit of the IsDB in, to and under Lease Assets (together with the relevant underlying assets), Disbursing Istisna'a Assets, Shares, Sukuk, Restricted Mudaraba Assets, Commodity Murabaha (Tawarruq) Receivables and/or Murabaha Receivables (as and only to the extent, specified in the relevant Purchase Report) the aggregate Net Asset Value of such Lease Assets, Disbursing Istisna'a Assets, Shares, Sukuk, Restricted Mudaraba Assets, Commodity Murabaha (Tawarruq) Receivables and/or Murabaha Receivables being no greater than the relevant Revenue Generating Assets Make-Whole Amount.

- 3.2 Following exercise of the option pursuant to Clause 3.1, the relevant Trustee will:

- (a) on the Settlement Date pay to the IsDB by wire transfer in the Specified Currency and in same day, freely transferable, cleared funds, the relevant Purchase Price; and

(b) effective on the Settlement Date, purchase all of the IsDB's rights, benefits and entitlements in and to the relevant Additional Portfolio Assets, at the relevant Purchase Price, by executing an Additional Portfolio Assets Sale Agreement between the relevant Trustee and the IsDB.

3.3 Payment of the relevant Purchase Price in accordance with Clause 3.2 shall constitute full discharge of the obligation of the relevant Trustee to pay the relevant Purchase Price to the IsDB.

3.4 An Additional Portfolio Assets Exercise Notice delivered in accordance with the right granted pursuant to Clause 3.1 will cease to have any effect following the occurrence of an IsDB Event.

4 Deposit of Deed

This Deed shall be deposited with and held by the Delegate until the date on which all the obligations of the Trustees and the IsDB under or in respect of the Trust Certificates have been discharged in full. The Trustees hereby acknowledge the right of every Certificateholder to the production of this Deed.

5 Benefit of Deed

5.1 This Deed shall take effect as a deed for the benefit of each Trustee (which holds the benefit of this Deed for the benefit of the Certificateholders from time to time) and, in respect of clause 21.2 (*Actions, Proceedings and Indemnification*) of the Master Trust Deed, the Delegate.

5.2 This Deed shall inure to the benefit of each of the Trustees and the Delegate and their (and any subsequent) successors and assigns, each of which shall be entitled severally to enforce this Deed against the IsDB.

5.3 The IsDB shall not be entitled to assign or transfer all or any of its rights, benefits and obligations hereunder. The Trustees shall be entitled to assign all or any of its rights and benefits hereunder.

6 Notices

Any notices to be given pursuant to this Deed shall be sufficiently served if delivered by hand or sent by prepaid first-class or airmail post or by facsimile transmission and shall be deemed to be given upon receipt in legible form and shall be delivered or sent:

(a) in the case of the IsDB, to

The Islamic Development Bank
P.O. Box 925
Jeddah-432
Kingdom of Saudi Arabia
Fax No: +966 2636 6871
Marked for the attention of: Office of the Vice-President, Finance

(b) in the case of the Trustees, to

IDB Trust Services Limited
44 Esplanade
St Helier
Jersey JE4 9WG
Fax No. +44 1534 504 444
Marked for the attention of: The Directors

IsDB Trust Services No.2 SARL
6, rue Eugène Ruppert
L-2453 Luxembourg
Tel: +352 26 44 9 1
Fax No.: +352 26 44 9 167
Email: lu-isdb@intertrustgroup.com
Marked for the attention of: The Board of Managers/The Sole Manager

(c) in the case of the Delegate, to

The Law Debenture Trust Corporation p.l.c.
Eighth Floor
100 Bishopsgate
London
EC2N 4AG
United Kingdom
Fax No: +44 207 606 0643
Marked for the attention of: The Manager, Commercial Trusts

or to such other address or facsimile number or marked for the attention of such other person or department as may from time to time be notified by any party to the other parties by written notice in accordance with the provisions of this Clause 6.

