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# AFRICAN DEVELOPMENT BANK

EUR1,000,000,000

## EURO COMMERCIAL PAPER PROGRAMME

Arranger

LEHMAN BROTHERS

Dealers

BARCLAYS CAPITAL

CITIBANK INTERNATIONAL PLC

GOLDMAN SACHS INTERNATIONAL

LEHMAN BROTHERS

WARBURG DILLON READ

## IMPORTANT NOTICE

This Information Memorandum contains summary information provided by African Development Bank (the “Issuer”) in connection with a euro-commercial paper programme (the “Programme”) under which the Issuer may issue and have outstanding at any time short-term commercial paper notes (the “Notes”) up to a maximum aggregate amount of EUR1,000,000,000 or its equivalent in alternative currencies. The Issuer has appointed Barclays Bank PLC, Citibank International plc, Goldman Sachs International, Lehman Brothers International (Europe) and UBS AG, acting through its division Warburg Dillon Read (the “Dealers”) as dealers for the Notes under the Programme, and has authorised and requested the Dealers to circulate this Information Memorandum in connection therewith.

### **The Notes do not represent obligations of any government.**

The Issuer has confirmed to the Dealers that the information contained or incorporated by reference in this Information Memorandum is true and accurate in all material respects and not misleading and that there are no other facts the omission of which makes this Information Memorandum as a whole or any such information contained or incorporated by reference herein misleading.

This Information Memorandum is not intended to provide the basis of any credit, taxation, or other evaluation, and should not be considered as a recommendation by any of the Dealers that any recipient of this Information Memorandum purchase any Notes. Each recipient contemplating purchasing any Notes is responsible for obtaining its own independent professional advice in relation to the Programme and for making its own independent investigation and appraisal of the financial condition, affairs and creditworthiness of the Issuer.

The Dealers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness at any time of this Information Memorandum or any supplement hereto. No person has been authorised by the Issuer or the Dealers to give any information or to make any representation not contained in this Information Memorandum or any supplement hereto, and, if given or made, such information or representation must not be relied upon as having been authorised.

Neither the Issuer nor the Dealers accept any responsibility, express or implied, for updating this Information Memorandum and neither the delivery of this Information Memorandum nor the offering, sale or delivery of any Notes shall, in any circumstances, create any implication that the information contained herein is true subsequent to the date hereof or the date upon which this Information Memorandum has been most recently amended or supplemented or that there has been no adverse change in the financial situation of the Issuer since the date hereof or, as the case may be, the date upon which this Information Memorandum has been most recently amended or supplemented or the balance sheet date of the most recent financial statements which are deemed to be incorporated by reference herein or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

This Information Memorandum does not, and is not intended to, constitute or contain an offer or invitation to any person to purchase Notes. The distribution of this Information Memorandum and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Information Memorandum or any Notes come are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. In particular, such persons are required to comply with the restrictions on offers or sales of Notes and on distribution of this Information Memorandum and other information in relation to the Notes set out under “Selling Restrictions” below.

**Notes in respect of which the proceeds are accepted by the Issuer in the United Kingdom will be commercial paper issued in accordance with an exception under Section 4 of the Banking Act 1987. The Issuer is not an authorised institution or a European authorised institution. Repayment of the principal and payment of any interest or premium in connection with the Notes have not been guaranteed.**

Neither the Issuer nor any of the Dealers makes any comment about the treatment for taxation purposes of payments or receipts in respect of the Notes. Each investor contemplating acquiring Notes under the Programme described herein is advised to consult a professional adviser in connection therewith.

In this Information Memorandum references to “Dollars”, “U.S. Dollars” and “U.S.\$” are to the lawful currency of the United States of America, references to “euro” and “EUR” are to the single currency of participating member states of the European Union, as contemplated by the Treaty on European Union and references to “Sterling” and “£” are to the lawful currency of the United Kingdom.

#### **INCORPORATION BY REFERENCE**

The most recently published information statements of the Issuer and any subsequent supplemental information statements (whether audited or unaudited) concerning the Issuer shall be deemed to be incorporated in, and to form part of, this Information Memorandum.

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## SUMMARY OF THE PROGRAMME

<b>Issuer:</b>	African Development Bank
<b>Rating:</b>	Standard and Poor's Ratings Services: A-1+ Moody's Investors Service: P-1
<b>Arranger:</b>	Lehman Brothers International (Europe)
<b>Dealers:</b>	Barclays Bank PLC Citibank International plc Goldman Sachs International Lehman Brothers International (Europe) UBS AG, acting through its division Warburg Dillon Read
<b>Issue and Paying Agent:</b>	Citibank, N.A.
<b>Programme Amount:</b>	The aggregate principal amount of Notes outstanding at any time will not exceed EUR1,000,000,000 or its equivalent in alternative currencies. The Programme Amount may be increased from time to time.
<b>Currencies:</b>	Notes may be denominated in any currency, subject to compliance with any applicable legal and regulatory requirements. Specifically, the Programme will allow for the issue of Notes denominated in U.S. Dollars, euro, Australian Dollars, Canadian Dollars, Hong Kong Dollars, Japanese Yen, New Zealand Dollars, Sterling, Swedish Krona and Swiss Francs.
<b>Denominations:</b>	Any denomination, subject to compliance with any applicable legal and regulatory requirements. The initial minimum denominations are U.S.\$500,000, EUR500,000 and £100,000. The minimum denominations of Notes denominated in other currencies will be in accordance with any applicable legal and regulatory requirements. Minimum denominations may be changed from time to time.
<b>Maturity of the Notes:</b>	Not less than 7 nor more than 365 days (364 days for Sterling Notes), subject to compliance with any applicable legal and regulatory requirements.
<b>Yield Basis:</b>	The Notes may be issued at a discount or may bear fixed or floating rate interest or a coupon calculated by reference to an index or formula.
<b>Redemption:</b>	The Notes may be redeemed at par or at an amount calculated by reference to an index or formula.
<b>Status of the Notes:</b>	The Notes will be senior unsecured obligations of the Issuer ranking <i>pari passu</i> with all present and future unsecured and unsubordinated indebtedness of the Issuer, other than obligations preferred by mandatory provisions of law. The Notes will not constitute obligations of any government.
<b>Taxation:</b>	The Notes and any interest thereon will not be exempt from taxation generally. Under the Agreement Establishing the African Development Bank as in force from time to time (the "ADB Agreement"), the Notes and any interest thereon are not subject to any tax by a member country (a) which tax discriminates against the relevant Note solely because it was issued by the Issuer or (b) if the sole jurisdictional basis for the tax is the place or currency in which the relevant Note is issued, made payable or paid, or the location of any office or place of business maintained by the Issuer. Under the ADB Agreement, the Issuer is exempt from any obligation relating to the payment, withholding or collection of any tax. Accordingly, any interest due on the Notes will be paid to the Paying Agent without deduction in respect of any tax.

