

Notice to customers with a “Tokyo Lucky Star”  
Real-Estate Investment Loan (for Non-Residents of Japan)

As of October 1, 2021

Thank you for using Tokyo Star Bank.

Tokyo Star Bank’s “Tokyo Lucky Star” Real-Estate Investment Loan currently uses LIBOR (\*1) as the benchmark interest rate. Following the cessation of LIBOR publication, as previously announced, effective October 1, 2021, we have decided to switch to an (adjusted) long-term prime rate (\*4) benchmark interest rate (\*2). Affected customers will be sent the Change of Loan Reference Rate (Notice of Switch to Replacement Interest Rate) on the next and subsequent pages, according to the schedule indicated below.

Please do not hesitate to contact us by calling the telephone number listed below if you have any questions. We look forward to continuing to serve you.

Details

Affected customers: customers with a “Tokyo Lucky Star” Real-Estate Investment Loan  
(for Non-Residents of Japan)

Notice: Change of Loan Reference Rate (Notice of Switch to Replacement Interest Rate)

\*See next and subsequent pages.

Anticipated notice issue date: Late October 2021 or thereafter

<Contact point for inquiries>

■ Telephone Inquiries

Tokyo Star Bank Head Office Sales Department +81-3-3224-3838 (weekdays: 9:00-17:00)

Announcement of final LIBOR rate.

Address

We will send a letter to affected customers in late October or thereafter which announces the applicable interest rate and the following information.

Name

October XX, 2021

The Tokyo Star Bank, Limited

## Change of Loan Reference Rate (Notice of Switch to Replacement Interest Rate)

Dear Customer, thank you for taking out a Tokyo Star Bank loan.

We hereby announce, in accordance with our contract with you (Loan Agreement Loan Regulations Article 2, paragraph 3) (★2), that following the cessation of LIBOR (\*1) publication, on October 1, 2021 we completed the switch to an (adjusted) long-term prime rate (\*4) benchmark interest rate (\*2), as announced to affected customers on September 30, 2020 (preliminary notice) and March 17, 2021 (notice of delay to switchover date).

See below for more details.

If you have any questions, please do not hesitate to contact our Head Office Sales Department (contact details listed below).

We look forward to continuing to serve you.

(\*1 to \*5): please refer to Appendix 1 “Explanation of Terms”.

(★2): please refer to Appendix 2 “Details of Contract with Customers (Excerpt)”.

Yours sincerely,

### Details

#### 1. Summary of Change to Benchmark Rate (Reference Rate) (as of October 1, 2021)

The following changes have been made to your “Tokyo Lucky Star” Real-Estate Investment Loan (for Non-Residents of Japan) (“Tokyo Lucky Star”).

- We have changed the benchmark interest rate from LIBOR to Long-term Prime Rate ± Adjustment Range (Adjusted Long Prime Rate).  
(Please refer to the next page for the interest rate that applies to your loan.)
- The benchmark interest rate will continue to fluctuate based on the adjusted long prime rate as of April 1 and October 1 each year.
- You do not need to submit any documents in connection with this change. However, separate procedures will need to be followed if you wish to make an early repayment.

## 2. New interest rate

We will switch to the interest rates shown below.

New interest rate [as of October 1, 2021: switch to adjusted long prime rate]					[Example]
Your new interest rate (3) + (4)		Long-term prime rate (1)	Adjustment range (2)	Adjusted long- term prime rate (1) + (2) = (3)	Spread (4)
<b>[2.156%]</b>	=	1.000%	-1.044%	-0.044%	<b>[2.200%]</b>

We have switched to this interest rate.

Reference [As of October 1, 2021: If the LIBOR benchmark continues to be used]					
Your new interest rate (5) + (4)		LIBOR (5)			Spread (4)
<b>[2.156%]</b>	=	-0.044%			<b>[2.200%]</b>

- ① The Interest rate will be Tokyo Star Bank's long-term prime rate as of September 10, 2021.
- ② Interest rate range adjusted for this switch.
- ③ Total of (1) + (2)
- ④ Spread (\*3) (★1) (added interest rate) determined at the time of executing the initial contract. This item will not change.
- ⑤ Based on the contract, the interest rate will be the 6-month yen LIBOR as of 11:00 a.m. on September 29, 2021 (2 business days prior to the switch to the new benchmark interest rate).

