

# Request for Hedging Products

## Interest Rate Cap or Collar for an IBRD Hedge

### Borrower's Explanatory Statement for the Hedge Request:

The borrower's hedge selection, as requested, and the reasons for this selection, are as follows:

We represent that:

- (a) we have made our own independent decision to request this hedging transaction;
- (b) we are not relying on any communication or confirmation from IBRD as a recommendation to request such hedging transaction;
- (c) unless expressly agreed with IBRD by separate agreement, IBRD is not acting as a fiduciary for, or an advisor to, us in respect of such hedging transaction;
- (d) we are capable of evaluating and understanding, and understand and accept the terms, conditions and risks of such hedging transaction, and we are also capable of assuming, and assume, the financial risks of such hedging transaction;
- (e) we are undertaking the hedging transaction in order to facilitate prudent debt management as further specified above; and
- (f) our representative signing this Request is authorized to do so.

### Information on the Existing Loan to be Hedged:

Loan Number	<input type="text"/>	Master Derivatives Agreement (MDA)	<input type="text"/>
Loan/Project Name	<input type="text"/>	Date	<input type="text"/>
Loan Signing Date	<input type="text"/>	Parties to MDA	
Loan Closing Date	<input type="text"/>		
Loan Final Maturity Date	<input type="text"/>		
Next Payment Date	<input type="text"/>		
Loan Currency	<input type="text"/>		

### Information on the Requested Hedge:

#### Loan amount to be hedged:

Choose one:

- Hedge the full outstanding loan balance
- Hedge  percent of the outstanding loan balance
- Hedge these particular tranches of the loan:  
*(All tranches listed below must have identical hedge requests. Separate request forms must be submitted for other tranches having different financial terms and conversion requirements.)*

*(tranche numbers)*

Choose one:

- Hedge the full outstanding amount of each tranche above
- Hedge  percent of the outstanding amount of each sub-loan/tranche above

#### Effective Date of the Hedge:

Proposed date that the hedge will take effect

*(For assistance in completing this date, please refer to Section 2.7 of the [Guidelines for Using Hedging Products](#))*

#### Final maturity of the hedge:

Choose one:

- Hedge to the final maturity date of the loan or tranches, if market permits
- Hedge only up to and including this date:

*final maturity date of hedge (must correspond with a loan payment date)*

**Cap or Collar Terms:**

**For hedging variable spread loans**

- Choose one:
- Interest rate cap such that the LIBOR will not exceed  %
  - Interest rate collar such that the LIBOR will not exceed  %
  - Zero-cost interest rate collar such that the LIBOR will not exceed  % and will not decline below the floor rate to be determine

**For hedging fixed spread loans**

- Choose one:
- Interest rate cap such that the lending rate will not exceed  %
  - Interest rate collar such that the lending rate will not exceed  %
  - Zero-cost interest rate collar such that the lending rate will not exceed  % and will not decline below the floor rate to be determine

*Optional: Conditional Requests*

Execute transactions related to this hedge request only if:

*For cap or collar:*

- The premium to be paid on the cap or collar is less than or equal to

*For zero-cost collar:*

- The floor on the zero-cost collar is at a strike rate less than or equal to  %.

Special Instructions:

**Authorizations:**

***Specimen signatures of the authorized representatives of the Borrower below must be on file at IBRD before processing of this request may begin.***

Name of Borrower:

By:

*Authorized Representative*

Name:

Telephone:

Title:

Facsimile:

Date:

Email:

**Contact Information for Transaction Confirmation:**

Name:

Title:

Telephone:

Address1:

Facsimile:

Address2:

Email:

**This completed form and any related correspondence should be addressed to:**

Attn: Loan Client Services Section

Loan Client and Financial Services Division International  
Bank for Reconstruction and Development 1818 H  
Street, N.W.  
Washington, D.C. 20433, USA

Telephone: + 1 (202) 458 8330  
Facsimile: + 1 (202) 522 1654