<b>Form of the Notes:</b>	The Notes will be in bearer form. Each issue of Notes will initially be represented by one or more Global Notes. Global Notes will be exchangeable for Definitive Notes only in the circumstances specified in the Global Notes. Sterling Definitive Notes will be available on request.
<b>Listing:</b>	The Notes will not be listed on any stock exchange.
<b>Delivery:</b>	The Notes will be available in London or for delivery to Euroclear, Cedelbank or to any other recognised clearing system or for collection (in the case of Sterling Definitive Notes).
<b>Selling Restrictions:</b>	The offering and sale of the Notes is subject to all applicable selling restrictions including, without limitation, those of the United States of America, the United Kingdom and Japan (see “Selling Restrictions” below).
<b>Governing Law:</b>	The Notes will be governed by and construed in accordance with English law.

## THE ISSUER

The African Development Bank (the “Bank”) is an international development finance institution, of which the membership comprises 53 independent African states and 24 non-African states (the “regional members” and “non-regional members”, respectively). The Bank is located in Abidjan, Côte d’Ivoire.

### The ADB Agreement

The Bank was established by, and operates under, the Agreement Establishing the African Development Bank, as amended (the “ADB Agreement”), which was signed in Khartoum, Sudan, on 4 August 1963. The ADB Agreement was amended on 7 May 1982 to permit non-regional countries to be admitted as members. Subsequent amendments were approved in 1992, 1997 and 1998.

The ADB Agreement is the Bank’s governing constitution. It enumerates, *inter alia*, the purpose and functions, capital structure, operations, powers, organisation and status, immunities, exemptions and privileges of the Bank.

### Purpose and Functions of the Bank

The purpose of the Bank is to further the economic development and social progress of its regional members, individually and collectively. To this end, the Bank promotes the investment of public and private capital for development purposes and the orderly growth of foreign trade, primarily by providing loans and technical assistance from its resources for specific projects and programs that contribute to the economic growth of the region. The ordinary operations of the Bank are financed from its ordinary capital resources.

### The Bank’s Capital Structure

The ordinary capital resources include subscribed capital stock, borrowings by the Bank, loan repayments, income from loans and guarantees and other funds and income received by the Bank in its ordinary operations.

The Bank uses a unit of account (the “Unit of Account” or “UA”) as the measure of its loans, the capital subscription of its members and for accounting, statistical and financial reporting purposes. The ADB Agreement provides that one UA equals 0.88867088 gram of fine gold. On 4 May 1978, the Board of Governors decided to redefine the Unit of Account to be equivalent to one Special Drawing Right (“SDR”) of the International Monetary Fund. The UA is now valued as equivalent to 1 SDR. The UA:US\$ conversion rates of 31 December of various years are:

1994: .....	1 UA	=	1.45985 US\$;
1995: .....	1 UA	=	1.48649 US\$;
1996: .....	1 UA	=	1.43796 US\$;
1997: .....	1 UA	=	1.34925 US\$; and
1998: .....	1 UA	=	1.40803 US\$

The capital stock of the Bank is owned by its member countries. At present, the authorised capital stock and any increases thereof must be allocated for subscription to regional and non-regional members in such proportions so that, if fully subscribed, regional members would hold two-thirds and non-regional members one-third of the total voting power. The original authorised capital stock of UA 250 million has been increased on 12 occasions, most recently in June 1987. As at 31 December 1998, the authorised capital stock of the Bank stood at UA 16,200 million. During its thirty-fourth Annual Meeting, held on 27-29 May 1998, the Board of Governors of the Bank adopted Resolution B/BG/98/05 (the “GCI-V Resolution”) authorising the Fifth General Capital Increase. Upon entry into force of the GCI-V Resolution on 30 September 1999, the authorised capital of the Bank increased by 35 per cent. from UA 16,200 million to UA 21,870 million, and the share of non-regional members was raised to 40 per cent. and that of regional members reduced accordingly to 60 per cent.

### Legal Status, Privileges and Immunities

The following is a summary of the principal provisions of the Agreement relating to the legal status, immunities and privileges of the Bank in the territories of its members.

The Bank has full juridical personality with capacity to contract, to acquire and dispose of immovable and moveable property, and to institute legal proceedings. It is immune from every form of legal process, except in cases arising out of the exercise of its borrowing powers when it may be sued only in a court of competent jurisdiction in the territory of a member in which it has its principal office, or in the territory of a member or non-member State where it has appointed an agent for the purpose of accepting service or notice of process or has issued or guaranteed securities. No actions against the Bank may be brought by members or persons acting for or deriving claims from members.

The property and assets of the Bank are immune from all forms of seizure, attachment or execution before the delivery of final judgement against the Bank. Such property and assets are also immune from search, requisition, confiscation, expropriation or any other form of taking or foreclosure by executive or legislative action. The archives of the Bank are inviolable. The Governors, directors, Alternates, officers and employees of the Bank and experts and consultants performing missions for the Bank are immune from legal process with respect to acts performed by them in their official capacity. The ADB Agreement enables the Board of Directors to waive any of these immunities where in its opinion it would further the interest of the Bank to do so.

### **Taxation**

The Bank, its property, other assets, income and the operations and transactions it carries out are exempt from all taxation and from all customs duties in the member states.

Securities issued by the Bank and the interest on them will ordinarily not be exempt from taxation. However, under the ADB Agreement, the securities and the interest paid on them are not subject to any tax by a member of the Bank: (i) which discriminates against the Securities solely because they are issued by the Bank; or (ii) if the sole jurisdictional basis of the tax is the location of any office or place of business maintained by the Bank.

The Bank is also exempt from any obligation relating to the payment, withholding or collection of tax.