[Point 1] In order to achieve a parallel transition, we set a negative (-) adjustment range ((2)) so that the applicable interest rates will be at the same level.

[Point 2] Going forward, the adjusted long prime rate ((3)) will be the amount obtained by adding the long-prime rate ((1)) and the adjustment range ((2)).

The adjustment range ((2)) is assumed to be a fixed value, so that it will effectively fluctuate in the same range as the change to the long prime rate.

## 3. Determining the adjustment range

Following confirmation of the progress and trends by the Cross-Industry Committee on Japanese Yen Interest Rate Benchmarks (\*5) and careful consideration of market trends and

other decisions being made by other banks, etc., we have decided to adopt a parallel switchover policy.

The applicable interest rate for the switch to the adjusted long prime rate remains unchanged compared to cases in which LIBOR is assumed to continue to be used. Please check that the “LIBOR” section and the “Adjusted Long-Term Prime Rate” section above show the same interest rate.

#### 4. Switchover procedures

The interest rate switch will complete the process of changing the benchmark interest rate.

Note that although we switched from a benchmark interest rate to an adjusted long prime rate from October 1, 2021, the actual change to the repayment amount will apply to repayments made on and after January 26, 2022.

\*Monthly repayment amount

A “Repayment Schedule” postcard will be mailed to you in late December 2021. Note that delivery may be delayed due to the burden on the postal delivery service at the end of the year.

#### 5. Inquiries

##### ■ Telephone inquiries

Tokyo Star Bank Head Office Sales Department Telephone number: +81-3-3224-3838

(Weekdays: 9:00-17:00)

## Information on Early Repayments

As stated above, when changing the benchmark interest rate, we adjusted the benchmark interest rate by an appropriate range so that the level of the applicable interest rate before and after the change will be kept at the same level as when LIBOR was used as the benchmark interest rate wherever possible.

However, LIBOR and the long-term prime rate are different interest rate indices, and future changes in interest rate levels may result in differences from your original repayment plan. If you repay your Tokyo Lucky Star loan in full in light of the differences in the repayment plan, we will waive the early repayment fees during the following period.

[Period for accepting repayment without imposing an early repayment fees]

9:00 on Thursday, July 1, 2021 9:00 to 17:00 on Thursday, March 31, 2022

(Hours: Weekdays 9:00-17:00, closed Saturdays, Sundays and national holidays)

\*Following the postponement of the switchover date announced in March 2021, the final date for accepting early repayment has been extended by three months from the date previously announced. The actual change in the benchmark interest rate to the adjusted long prime rate will take effect on October 1, 2021.

[Notes]

- Please notify us at least 15 business days prior to the scheduled date of full repayment if you require cancellation documents in advance due to refinancing with another bank, etc.
- Please notify us by the business day prior to the scheduled date of full repayment if you do not mind receiving cancellation documents at a later date, such as when paying off your loan using your own funds.
- Partial early repayment is also possible. If making an early repayment at a branch, please ensure you repay at least 1 million yen each time.

[How to make an early repayment]

1. Please call the inquiry number listed above.
2. Please inform a member of staff that you wish to repay your loan due to the cessation of LIBOR publication.

If you require cancellation documents at the same time as making full payment, your contact will provide you with instructions on how to obtain the documents.

End

## [Explanation of Terms]

**\*1 LIBOR**

LIBOR, which stands for London Interbank Offered Rate, is an aggregate, based on certain criteria, of the interest rates for loans traded between banks in the London market. It is widely recognized and used around the world, including in Japan, as a benchmark interest rate for the short-term interest rate market. The 6-month yen LIBOR, which is the interest rate for 6-month Japanese yen is used as the benchmark interest rate for investment condominium loans.

**\*2 Benchmark interest rate**

A benchmark interest rate is an interest rate used as the benchmark (reference) for interest rate fluctuations when borrowing at a variable interest rate.

**\*3 Spread**

Spread is the range of interest rate additions.