7 Exercise of Rights

7.1 If a Trustee (or the Delegate acting as the Trustees' attorney) delays in exercising or fails to exercise any right or remedy under this Deed, it will not:

- (a) adversely affect that right or remedy; or
- (b) operate as or be taken to be a waiver of that right or remedy.

7.2 The single, partial or defective exercise of any such right or remedy will not prevent the Trustees from exercising that right or remedy in the future.

7.3 The Trustees' rights under this Deed are cumulative and not exclusive of any rights provided by law. These rights can be exercised from time to time and as often the Trustees think appropriate.

8 Limited Recourse

The IsDB hereby acknowledges that the limited recourse language contained in clause 26 (*Limited Recourse and Non-Petition*) of the Master Trust Deed shall apply as if repeated in full herein.

9 Severability

If any provision in or obligation under this Deed is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction that will not affect or impair:

- (a) the validity, legality or enforceability under the law of that jurisdiction of any other provision or obligation under this Deed; or
- (b) the validity, legality or enforceability under the law of any other jurisdiction of that or any other provision in or obligation under this Deed.

10 Further Assurance

The IsDB hereby undertakes:

- (a) to execute documents and do all acts or things; and
- (b) to use all reasonable endeavours to procure that third parties shall execute documents and do all acts and things,

in each case, as may be reasonably requested by a Trustee or required by applicable law in order to carry out the intended purpose of this Deed or otherwise to preserve or enforce the Trustees' rights under this Deed including obtaining all necessary authorisations, consents, approvals, resolutions, licences, exemptions, filings or notarisations in connection therewith.

11 Shari'a Compliance

The Islamic Development Bank hereby agrees that it has accepted the Shari'a compliant nature of these presents and, to the extent permitted by law, further agrees that:

- (a) it shall not claim that any of its obligations under these presents (or any provision hereof) is ultra vires or not compliant with the principles of Shari'a;
- (b) it shall not take any steps or bring any proceedings in any forum to challenge the Shari'a compliance of these presents; and
- (c) none of its obligations under these presents shall in any way be diminished, abrogated, impaired, invalidated or otherwise adversely affected by any finding, declaration, pronouncement, order or judgment of any court, tribunal or other body that these presents are not compliant with the principles of Shari'a.

12 Change in Status

The rights of the Trustees and the Delegate under this Deed shall continue to be valid and binding notwithstanding any change in name or change by amalgamation, reconstruction, reorganisation, restructuring or otherwise which may be made in or to the constitution of the IsDB, the Trustees or the Delegate.

13 Amendments

No amendment, modification or termination of any provision of this Deed shall be effective unless it is agreed in writing and signed by or on behalf of the Trustees (with the consent of the Delegate) and the IsDB.

14 The Contracts (Rights of Third Parties) Act 1999

Other than the Trustees and the Delegate, no rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

15 No Immunity

The IsDB represents and warrants to the Trustees and the Delegate that it has entered into this Deed and the other Programme Documents and Transaction Documents (each as defined in the Conditions) to which it is a party in connection with the exercise of its powers to raise money and, accordingly, the IsDB is not entitled to claim for itself or any of its assets immunity from legal process in actions taken in relation to this Deed or any other Programme Document or Transaction Document and brought against it in a court of competent jurisdiction by the Trustee and/or the Delegate irrespective of the identity of the holders of beneficial interests in the Trust Certificates, provided, however, that, in respect of any action brought in a Member Country, no form of seizure, attachment or execution may be exercised against the property and assets of the IsDB before the delivery of final judgment against the IsDB.

