FINANCIAL FRAMEWORK ARRANGEMENT

BETWEEN

ASIAN DEVELOPMENT BANK (ADB)

AND

MONGOLIA

WHEREAS

(A) To respond to the adverse impacts of exogenous shocks, including those resulting from the Middle East conflict and Russia-Ukraine war[1], Mongolia may from time to time request ADB to provide lending to finance its development programs listed in Annex 1.

(B) Mongolia and ADB wish to establish a financial framework arrangement ("Framework Arrangement") within which Mongolia may request for lending from ADB to finance such development programs and the terms and conditions for ADB to provide such lending.

NOW THEREFORE the parties hereto agree as follows:

ARTICLE I

Section 1.01. Subject to the provisions set out in Sections 1.02 and 1.03 below, ADB may provide lending to Mongolia to finance its development programs as mentioned in Annex 1 to this Framework Arrangement.

a) The lending amount shall not exceed the equivalent of four hundred fifty million dollars ($450,000,000), which may be used as regular and concessional loans from ADB's ordinary capital resources.

Section 1.02. The amount to finance each development program shall be as agreed upon in the signed loan agreement and/or facility agreemetnt between ADB and Mongolia. The indicative details of the development programs are set out in Annex 1 hereto.

Section 1.03. For each development program, ADB shall provide lending only in response to a request by Mongolia and after approval by ADB's Board of Directors. This Framework Arrangement does not constitute an obligation on the part of Mongolia to request or on the part of ADB to approve any lending.

ARTICLE II

Section 2.01. The terms and conditions of ADB lending using regular loans from ordinary capital resources shall be governed by (a) the provisions of ADB's Ordinary Operations Loan Regulations Applicable to Regular Loans Made from ADB's Ordinary Capital Resources, dated 1 January 2022; (b) ADB's financing policies; and (c) the relevant loan agreement.

Section 2.02. The terms and conditions of ADB lending using concessional loans from ordinary capital resources shall be governed by (a) the provisions of ADB's Ordinary Operations (Concessional) Loan Regulations Applicable to Concessional Loans Made from ADB's Ordinary

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[1] ADB refers to "Russia-Ukraine war" as "Russia's war in Ukraine".

Capital Resources, dated 1 January 2022; (b) ADB's financing policies; and (c) the relevant loan agreement.

Section 2.03. Mongolia shall implement the development program to be financed through ADB lending in accordance with all applicable ADB policies including those concerning anticorruption measures, safeguards, gender, procurement, consulting services, and disbursement to be described in detail in the relevant loan agreement and/or facility agreement and other loan documents.

ARTICLE III

Section 3.01 This Framework Arrangement may be publicly disclosed by each of the parties in accordance with their respective policies on disclosure and/or access to information.

ARTICLE IV

Section 4.01. This Framework Arrangement will come into effect on the date of ratification by the Parliament of Mongolia and will remain in effect until 2029, or the completion date of the programs listed in Annex 1, whichever is the later. It may be extended for a further period as may be decided in writing by the parties. Either party may terminate this Framework Arrangement in consultation with the other party.

--End of Clauses –

The foregoing record represents the understandings reached between Mongolia and Asian Development Bank upon the matters referred to therein.

Signed in duplicate in Ulaanbaatar, Mongolia, dated ___________ each in the English language, all texts being equally authentic.

For MONGOLIA	For ASIAN DEVELOPMENT BANK
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[ ] Minister Ministry of Finance	[ ] Country Director Mongolia Resident Mission

Annex 1

List of Indictive Programs

No.	Name of Program	Program cost ($ million)
1	Strengthening Fiscal, Financial, and Economic Resilience Program (Subprogram 2)	200.0
2	Contingent Disaster Financing and Resilience Improvement Program	250.0*
	Total	**450.0**

** The amount indicated for the Contingent Disaster Financing and Resilience Improvement Program includes (i) an initial amount of $125 million and (ii) a maximum of one potential replenishments each in an amount of up to $125 million.*