**\*4 Long-term prime rate**

The long-term prime rate is the minimum interest rate (the most favorable rate) at which private financial institutions provide loans with a maturity of one year or more to business and personal customers.

You can check Tokyo Star Bank's long-term prime rate of interest by contacting us by telephone or fax. (Telephone number: 03-3224-8930 Fax number: 03-3582-7121)

**\*5 Cross-Industry Committee on Japanese Yen Interest Rate Benchmarks (Secretariat: Bank of Japan)**

It is looking increasingly likely that LIBOR will permanently cease to be published at the end of 2021 and thus the Cross-Industry Committee on Japanese Yen Interest Rate

Benchmarks is conducting various studies focused on how to respond to the cessation of LIBOR publication. Visit the following site for more information:

[https://www.boj.or.jp/paym/market/jpy\\_cmte/index.htm/](https://www.boj.or.jp/paym/market/jpy_cmte/index.htm/) (Japanese only)

## [Details of Contract with Customers (Excerpt)] Loan Agreement

## ★1 [Borrowing Guidelines] (Excerpt)

## 2. Interest rate (variable interest rate)

Initial Year: %

The Bank confirms that the above stated initial interest rate is the initial benchmark interest rate of [ ]% per annum plus [ ]% per annum (spread); provided, however, that the interest rate will change in accordance with the provisions of Article 2 (Interest Rate Changes) of these Loan Regulations.

## ★2 [Loan Regulations] (Excerpt)

## Article 2 (Interest Rate Changes)

- (1) The interest rate (the fourth decimal place or thereafter when shown as a percentage shall be rounded down to three decimal places) during the term of the loan shall be based on the telerate page 3750 (meaning page 3750 of the Dow Jones Telerate Service which shows the London Interbank Offered Rate for yen-denominated money lending transactions, or the succeeded page if the telerate page 3750 has been succeeded by another page, and hereinafter referred to as “JPY LIBOR”) as at 11:00 a.m. London time or as close to 11:00 a.m. as possible after 11:00 a.m. London time on the last business day of the month preceding the reference date (April 1 and October 1 of each year) which is the six-month offered rate (hereinafter referred to as the “Six-month JPY LIBOR”; provided, however that if such interest rate is not published for any reason, the interest rate (expressed as an annual rate) shall be the rate reasonably determined by the Bank as the offered rate for six-month yen loan transactions on the London interbank market at 11:00 a.m. two business days prior to the day immediately preceding the first day of the interest calculation period or at the most recent point in time prior thereto), and shall change to the benchmark rate plus the spread stated in the interest rate section of Borrowing Guidelines 2 (hereinafter referred to as the “Applicable Interest Rate”).

If use of the Six-month JPY LIBOR is abolished, the Bank may change the benchmark interest rate to a rate generally adopted for the same type of loan transaction as the loan based on this Contract, and the comparison with the previous Applicable Interest Rate after the change shall be made in a manner that the Bank deems appropriate. In addition, the same shall also apply when the same benchmark interest rate is abolished.

- (2) The new Applicable Interest Rate shall apply from the day after the June repayment date for that year if the reference date is April 1, and from the day after the December repayment date for that year if the reference date is October 1.



- (3) If the interest rate is changed, the Bank shall promptly notify the Borrower using a form prescribed by the Bank of the new interest rate and the breakdown of the principal and interest on the principal and interest repayment amount.

The following information was posted on January 29, 2021.

January 29, 2021

To All Customers

The Tokyo Star Bank, Limited

Timing of Benchmark Interest Rate Change and Adjustment Range for  
“Tokyo Lucky Star” Real-Estate Investment Loans (for Non-Residents of Japan)

Thank you for taking out a “Tokyo Lucky Star” Real-Estate Investment Loan (for Non-Residents of Japan).

We sent a notice to customers with a Star Real-Estate Investment Loan on October 12, 2020 regarding the cessation of LIBOR publication, entitled “Change of Benchmark Interest Rate for “Tokyo Lucky Star” Real-Estate Investment Loans (for Non-Residents of Japan) (preliminary notice) in which we announced that effective April 1, 2021, the benchmark interest rate will be changed from LIBOR to an adjusted long-term prime rate (“Long Prime Rate”).