16 Governing Law

This Deed and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

17 Dispute Resolution

17.1 Agreement to Arbitrate

Subject to Clause 17.2 (*Option to Litigate*), any dispute, claim, difference or controversy arising out of, relating to or having any connection with this Deed (including any dispute as to the existence, validity, interpretation, performance, breach or termination or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with it) (a **Dispute**) shall be referred to and finally resolved by arbitration under the London Court of International Arbitration (**LCIA**) Arbitration Rules (the **Rules**), which Rules (as amended from time to time) are incorporated by reference into this Clause 17.1. For these purposes:

- (a) the place of arbitration shall be London;
- (b) there shall be three arbitrators, each of whom shall be disinterested in the arbitration, shall have no connection with any party thereto and shall be an attorney experienced in international securities transactions. The parties to the Dispute shall each nominate one arbitrator in the Request or Response (each as defined in the Rules) (as the case may be) and both arbitrators in turn shall appoint a further arbitrator who shall be the chairman of the Arbitral Tribunal (as defined in the Rules). In cases where there are multiple claimants and/or multiple respondents, the class of claimants jointly, and the class of respondents jointly shall each nominate one arbitrator. If one party or both fails to nominate an arbitrator in accordance with this sub-Clause 17.1(b), such arbitrator(s) shall be appointed by the LCIA. If the party nominated arbitrators fail to nominate the third arbitrator within 15 days of the appointment of the second arbitrator, such arbitrator shall be appointed by the LCIA; and
- (c) the language of the arbitration shall be English.

17.2 Option to Litigate

17.2.1 Notwithstanding Clause 17.1 (*Agreement to Arbitrate*) above, the Delegate and the relevant Trustee may, in the alternative, and at its sole discretion, by notice in writing to the IsDB:

- (a) within 28 days of service of a Request; or
- (b) in the event no arbitration is commenced,

require that a Dispute be heard by a court of law. If the Delegate or the relevant Trustee gives such notice, the Dispute to which such notice refers shall be determined in accordance with Clause 17.2.2 and, subject as provided below, any arbitration commenced under Clause 17.1 (*Agreement to Arbitrate*) in respect of that Dispute will be terminated. With the exception of the Delegate (whose costs will be borne by the IsDB), each of the parties to the terminated arbitration will bear its own costs in relation thereto.

17.2.2 If any notice to terminate is given after service of any Request in respect of any Dispute, the Delegate or the relevant Trustee(s) (as the case may be) must also promptly give notice to the LCIA and to any Arbitral Tribunal (as defined in the Rules) already appointed in relation to the Dispute that such Dispute will be settled by the courts. Upon receipt of such notice by the LCIA, the arbitration and any appointment of any arbitrator in relation to such Dispute will immediately terminate. Any such arbitrator will be deemed to be *functus officio*. The termination is without prejudice to:

- (a) the validity of any act done or order made by that arbitrator or by the court in support of that arbitration before his appointment is terminated;
- (b) the arbitrator's entitlement to be paid his proper fees and disbursements; and
- (c) the date when any claim or defence was raised for the purpose of applying any limitation bar or any similar rule or provision.

17.3 Effect of Option to Litigate

In the event that a notice pursuant to Clause 17.2 (*Option to Litigate*) is issued, the following provisions shall apply:

- (a) subject to sub-Clause 17.3(c) below, the courts of England shall have exclusive jurisdiction to settle any Dispute and the IsDB submits to the exclusive jurisdiction of such courts;
- (b) the IsDB agrees that the courts of England are the most appropriate and convenient courts to settle and Dispute and, accordingly, that it will not argue to the contrary; and
- (c) this Clause 17.3 is for the benefit of the Delegate and the Trustees only. As a result, and notwithstanding sub-Clause 17.3(a) above, the Delegate or the relevant Trustee(s) (as the case may be) may take proceedings relating to a Dispute (**Proceedings**) in any other courts with jurisdiction. To the extent allowed by law, the Delegate and the relevant Trustee(s) may take concurrent Proceedings in any number of jurisdictions.

17.4 Process Agent

The IsDB appoints Intertrust Corporate Services (UK) Limited at its registered office at 35 Great St. Helen's, London, EC3A 6AP, United Kingdom as its agent for service of process and undertakes that, in the event of Intertrust Corporate Services (UK) Limited ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in respect of any Proceedings or Disputes. Nothing herein shall affect the right to serve proceedings in any manner permitted by law.