## **SELLING RESTRICTIONS**

### **1. General**

All applicable laws and regulations must be observed in any jurisdiction in which Notes may be offered, sold or delivered. No person may directly or indirectly offer, sell, resell, reoffer or deliver Notes or distribute any document, circular, advertisement or other offering material in any country or jurisdiction except under circumstances that will result, to the best of its knowledge and belief, in compliance with all applicable laws and regulations.

### **2. The United States of America**

Under the provisions of Section 9(A) of the African Development Bank Act, the Notes are exempted securities within the meaning of Section 3(a)(2) of the Securities Act and Section 3(a)(12) of the United States Securities Exchange Act of 1934, as amended.

### **3. The United Kingdom**

In relation to each issue of Notes, the Dealer purchasing such Notes has represented to and agreed with, or will represent to and agree with, the Issuer that it has complied and will comply with all applicable provisions of the Financial Services Act 1986 with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

### **4. Japan**

The Notes have not been and will not be registered under the Securities and Exchange Law of Japan and, accordingly, each Dealer has undertaken that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person except under circumstances which result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan, include any corporation or other entity organised under the laws of Japan.

**Form of Multicurrency Global Note  
(Interest Bearing/Discounted/Index-Linked)**

**[This Global Note constitutes Interest Bearing/Discounted/Index-Linked\* Commercial Paper  
issued in accordance with an exemption under the Banking Act 1987]<sup>1</sup>**

**AFRICAN DEVELOPMENT BANK**

No:.....	Series No: .....
Issued in London on:.....	Maturity Date: .....
Specified Currency: .....	Denomination: .....
Nominal Amount:..... (words and figures if a Sterling Note)	Reference Rate: LIBOR/EURIBOR <sup>2</sup> .....
Calculation Agent: <sup>3</sup> ..... (Principal)	Minimum Redemption Amount: £100,000 <sup>4</sup> ..... (one hundred thousand pounds)
Fixed Interest Rate: <sup>5</sup> .....% per annum	Margin: <sup>6</sup> .....%
Calculation Agent: <sup>6</sup> ..... (Interest)	Interest Payment Dates: <sup>7</sup> .....

1. For value received, AFRICAN DEVELOPMENT BANK (the "Issuer") promises to pay to the bearer of this Global Note on the above-mentioned Maturity Date:
- (a) the above-mentioned Nominal Amount; or
  - (b) if this Global Note is index-linked, an amount (representing either principal or interest) to be calculated by the Calculation Agent named above, in accordance with the redemption or interest calculation, a copy of which is attached to this Global Note and/or is available for inspection at the offices of the Paying Agent referred to below,
- together with interest thereon at the rate and at the times (if any) specified herein.

All such payments shall be made in accordance with a note agency agreement dated ● 1999 between the Issuer, the issue agent and the paying agents referred to therein, a copy of which is available for inspection at the offices of Citibank, N.A. (the "Paying Agent") at 5 Carmelite Street, London EC4Y 0PA, and subject to and in accordance with the terms and conditions set forth below. All such payments shall be made upon presentation and surrender of this Global Note at the offices of the Paying Agent referred to above by transfer to an account denominated in the above-mentioned Specified Currency maintained by the bearer in the principal financial centre in the country of that currency or, in the case of a Global Note denominated in euro, by transfer to a euro account (or any other account to which euro may be credited or transferred) maintained by the payee with, a bank in the principal financial centre of any member state of the European Union.

2. This Global Note is issued in representation of an issue of Notes in the above-mentioned aggregate Nominal Amount.
3. This Global Note and any interest thereon will not be exempt from taxation generally. Under the Agreement Establishing the African Development Bank as in force from time to time (the "ADB Agreement"), this Global Note and any interest thereon are not subject to any tax by a member country (a) which tax discriminates against this Global Note solely because it was issued by the Issuer or (b) if the sole jurisdictional basis for the tax is the place or currency in which this Global Note is issued, made payable or paid, or the location of any office or place of business maintained by the Issuer. Under the ADB Agreement, the Issuer is exempt from any obligation relating to the payment, withholding or collection of any tax. Accordingly, any interest due on this Global Note will be paid to the Paying Agent without deduction in respect of any tax.
4. The payment obligation of the Issuer represented by this Global Note (i) is not the obligation of any government and (ii) constitutes and at all times shall constitute a direct and unsecured obligation of the Issuer ranking *pari passu* without any preference with all present and future unsecured and unsubordinated indebtedness of the Issuer.
5. If the Maturity Date or, if applicable, the relevant Interest Payment Date is not a Payment Business Day (as defined herein) payment in respect hereof will not be made and credit or transfer instructions shall not be given until the next following Payment Business Day and the bearer of this Global Note shall not be entitled to any interest or other sums in respect of such postponed payment.

As used in this Global Note:

"Payment Business Day" means any day other than a Saturday or Sunday which is both (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant place of presentation, and (B) either (i) if the above-mentioned Specified Currency is any currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in both London and the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars, shall be Sydney) or (ii) if the above-mentioned Specified Currency is euro, a day which is a TARGET Business Day; and

"TARGET Business Day" means a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) System, or any successor thereto, is operating credit or transfer instructions in respect of payments in euro.

\* Delete as appropriate. For Global Notes in respect of which the Issuer accepts the issue proceeds in the United Kingdom (e.g. Sterling Notes), the title must accurately reflect any unusual features of the Note to comply with paragraph 9(c) of the Bank of England Notice dated 18 March 1997.

<sup>1</sup> Applicable only if a Global Note in respect of which the Issuer accepts the issue proceeds in the United Kingdom (e.g. Sterling Notes).

<sup>2</sup> Delete as appropriate. The reference rate will be LIBOR unless this Global Note is denominated in euro and the Issuer and the relevant Dealer agree that the reference rate should be EURIBOR.

<sup>3</sup> Complete for index-linked Notes only.

<sup>4</sup> Delete if not Sterling index linked note.

<sup>5</sup> Complete for fixed rate interest bearing Notes only.

<sup>6</sup> Complete for floating rate interest bearing Notes only.

<sup>7</sup> Complete for interest bearing Notes.

6. This Global Note is negotiable and, accordingly, title hereto shall pass by delivery and the bearer shall be treated as being absolutely entitled to receive payment upon due presentation hereof (notwithstanding any notation of ownership or other writing thereon or notice of any previous loss or theft thereof).
7. This Global Note is issued in respect of an issue of Notes of the Issuer and is exchangeable in whole (but not in part only) for duly executed and authenticated bearer Notes in definitive form (whether before, on or, subject as provided below, after the Maturity Date):
  - (a) if the Euroclear System or Cedelbank are closed for a continuous period of 14 days (other than by reason of public holidays); or
  - (b) if default is made in the payment of any amount payable in respect of this Global Note.