17.5 Waiver of Interest

The Islamic Development Bank hereby acknowledges and agrees that, notwithstanding any other provisions of this Deed, the principle of payment of interest is repugnant to the principles of Shari'a and to the extent that any law or provision would impose (whether by contract or statute) an obligation to pay interest to any other person in relation to this Deed, The Islamic Development Bank expressly waives and rejects the entitlement to recover interest from another person.

Schedule 1 - Form of Additional Portfolio Assets Exercise Notice

[Date]

To: The Islamic Development Bank (the **IsDB**)

Cc: [IDB Trust Services Limited / IsDB Trust Services No.2 SARL] (in its capacity as issuer and in its capacity as trustee for the Certificateholders, the **Trustee**) to the attention of The Directors

Dear Sirs

**[IDB Trust Services Limited / IsDB Trust Services No.2 SARL]
[currency][amount] Trust Certificates due [date] (Series No. [Series])
issued pursuant to its
U.S.\$25,000,000,000 Trust Certificate Issuance Programme (the Programme)**

We refer to the amended and restated Additional Portfolio Assets Sale Undertaking Deed dated 25 February 2021 entered into in respect of the Programme by the Trustee (which deed, as amended, supplemented or restated from time to time, is referred to as the **Additional Portfolio Assets Sale Undertaking Deed**) and the Programme pursuant to which the Trustee has issued [currency][amount] of trust certificates (**Trust Certificates**) due [date] (Series No. [series]) (this **Series**).

Unless the context otherwise requires, terms defined and the construction given to them in the Additional Portfolio Assets Sale Undertaking Deed have the same meaning and construction when used herein.

This is an Additional Portfolio Assets Exercise Notice issued pursuant to sub-clause [3.1(a)/3.1(b)]¹ (*Exercise*) of the Additional Portfolio Assets Sale Undertaking Deed in exercise of the right granted under Clause 2.1 (*Grant of Rights*) of the Additional Portfolio Assets Sale Undertaking Deed pursuant to which we exercise our rights and oblige you to sell to us all of the IsDB's rights, benefits and entitlements in and to the following additional portfolio assets (the **Additional Portfolio Assets**):

[insert details]²

The Purchase Price is [currency][amount]³ and must be paid in full by us on [date]⁴ (the **Settlement Date**) and the Additional Portfolio Assets Sale Agreement will be entered into by us and the IsDB in accordance with the terms of the Additional Portfolio Assets Sale Undertaking Deed.

Clause 16 (*Governing Law*) and Clause 17 (*Dispute Resolution*) of the Additional Portfolio Assets Sale Undertaking Deed apply to this Additional Portfolio Assets Exercise Notice, *mutatis mutandis*, as if expressly incorporated herein.

¹ Delete as appropriate.

² Insert details of the relevant Additional Portfolio Assets identified in the relevant Purchase Report.

³ Insert the aggregate Net Asset Value of the relevant Additional Portfolio Assets as set out under the heading "Principal Amount" in paragraph 3 of the relevant Purchase Report.

⁴ Insert the due date for redemption or the call option which must not be less than 30 nor more than 60 days after the date on which the Additional Portfolio Assets Exercise Notice is given and if Condition 8 (*Floating Periodic Distribution Amount Provisions*) applies to this Series, must also be a Periodic Distribution Date.

Yours faithfully

For and on behalf of

[Delegate/Trustee] as [Delegate] [Trustee]⁵

⁵ The Delegate shall complete and send the Additional Portfolio Assets Exercise Notice when the Additional Portfolio Assets Exercise Notice is delivered in accordance with Clause 3.1 (*Exercise*) of the Additional Portfolio Assets Sale Undertaking Deed.

Schedule 2 - Form of Sale Agreement

This Sale Agreement (this **Agreement**) is dated [*settlement date*]⁶ and made between:

- (1) **[IDB Trust Services Limited**, a company incorporated under the laws of Jersey, whose registered office is at 44 Esplanade, St Helier, Jersey JE4 9WG / **IsDB Trust Services No.2 SARL**, a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand-Duchy of Luxembourg, registered with the Luxembourg trade and companies register (*Registre de commerce et des sociétés*, Luxembourg) under number B247570 having its registered office at 6, rue Eugène Ruppert, L-2453 Luxembourg] (in its capacity as issuer and in its capacity as trustee for the Certificateholders, the Trustee and as purchaser of the Additional Portfolio Assets, the **Purchaser**); and
- (2) **The Islamic Development Bank**, whose principal office is at 8111 King Khalid Street, Al Nuzlah Al Yamania District – Unit No. 1, Jeddah 22332-2444, Kingdom of Saudi Arabia (the **IsDB** and in its capacity as seller of the Additional Portfolio Assets, the **Seller**).

Whereas:

- A. The IsDB, [IDB Trust Services Limited / IsDB Trust Services No.2 SARL] and the Trustee have established a trust certificate issuance programme (the **Programme**) pursuant to which the Trustee may issue from time to time up to U.S.\$25,000,000,000 of trust certificates in Series, may comprise one or more Tranches under that Series.
- B. Pursuant to the Programme, the Trustee has issued [*currency*][*amount*] Trust Certificates due [*date*] (Series No. [*series*]) (the **Trust Certificates**).
- C. In connection with the Trust Certificates, the Seller has undertaken to sell and the Purchaser shall purchase all of the Seller's rights, title, interest and benefit in and to the Additional Portfolio Assets (as defined below) applicable to the Trust Certificates in the circumstances specified and subject to the terms set out in the amended and restated Additional Portfolio Assets Sale Undertaking Deed dated 25 February 2021 between, *inter alia*, the Seller and the Purchaser (the **Additional Portfolio Assets Sale Undertaking Deed**) and in this Agreement.
- D. The Purchaser has issued an Additional Portfolio Assets Exercise Notice dated [*date*] (the **Additional Portfolio Assets Exercise Notice**) and exercised its rights under clause 2.1 (*Grant of Right*) of the Additional Portfolio Assets Sale Undertaking Deed.

It is Agreed as follows:

1 Interpretation

1.1 Definitions

In this Agreement, capitalised terms and expressions which are not defined herein shall have the meanings set out in the Additional Portfolio Assets Sale Undertaking Deed or the Master Purchase Agreement. In addition, the following expressions shall have the meanings ascribed hereto:

⁶ Insert Settlement Date.

Additional Portfolio Assets means the Additional Portfolio Assets as set out in the Additional Portfolio Assets Exercise Notice;

Master Purchase Agreement means the amended and restated master purchase agreement dated 25 February 2021 made between, *inter alia*, the Trustee and the IsDB;

Master Trust Deed means the amended and restated master trust deed dated 25 February 2021 made between, *inter alia*, the Trustee, the IsDB and the Delegate; and

Purchase Price means [currency][amount]⁷.

1.2 Delegate

The Seller acknowledges that the Trustee has delegated certain of its rights and obligations under the Master Trust Deed to the Delegate and the Delegate may:

- (a) enforce the obligations of the Seller under this Agreement on behalf of the Trustee; and
- (b) exercise the rights of the Trustee, in accordance with the terms of this Agreement and the terms of the Master Trust Deed.

2 Sale and Purchase of the Additional Portfolio Assets

2.1 Subject to the terms and conditions of the Additional Portfolio Assets Sale Undertaking Deed, the Seller hereby unconditionally and irrevocably agrees to sell [with full title guarantee] to the Purchaser and the Purchaser unconditionally and irrevocably agrees to purchase from the Seller, on the date hereof, at the Purchase Price:

- (a) the legal title (apparent ownership) of the Additional Portfolio Assets;
- (b) the beneficial title (real ownership) of the Additional Portfolio Assets; and
- (c) any ancillary rights (including Share Ancillary Rights), guarantees and security together with any analogous rights in respect of the Additional Portfolio Assets provided that the Seller shall not transfer, and shall retain the ownership of, any Accrued IsDB Amounts paid or to be paid to it prior to (but excluding) the date hereof and any such amounts shall be held by the Seller.