Upon presentation and surrender of this Global Note during normal business hours to the Issuer at the offices of the Paying Agent (or to any other person or at any other office outside the United States as may be designated in writing by the Issuer to the bearer), the Issue Agent shall authenticate and deliver, in exchange for this Global Note, bearer definitive notes denominated in the above-mentioned Specified Currency in an aggregate nominal amount equal to the Nominal Amount of this Global Note.
8. If, upon any such default and following such surrender, definitive Notes are not issued in full exchange for this Global Note before 5.00 p.m. (London time) on the thirtieth day after surrender, this Global Note (including the obligation hereunder to issue definitive notes) will become void and the bearer will have no further rights under this Global Note (but without prejudice to the rights which the bearer or any other person may have under a Deed of Covenant dated ● 1999, entered into by the Issuer).
9. If this is an interest bearing Global Note, then:
  - (a) notwithstanding the provisions of paragraph 1 above, if any payment of interest in respect of this Global Note falling due for payment prior to the above-mentioned Maturity Date remains unpaid on the fifteenth day after falling so due, the amount referred to in part (a) or (b) (as the case may be) of paragraph 1 shall be payable on such fifteenth day; and
  - (b) upon each payment of interest (if any) prior to the Maturity Date in respect of this Global Note, the Schedule hereto shall be duly completed by the Paying Agent to reflect such payment.
10. If this is a fixed rate interest bearing Global Note, interest shall be calculated on the Nominal Amount as follows:
  - (a) interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days or, if this Global Note is denominated in Sterling, 365 days at the above-mentioned Interest Rate with the resulting figure being rounded to the nearest amount of the above-mentioned Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards); and
  - (b) the period beginning on the Issue Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is an "Interest Period" for the purposes of this paragraph.
11. If this is a floating rate interest bearing Global Note, interest shall be calculated on the Nominal Amount as follows:
  - (a) in the case of a Global Note which specifies LIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of LIBOR and the above-mentioned Margin (if any) above or below LIBOR. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days or, if this Global Note is denominated in Sterling, 365 days.  
 As used in this Global Note:  
 "LIBOR" shall be equal to the rate defined as "LIBOR-BBA" in respect of the above-mentioned Specified Currency (as defined in the 1991 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended by the 1998 Supplement to the 1991 ISDA Definitions, and as amended, updated or replaced as at the date of this Global Note, (the "ISDA Definitions")) as at 11.00 a.m. (London time) or as near thereto as practicable on the second London Banking Day before the first day of the relevant Interest Period or, if this Global Note is denominated in Sterling, on the first day thereof (a "LIBOR Interest Determination Date"); and  
 "London Banking Day" shall mean a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London;
  - (b) in the case of a Global Note which specifies EURIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of EURIBOR and the above-mentioned Margin (if any) above or below EURIBOR. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days.  
 As used in this Global Note, "EURIBOR" shall be equal to EUR-EURIBOR-Telerate (as defined in the ISDA Definitions) as at 11.00 a.m. (Brussels time) or as near thereto as practicable on the second TARGET Business Day before the first day of the relevant Interest Period (a "EURIBOR Interest Determination Date");
  - (c) the Calculation Agent will, as soon as practicable after 11.00 a.m. (London time) on each LIBOR Interest Determination Date or 11.00 a.m. (Brussels time) on each EURIBOR Interest Determination Date (as the case may be), determine the Rate of Interest and calculate the amount of interest payable (the "Amount of Interest") for the relevant Interest Period. "Rate of Interest" means (A) if the Reference Rate is EURIBOR, the rate which is determined in accordance with the provisions of paragraph 11(b), and (B) in any other case, the rate which is determined in accordance with the provisions of paragraph 11(a). The Amount of Interest shall be calculated by applying the Rate of Interest to the Nominal Amount of one Note of each denomination, multiplying such product by the actual number of days in the Interest Period concerned divided by 360 or, if this Global Note is denominated in Sterling, by 365 and rounding the resulting figure to the nearest amount of the above-mentioned Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of Interest by the Calculation Agent named above shall (in the absence of manifest error) be final and binding upon all parties;
  - (d) a certificate of the Calculation Agent as to the Rate of Interest payable hereon for any Interest Period shall be conclusive and binding as between the Issuer and the bearer hereof;
  - (e) the period beginning on the Issue Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is called an "Interest Period" for the purposes of this paragraph; and
  - (f) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be published as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to Euroclear and/or Cedelbank or, if this Global Note has been exchanged for bearer definitive Notes pursuant to paragraph 7, will be published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*).
12. If the issue proceeds of this Global Note are accepted by the Issuer in the United Kingdom:
  - (a) the Nominal Amount or Minimum Redemption Amount (as applicable) shall be not less than £100,000;