2.2 The Seller agrees that the payment in full of the Purchase Price to it by the Purchaser shall constitute a good discharge to the Purchaser of all amounts due, owing or incurred by the Purchaser to the Seller hereunder and upon such payment agrees that the Purchaser shall be irrevocably and unconditionally released from any further liability to the Seller.

2.3 To the extent that the sale and purchase or transfer of the Additional Portfolio Assets is not effective in any jurisdiction for any reason, the Seller hereby agrees as consideration for the payment of the Purchase Price to either replace such Additional Portfolio Assets with alternative Additional Portfolio Assets of the same or greater Net Asset Value (determined as at date of replacement) or pay any and all amounts received by it in respect of such Additional Portfolio Assets in such jurisdiction to the Trustee immediately upon receipt and that it shall in any case hold the interest, title and rights in such Additional Portfolio Assets on trust for the

⁷ Insert amount in the Specified Currency calculated in accordance with the definition of Exercise Price contained in the Sale Undertaking Deed (as defined in the Conditions).

Trustee absolutely as the owner thereof or as the Trustee may direct, save that the Seller shall be under no obligation to exercise any Share Ancillary Rights (except for the right to receive dividends which shall be held for the benefit of the Purchaser) for the benefit of the Trustee. The Seller further undertakes that it shall therefore cease to have any right to retain any amounts received in respect of such Additional Portfolio Assets in such jurisdiction.

- 2.4 The Purchaser shall, within 30 days of receipt, account to the IsDB for any unpaid Accrued IsDB Amounts received in respect of any Additional Portfolio Assets and accrued up until the Settlement Date on which such Additional Portfolio Assets are purchased by the Purchaser.

3 Supplemental Agreement

This Agreement is an Additional Portfolio Assets Sale Agreement as that term is used in the Additional Portfolio Assets Sale Undertaking Deed. This Agreement is supplemental to and should be read and construed as one document in conjunction with the Additional Portfolio Assets Sale Undertaking Deed. The provisions of the Additional Portfolio Assets Sale Undertaking Deed are incorporated into this Agreement *mutatis mutandis*.

4 Limited Recourse

The Seller hereby acknowledges that the limited recourse language contained in clause 26 (*Limited Recourse and Non-Petition*) of the Master Trust Deed shall apply as if repeated in full herein.

5 Counterparts and Severability

- 5.1 This Agreement may be executed in any number of counterparts (manually or by facsimile), and by the parties on separate counterparts, each of which when so executed shall constitute an original and all of which taken together shall be deemed to constitute one and the same instrument.
- 5.2 If any provision in or obligation under this Agreement is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction that will not affect or impair:
- (a) the validity, legality or enforceability under the law of that jurisdiction of any other provision or obligation under this Agreement; or
 - (b) the validity, legality or enforceability under the law of any other jurisdiction of that or any other provision in or obligation under this Agreement.

6 Exercise of Rights

- 6.1 If either the Seller or the Purchaser delays in exercising or fails to exercise any right or remedy under this Agreement this will not:
- (a) adversely affect that right or remedy; or
 - (b) operate as or be taken to be a waiver of that right or remedy.
- 6.2 The single, partial or defective exercise of any such right or remedy will not prevent either party from exercising that right or remedy in the future.

- 6.3 The parties' rights under this Agreement are cumulative and not exclusive of any rights provided by law. These rights can be exercised from time to time and as often as either party thinks appropriate.

7 Further Assurance

The Seller hereby undertakes:

- (a) to execute documents and do all acts or things; and
- (b) to use all reasonable endeavours to procure that third parties shall execute documents and do all acts and things,

in each case, as may be reasonably requested by the Purchaser or required by applicable law in order to carry out the intended purpose of this Agreement or otherwise to preserve or enforce the Purchaser's rights under this Agreement including obtaining all necessary authorisations, consents, approvals, resolutions, licences, exemptions, filings or notarisations in connection therewith.

8 Change in Status

The rights and obligations of the Trustee under this Agreement shall continue to be valid and binding notwithstanding any change in name or change by amalgamation, reconstruction, reorganisation, restructuring or otherwise which may be made in or to the constitution of the Trustee.

9 The Contracts (Rights of Third Parties) Act 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

10 Applicability of the Guarantee

The IsDB confirms that, on and after the date hereof, its guarantee, undertaking and indemnity under clause 2.1 of the guarantee issued by the IsDB in favour of the Trustee, *inter alia*, dated 25 February 2021 (the **Guarantee**) will remain in full force and effect and will extend to the Additional Portfolio Assets and all ancillary rights purchased hereunder in respect of such assets. To the extent that the IsDB's guarantee, undertaking or indemnity under clause 2.1 of the Guarantee is not, for any reason, enforceable on or after the date hereof in relation to such Additional Portfolio Assets and ancillary rights, the IsDB guarantees to, undertakes with and indemnifies the Trustee on the terms of that clause in relation to those obligations on and after the date hereof.

11 Governing Law

- 11.1 This Agreement, and any non-contractual obligations arising out of or in connection with it, shall be governed by, and construed in accordance with, English law.
- 11.2 The parties appoint Intertrust Corporate Services (UK) Limited at its registered office at 35 Great St. Helen's, London, EC3A 6AP, United Kingdom as its agent for service of process and undertakes that, in the event of Intertrust Corporate Services (UK) Limited ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for

service of process in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any manner permitted by law.

- 11.3 Each of [IDB Trust Services Limited / IsDB Trust Services No.2 SARL] and The Islamic Development Bank hereby acknowledge and agree that, notwithstanding any other provisions of this Agreement, the principle of payment of interest is repugnant to the principles of Shari'a and to the extent that any law or provision would impose (whether by contract or statute) an obligation to pay interest to any other person in relation to this Agreement, each of [IDB Trust Services Limited / IsDB Trust Services No.2 SARL] and The Islamic Development Bank hereby expressly waive and reject the entitlement to recover interest from another person.

12 Shari'a Compliance

Each of [IDB Trust Services Limited / IsDB Trust Services No.2 SARL] and The Islamic Development Bank hereby agrees that it has accepted the Shari'a compliant nature of this Agreement and, to the extent permitted by law, further agrees that:

- (a) it shall not claim that any of its obligations under this Agreement (or any provision hereof) is *ultra vires* or not compliant with the principles of Shari'a;
- (b) it shall not take any steps or bring any proceedings in any forum to challenge the Shari'a compliance of this Agreement; and
- (c) none of its obligations under this Agreement shall in any way be diminished, abrogated, impaired, invalidated or otherwise adversely affected by any finding, declaration, pronouncement, order or judgment of any court, tribunal or other body that this Agreement is not compliant with the principles of Shari'a.

In witness whereof the parties hereto have caused this Agreement to be executed on the day and year first above written.

[IDB Trust Services Limited / IsDB Trust Services No.2 SARL]

By:

Name:

Title:

The Islamic Development Bank

By:

Name:

Title:


In witness whereof this Deed has been executed as a deed by the IsDB on the day and year first written above.

Executed as a Deed by)
The Islamic Development Bank)
acting under the authority of that bank,)
in the presence of:)

By: 

Name: Dr. Yasser Gado

Title: Director, Treasury Department, IsDB

Witness Signature: 

Name: Zakky Bantan

Title: Manager, Capital Markets, Treasury Department, IsDB

Address: IsDB, Jeddah, Saudi Arabia