- (b) the Issuer confirms (i) that this Global Note represents commercial paper issued under an exemption from the Banking Act 1987, (ii) that the Issuer is not an institution authorised under the Banking Act 1987 or a European authorised institution, (iii) that repayment of the principal and payment of any interest or premium in connection with this Global Note has not been guaranteed; and
  - (c) notwithstanding the provisions of paragraph 7, this Global Note is exchangeable for duly executed and authenticated bearer Notes in definitive form at any time upon the request of the bearer and otherwise in accordance with the provisions of paragraph 7.
13. Instructions for payment must be received at the offices of the Paying Agent referred to above together with this Global Note as follows:
- (a) if this Global Note is denominated in Australian dollars, New Zealand dollars, Hong Kong dollars or Japanese Yen, at least two Business Days prior to the relevant payment date;
  - (b) if this Global Note is denominated in United States dollars, Canadian dollars or Sterling, on or prior to the relevant payment date; and
  - (c) in all other cases, at least one Business Day prior to the relevant payment date.
- As used in this paragraph, "Business Day" means:
- (i) a day other than a Saturday or Sunday on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London; and
  - (ii) in the case of payments in euro, a TARGET Business Day and, in all other cases, a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre in the country of the above-mentioned Specified Currency.
14. This Global Note shall not be validly issued unless manually authenticated by Citibank, N.A. as issue agent.
15. This Global Note is governed by, and shall be construed in accordance with, English law.
16. (a) *Jurisdiction*: the Issuer agrees for the benefit of the bearer that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with this Global Note (respectively, "Proceedings" and "Disputes") and, for such purposes, irrevocably submits to the jurisdiction of such courts.
- (b) *Appropriate forum*: The Issuer irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.
- (c) *Service of process*: The Issuer agrees that the process by which any Proceedings in England are begun may be served on it by being delivered to Law Debenture Corporate Services Limited at Princes House, 95 Gresham Street, London EC2V 7LY, England (Tel: +44 171 696 5242, Fax: +44 171 696 5262) or, if different, its registered office for the time being. If such person is not or ceases to be effectively appointed to accept service of process on the Issuer's behalf, the Issuer shall, on the written demand of the bearer addressed to the Issuer and delivered to the Issuer or to the offices of the Paying Agent, appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, the bearer shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the offices of the Paying Agent. Nothing in this paragraph shall affect the right of the bearer to serve process in any other manner permitted by law.
- (d) *Non-exclusivity*: The submission to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of the bearer to take Proceedings in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by law.
- (e) *Consent to enforcement etc.*: The Issuer consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.
- (f) Notwithstanding the Issuer's submission to jurisdiction, the Issuer's property and assets, wherever located and by whomsoever held, shall be immune from:
- (i) all forms of seizure, attachment or execution before delivery of final judgment against the Issuer, in accordance with and pursuant to Article 52(2) of the ADB Agreement;
  - (ii) search, requisition, confiscation, expropriation or any other form of taking or foreclosure by executive or legislative action, in accordance with and pursuant to Article 53(1) of the ADB Agreement; and
  - (iii) restrictions, regulations controls and moratoria of any nature, in accordance with and pursuant to Article 54 of the ADB Agreement.
- (g) The archives of the Issuer and, in general, all documents belonging to it, or held by it, shall be inviolable, wherever located, in accordance with and pursuant to Article 53(2) of the ADB Agreement.

AUTHENTICATED by  
 CITIBANK, N.A.  
 Without recourse, warranty or liability and for authentication  
 purposes only

Signed on behalf of:  
 AFRICAN DEVELOPMENT BANK

By:.....  
 (Authorised Signatory)

By:.....  
 (Authorised Signatory)

**SCHEDULE**

**PAYMENTS OF INTEREST**

The following payments of interest in respect of this Global Note have been made:

<i>Date Made</i>	<i>Payment From</i>	<i>Payment To</i>	<i>Amount Paid</i>	<i>Notation on behalf of Paying Agent</i>
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....

**Pro-forma Redemption or Interest Calculation  
(Index linked Global Note)**

This is the Redemption or Interest Calculation relating to the attached index-linked Global Note:

Calculation Date: .....

Calculation Agent: .....

<sup>1</sup>[Minimum Redemption Amount (per Note):           £100,000 (for Sterling Notes only)]

Redemption Amount:                   to be calculated by the Calculation Agent as follows:  
  
  [Insert particulars of index and redemption calculation]  
  
  [Indicate whether the calculation refers to principal or coupon]

Confirmed:  
  
.....

For AFRICAN DEVELOPMENT BANK

Note: The Calculation Agent is required to notify the Principal Paying Agent for the Notes of the Redemption Amount immediately upon completing its calculation of the same.

<sup>1</sup> Delete if not a sterling linked Note.

**Form of Multicurrency Definitive Note  
(Interest Bearing/Discounted/Index-Linked)\***

**AFRICAN DEVELOPMENT BANK**

No:..... Series No: .....

Issued in London on:..... Maturity Date: .....

Specified Currency:..... Denomination: .....

Nominal Amount:..... Reference Rate: LIBOR/EURIBOR<sup>1</sup>.....

Calculation Agent:<sup>2</sup>..... Fixed Interest Rate:<sup>3</sup>.....% per annum  
(Principal)

Margin:<sup>4</sup>..... % Calculation Agent:<sup>4</sup>.....  
(Interest)

Interest Payment Dates:<sup>5</sup>.....

1. For value received, AFRICAN DEVELOPMENT BANK (the "Issuer") promises to pay to the bearer of this Note on the above-mentioned Maturity Date:
  - (a) the above-mentioned Nominal Amount; or
  - (b) if this Note is index-linked, an amount (representing either principal or interest) to be calculated by the Calculation Agent named above, in accordance with the redemption or interest calculation, a copy of which is attached to this Note and/or is available for inspection at the offices of the Paying Agent referred to below,together with interest thereon at the rate and at the times (if any) specified herein.

All such payments shall be made in accordance with a note agency agreement dated ● 1999 between the Issuer, the issue agent and the paying agents referred to therein, a copy of which is available for inspection at the offices of Citibank, N.A. (the "Paying Agent") at 5 Carmelite Street, London EC4Y 0PA, and subject to and in accordance with the terms and conditions set forth below. All such payments shall be made upon presentation and surrender of this Note at the offices of the Paying Agent referred to above by transfer to an account denominated in the above-mentioned Specified Currency maintained by the bearer in the principal financial centre in the country of that currency or, in the case of a Note denominated in euro, by transfer to a euro account (or any other account to which euro may be credited or transferred) maintained by the payee with, a bank in the principal financial centre of any member state of the European Union.

2. This Note is issued in representation of an issue of Notes in the above-mentioned aggregate Nominal Amount.
3. This Note and any interest thereon will not be exempt from taxation generally. Under the Agreement Establishing the African Development Bank as in force from time to time (the "ADB Agreement"), this Note and any interest thereon are not subject to any tax by a member country (a) which tax discriminates against this Note solely because it was issued by the Issuer or (b) if the sole jurisdictional basis for the tax is the place or currency in which this Note is issued, made payable or paid, or the location of any office or place of business maintained by the Issuer. Under the ADB Agreement, the Issuer is exempt from any obligation relating to the payment, withholding or collection of any tax. Accordingly, any interest due on this Note will be paid to the Paying Agent without deduction in respect of any tax.
4. The payment obligation of the Issuer represented by this Note (i) is not the obligation of any government and (ii) constitutes and at all times shall constitute a direct and unsecured obligation of the Issuer ranking *pari passu* without any preference with all present and future unsecured and unsubordinated indebtedness of the Issuer.
5. If the Maturity Date or, if applicable, the relevant Interest Payment Date is not a Payment Business Day (as defined herein) payment in respect hereof will not be made and credit or transfer instructions shall not be given until the next following Payment Business Day and the bearer of this Note shall not be entitled to any interest or other sums in respect of such postponed payment.

As used in this Note:

"Payment Business Day" means any day other than a Saturday or Sunday which is both (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant place of presentation, and (B) either (i) if the above-mentioned Specified Currency is any currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in both London and the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars, shall be Sydney) or (ii) if the above-mentioned Specified Currency is euro, a day which is a TARGET Business Day; and

"TARGET Business Day" means a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) System, or any successor thereto, is operating credit or transfer instructions in respect of payments in euro.

6. This Note is negotiable and, accordingly, title hereto shall pass by delivery and the bearer shall be treated as being absolutely entitled to receive payment upon due presentation hereof (notwithstanding any notation of ownership or other writing thereon or notice of any previous loss or theft thereof).
7. If this is an interest bearing Note, then:
  - (a) notwithstanding the provisions of paragraph 1 above, if any payment of interest in respect of this Note falling due for payment prior to the above-mentioned Maturity Date remains unpaid on the fifteenth day after falling so due, the amount referred to in part (a) or (b) (as the case may be) of paragraph 1 shall be payable on such fifteenth day; and

\* This form of Definitive Note is not to be used if the Issuer accepts the issue proceeds in the United Kingdom (e.g. Sterling Notes).

<sup>1</sup> Delete as appropriate. The reference rate will be LIBOR unless this Note is denominated in euro and the Issuer and the relevant Dealer agree that the reference rate should be EURIBOR.

<sup>2</sup> Complete for index-linked Notes only.

<sup>3</sup> Complete for fixed rate interest bearing Notes only.

<sup>4</sup> Complete for floating rate interest bearing Notes only.

<sup>5</sup> Complete for interest bearing Notes.

- (b) upon each payment of interest (if any) prior to the Maturity Date in respect of this Note, the Schedule hereto shall be duly completed by the Paying Agent to reflect such payment.
8. If this is a fixed rate interest bearing Note, interest shall be calculated on the Nominal Amount as follows:
- (a) interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days at the above-mentioned Interest Rate with the resulting figure being rounded to the nearest amount of the above-mentioned Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards); and
- (b) the period beginning on the Issue Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is an "Interest Period" for the purposes of this paragraph.
9. If this is a floating rate interest bearing Note, interest shall be calculated on the Nominal Amount as follows:
- (a) in the case of a Note which specifies LIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of LIBOR and the above-mentioned Margin (if any) above or below LIBOR. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days.
- As used in this Note:
- "LIBOR" shall be equal to the rate defined as "LIBOR-BBA" in respect of the above-mentioned Specified Currency (as defined in the 1991 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended by the 1998 Supplement to the 1991 ISDA Definitions, and as amended, updated or replaced as at the date of this Note, (the "ISDA Definitions")) as at 11.00 a.m. (London time) or as near thereto as practicable on the second London Banking Day before the first day of the relevant Interest Period (a "LIBOR Interest Determination Date"); and
- "London Banking Day" shall mean a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London;
- (b) in the case of a Note which specifies EURIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of EURIBOR and the above-mentioned Margin (if any) above or below EURIBOR. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days.
- As used in this Note, "EURIBOR" shall be equal to EUR-EURIBOR-Telorate (as defined in the ISDA Definitions) as at 11.00 a.m. (Brussels time) or as near thereto as practicable on the second TARGET Business Day before the first day of the relevant Interest Period (a "EURIBOR Interest Determination Date");
- (c) the Calculation Agent will, as soon as practicable after 11.00 a.m. (London time) on each LIBOR Interest Determination Date or 11.00 a.m. (Brussels time) on each EURIBOR Interest Determination Date (as the case may be), determine the Rate of Interest and calculate the amount of interest payable (the "Amount of Interest") for the relevant Interest Period. "Rate of Interest" means (A) if the Reference Rate is EURIBOR, the rate which is determined in accordance with the provisions of paragraph 11(b), and (B) in any other case, the rate which is determined in accordance with the provisions of paragraph 11(a). The Amount of Interest shall be calculated by applying the Rate of Interest to the Nominal Amount of one Note of each denomination, multiplying such product by the actual number of days in the Interest Period concerned divided by 360 and rounding the resulting figure to the nearest amount of the above-mentioned Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of Interest by the Calculation Agent named above shall (in the absence of manifest error) be final and binding upon all parties;
- (d) a certificate of the Calculation Agent as to the Rate of Interest payable hereon for any Interest Period shall be conclusive and binding as between the Issuer and the bearer hereof;
- (e) the period beginning on the Issue Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is called an "Interest Period" for the purposes of this paragraph; and
- (f) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be published as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to Euroclear and/or Cedelbank will be published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*).
10. Instructions for payment must be received at the offices of the Paying Agent referred to above together with this Note as follows:
- (a) if this Note is denominated in Australian dollars, New Zealand dollars, Hong Kong dollars or Japanese Yen, at least two Business Days prior to the relevant payment date;
- (b) if this Note is denominated in United States dollars or Canadian dollars, on or prior to the relevant payment date; and
- (c) in all other cases, at least one Business Day prior to the relevant payment date.
- As used in this paragraph, "Business Day" means:
- (i) a day other than a Saturday or Sunday on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London; and
- (ii) in the case of payments in euro, a TARGET Business Day and, in all other cases, a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre in the country of the above-mentioned Specified Currency.
11. This Note shall not be validly issued unless manually authenticated by Citibank, N.A. as issue agent.
12. This Note is governed by, and shall be construed in accordance with, English law.
13. (a) *Jurisdiction*: the Issuer agrees for the benefit of the bearer that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with this Note (respectively, "Proceedings" and "Disputes") and, for such purposes, irrevocably submits to the jurisdiction of such courts.
- (b) *Appropriate forum*: The Issuer irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.

- (c) *Service of process*: The Issuer agrees that the process by which any Proceedings in England are begun may be served on it by being delivered to Law Debenture Corporate Services Limited at Princes House, 95 Gresham Street, London EC2V 7LY, England (Tel: +44 171 696 5242, Fax: +44 171 696 5262) or, if different, its registered office for the time being. If such person is not or ceases to be effectively appointed to accept service of process on the Issuer's behalf, the Issuer shall, on the written demand of the bearer addressed to the Issuer and delivered to the Issuer or to the offices of the Paying Agent, appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, the bearer shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the offices of the Paying Agent. Nothing in this paragraph shall affect the right of the bearer to serve process in any other manner permitted by law.
- (d) *Non-exclusivity*: The submission to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of the bearer to take Proceedings in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by law.
- (e) *Consent to enforcement etc.*: The Issuer consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.
- (f) Notwithstanding the Issuer's submission to jurisdiction, the Issuer's property and assets, wherever located and by whomsoever held, shall be immune from:
  - (i) all forms of seizure, attachment or execution before delivery of final judgment against the Issuer, in accordance with and pursuant to Article 52(2) of the ADB Agreement;
  - (ii) search, requisition, confiscation, expropriation or any other form of taking or foreclosure by executive or legislative action, in accordance with and pursuant to Article 53(1) of the ADB Agreement; and
  - (iii) restrictions, regulations controls and moratoria of any nature, in accordance with and pursuant to Article 54 of the ADB Agreement.
- (g) The archives of the Issuer and, in general, all documents belonging to it, or held by it, shall be inviolable, wherever located, in accordance with and pursuant to Article 53(2) of the ADB Agreement.

**AUTHENTICATED** by  
**CITIBANK, N.A.**  
 Without recourse, warranty or liability and for authentication purposes only

Signed on behalf of:  
**AFRICAN DEVELOPMENT BANK**

By:.....  
 (Authorised Signatory)

By:.....  
 (Authorised Signatory)

**SCHEDULE**

**PAYMENTS OF INTEREST**

The following payments of interest in respect of this Note have been made:

<i>Date Made</i>	<i>Payment From</i>	<i>Payment To</i>	<i>Amount Paid</i>	<i>Notation on behalf of Paying Agent</i>
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....

**Pro-forma Redemption or Interest Calculation  
 (Index linked Note)**

This is the Redemption or Interest Calculation relating to the attached index-linked Note:

Calculation Date: .....

Calculation Agent: .....

Redemption Amount: to be calculated by the Calculation Agent as follows:

[Insert particulars of index and redemption calculation]

[Indicate whether the calculation refers to principal or coupon]

Confirmed:  
 .....

For **AFRICAN DEVELOPMENT BANK**

Note: The Calculation Agent is required to notify the Principal Paying Agent for the Notes of the Redemption Amount immediately upon completing its calculation of the same.

**Form of Definitive Note  
(for use where the Issuer accepts the  
proceeds of issue in the United Kingdom)**

**This Note constitutes Interest Bearing/Discounted/Index-Linked<sup>1</sup> Commercial Paper  
issued in accordance with an exemption under the Banking Act 1987**

£[100,000][500,000][1,000,000]

**AFRICAN DEVELOPMENT BANK**

No:.....	Series No: .....
Issued in London on:.....	Maturity Date: .....
Denomination: .....	Nominal Amount: .....
	<i>(words and figures)</i>
Calculation Agent: <sup>2</sup> ..... <i>(Principal)</i>	Minimum Redemption Amount: £100,000..... <i>(one hundred thousand pounds)</i>
Fixed Interest Rate: <sup>3</sup> .....% per annum	Margin: <sup>4</sup> ..... %
Calculation Agent: <sup>4</sup> .....	Interest Payment Dates: <sup>5</sup> ..... <i>(Interest)</i>

1. For value received, AFRICAN DEVELOPMENT BANK (the "Issuer") promises to pay to the bearer of this Note on the above-mentioned Maturity Date:
- (a) the above-mentioned Nominal Amount; or
  - (b) if this Note is index-linked, an amount (representing either principal or interest) to be calculated by the Calculation Agent named above, in accordance with the redemption or interest calculation, a copy of which is attached to this Note and/or is available for inspection at the offices of the Paying Agent referred to below,

together with interest thereon at the rate and at the times (if any) specified on the reverse of this Note. All such payments shall be made in accordance with a note agency agreement dated ● 1999 between the Issuer, the issue agent and the paying agents referred to therein, a copy of which is available for inspection at the offices of Citibank, N.A. (the "Paying Agent") at 5 Carmelite Street, London EC4Y 0PA, and subject to and in accordance with the terms and conditions set forth below. All such payments shall be made upon presentation and surrender of this Note at the offices of the Paying Agent referred to above by transfer to a sterling account maintained by the bearer in London.

2. This Note and any interest thereon will not be exempt from taxation generally. Under the Agreement Establishing the African Development Bank as in force from time to time (the "ADB Agreement"), this Note and any interest thereon are not subject to any tax by a member country (a) which tax discriminates against this Note solely because it was issued by the Issuer or (b) if the sole jurisdictional basis for the tax is the place or currency in which this Note is issued, made payable or paid, or the location of any office or place of business maintained by the Issuer. Under the ADB Agreement, the Issuer is exempt from any obligation relating to the payment, withholding or collection of any tax. Accordingly, any interest due on this Note will be paid to the Paying Agent without deduction in respect of any tax.
3. The payment obligation of the Issuer represented by this Note (i) is not the obligation of any government and (ii) constitutes and at all times shall constitute a direct and unsecured obligation of the Issuer ranking *pari passu* without any preference with all present and future unsecured and unsubordinated indebtedness of the Issuer.
4. If the Maturity Date or, if applicable, the relevant Interest Payment Date is not a Payment Business Day (as defined herein) payment in respect hereof will not be made and credit or transfer instructions shall not be given until the next following Payment Business Day and the bearer of this Note shall not be entitled to any interest or other sums in respect of such postponed payment. As used in this Note, "Payment Business Day" means any day other than a Saturday or Sunday which is a day on which commercial banks and foreign exchange markets settle payments and are open for general business
5. This Note is negotiable and, accordingly, title hereto shall pass by delivery and the bearer shall be treated as being absolutely entitled to receive payment upon due presentation hereof (notwithstanding any notation of ownership or other writing thereon or notice of any previous loss or theft thereof).
6. The Nominal Amount or Minimum Redemption Amount (as applicable) of this Note shall be not less than £100,000. The Issuer confirms (a) that this Note represents commercial paper issued under an exemption from the Banking Act 1987, (b) that the Issuer is not an institution authorised under the Banking Act 1987 or a European authorised institution and (c) that repayment of the principal and payment of any interest or premium in connection with this Note has not been guaranteed.
7. This Note shall not be validly issued unless manually authenticated by Citibank, N.A. as issue agent.
8. This Note is governed by, and shall be construed in accordance with, English law.
9. (a) *Jurisdiction*: the Issuer agrees for the benefit of the bearer that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with this Note (respectively, "Proceedings" and "Disputes") and, for such purposes, irrevocably submits to the jurisdiction of such courts.

<sup>1</sup> Delete as appropriate. Note that the title must accurately reflect any unusual features of the Notes to comply with paragraph 9(c) of the Bank of England Notice dated 18 March 1997.

<sup>2</sup> Complete for index-linked Notes only.

<sup>3</sup> Complete for fixed rate interest bearing Notes only.

<sup>4</sup> Complete for floating rate interest bearing Notes only.

<sup>5</sup> Complete for interest bearing Notes.

- (b) *Appropriate forum:* The Issuer irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.
- (c) *Service of process:* The Issuer agrees that the process by which any Proceedings in England are begun may be served on it by being delivered to Law Debenture Corporate Services Limited at Princes House, 95 Gresham Street, London EC2V 7LY, England (Tel: +44 171 696 5242, Fax: +44 171 696 5262) or, if different, its registered office for the time being. If such person is not or ceases to be effectively appointed to accept service of process on the Issuer's behalf, the Issuer shall, on the written demand of the bearer addressed to the Issuer and delivered to the Issuer or to the offices of the Paying Agent, appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, the bearer shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the offices of the Paying Agent. Nothing in this paragraph shall affect the right of the bearer to serve process in any other manner permitted by law.
- (d) *Non-exclusivity:* The submission to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of the bearer to take Proceedings in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by law.
- (e) *Consent to enforcement etc.:* The Issuer consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.
- (f) Notwithstanding the Issuer's submission to jurisdiction, the Issuer's property and assets, wherever located and by whomsoever held, shall be immune from:
  - (i) all forms of seizure, attachment or execution before delivery of final judgment against the Issuer, in accordance with and pursuant to Article 52(2) of the ADB Agreement;
  - (ii) search, requisition, confiscation, expropriation or any other form of taking or foreclosure by executive or legislative action, in accordance with and pursuant to Article 53(1) of the ADB Agreement; and
  - (iii) restrictions, regulations controls and moratoria of any nature, in accordance with and pursuant to Article 54 of the ADB Agreement.
- (g) The archives of the Issuer and, in general, all documents belonging to it, or held by it, shall be inviolable, wherever located, in accordance with and pursuant to Article 53(2) of the ADB Agreement.

AUTHENTICATED by  
 CITIBANK, N.A.  
 Without recourse, warranty or liability and for authentication  
 purposes only

Signed on behalf of:  
 AFRICAN DEVELOPMENT BANK

By:.....  
 (Authorised Signatory)

By:.....  
 (Authorised Signatory)

By:.....  
 (Authorised Signatory)

[On the Reverse]

- (A) If this is an interest bearing Note, then:
- (a) notwithstanding the provisions of paragraph 1 above, if any payment of interest in respect of this Note falling due for payment prior to the above-mentioned Maturity Date remains unpaid on the fifteenth day after falling so due, the amount referred to in part (a) or (b) (as the case may be) of paragraph 1 shall be payable on such fifteenth day; and
  - (b) upon each payment of interest (if any) prior to the Maturity Date in respect of this Note, the Schedule hereto shall be duly completed by the Paying Agent to reflect such payment.
- (B) If this is a fixed rate interest bearing Note, interest shall be calculated on the Nominal Amount as follows:
- (a) interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 365 days at the above-mentioned Interest Rate with the resulting figure being rounded to the nearest penny (with halves being rounded upwards); and
  - (b) the period beginning on the Issue Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is an "Interest Period" for the purposes of this paragraph (B).
- (C) If this is a floating rate interest bearing Note, interest shall be calculated on the Nominal Amount as follows:
- (a) the Rate of Interest will be the aggregate of LIBOR and the above-mentioned Margin (if any) above or below LIBOR. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 365 days. As used in this Note, "LIBOR" shall be equal to the rate defined as "LIBOR-BBA" in respect of Sterling (as defined in the 1991 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended by the 1998 Supplement to the 1991 ISDA Definitions, and as amended, updated or replaced as at the date of this Note,) as at 11.00 a.m. (London time) or as near thereto as practicable on the first day of the relevant Interest Period.
  - (b) the Calculation Agent will, as soon as practicable after 11.00 a.m. (London time) on the first day of the relevant Interest Period, determine the Rate of Interest and calculate the amount of interest payable (the "Amount of Interest") for the relevant Interest Period. "Rate of Interest" means the rate which is determined in accordance with the provisions of sub-paragraph (a) above. The Amount of Interest shall be calculated by applying the Rate of Interest to the Nominal Amount of one Note of each denomination, multiplying such product by the actual number of days in the Interest Period concerned divided by 365 and rounding the resulting figure to the nearest penny. The determination of the Rate of Interest and the Amount of Interest by the Calculation Agent named above shall (in the absence of manifest error) be final and binding upon all parties;
  - (c) a certificate of the Calculation Agent as to the Rate of Interest payable hereon for any Interest Period shall be conclusive and binding as between the Issuer and the bearer hereof;
  - (d) the period beginning on the Issue Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is called an "Interest Period" for the purposes of this paragraph (C).

**SCHEDULE  
PAYMENTS OF INTEREST**

The following payments of interest in respect of this Note have been made:

<i>Date Made</i>	<i>Payment From</i>	<i>Payment To</i>	<i>Amount Paid</i>	<i>Notation on behalf of Paying Agent</i>
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....

**Pro-forma Redemption or Interest Calculation  
(Index linked Note)**

This is the Redemption or Interest Calculation relating to the attached index-linked Note:

Calculation Date: .....

Calculation Agent: .....

Minimum Redemption Amount (per Note): £100,000

Redemption Amount: to be calculated by the Calculation Agent as follows:

[Insert particulars of index and redemption calculation]

[Indicate whether the calculation refers to principal or coupon]

Confirmed:

.....

For AFRICAN DEVELOPMENT BANK

Note: The Calculation Agent is required to notify the Paying Agent for the Notes of the Redemption Amount immediately upon completing its calculation of the same.

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