However, following careful consideration of the timing of the change and the adjustment range at the time of the change, while also taking into account the opinions of relevant parties both inside and outside Tokyo Star Bank, we have concluded, for the reasons stated below, that we should study the situation for the time being and we have decided to postpone the timing of the change to October 1, 2021.

We intend to send affected customers a Notice of Postponement of the Change in April of this year and another Notice of Determination of Interest Rate which includes the adjustment range in or after October of this year.

In addition, we will announce the adjustment range at the time of change on our website as soon as it has been decided.

We look forward to continuing to serve you.

Details

**1. Change to adjusted long-term prime rate**

As already announced, we will change the benchmark interest rate for “Tokyo Lucky Star” Real-Estate Investment Loans (for Non-Residents of Japan) from LIBOR to a Long Prime Rate.

## 2. Timing of change

The timing of the change to a Long Prime Rate will be postponed as follows.

Initial scheduled date of change: April 1, 2021

New scheduled date of change: October 1, 2021

Reason

- The change of benchmark interest rate to a Long Prime Rate was originally scheduled for April 1, 2021, taking into account the possibility that LIBOR would cease to be published before the end of 2021. However, since LIBOR is currently expected to continue to be published until the end of 2021, and in order to make the change in an appropriate manner while continuing to carefully assess deliberations by the Cross-Industry Committee on Japanese Yen Interest Rate Benchmarks and changes in the market interest rate environment, etc., we have decided to postpone the scheduled date of the change to October 1, 2021.

Please note that we will continue to use LIBOR as the benchmark interest rate from April 1 to September 30, 2021.

[Contact point for inquiries]

■ Telephone inquiries

Dedicated help desk +81-3-3224-3838 (Weekdays: 9:00-17:00 JST)

End

The following information was posted on October 1, 2020.

Notice to customers who have a “Tokyo Lucky Star” Real-Estate Investment Loan  
(for Non-Residents of Japan)

October 1, 2020

Thank you for using Tokyo Star Bank.

We currently use LIBOR as the benchmark interest rate for your Tokyo Lucky Star loan. Due to the increasing possibility that the publication of LIBOR will be permanently suspended at the end of December 2021, we are writing to give affected customers preliminary notice of this change.

Please refer to the next page for details of the documents you will be sent.

Please do not hesitate to contact us by calling the telephone number listed below if you have any questions.

Details

**Inquiries**

■ Telephone inquiries

Dedicated help desk **+81-3-3224-3838** (Weekdays: 9:00-17:00 JST)

Affected customers: customers who took out a Tokyo Lucky Star loan on or before March 31, 2020

Documents you will be sent: Notice to Customers with a Tokyo Lucky Star Loan (see next page)

Issue date: Mid- to late-October 2020 (tentative)

Going forward we will provide updates on developments concerning this change such as information on the adjustment range concept and a notification of applicable interest rates, on this page as appropriate.

We look forward to continuing to serve you.

End

<Notice for Customers with a Tokyo Lucky Star Loan>

Dear \_\_\_\_\_

October XX, 2020  
The Tokyo Star Bank, Limited

Changes to the Benchmark Interest Rate for “Tokyo Lucky Star” Real-Estate Investment Loans  
(for Non-Residents of Japan)  
(preliminary notice)

Dear Customer, thank you for taking out a “Tokyo Lucky Star” Real-Estate Investment Loan  
(for Non-Residents of Japan) (“Tokyo Lucky Star”).

We currently use LIBOR (\*1) as the benchmark interest rate (\*2) for our loans, and we add a spread (\*3) to the interest rate (\*3) (★1). However, there is an increasing possibility that LIBOR publication will permanently cease on December 31, 2021.

We are writing to give you preliminary notice that, in order to maintain transaction stability, from the next fiscal year (starting in April 2021) we intend to change our benchmark interest rate to an adjusted long-term prime rate, which is the Bank’s long-term prime rate (\*4) with an adjustment range added or subtracted, based on our contract with you (Loan Agreement Loan Regulations Article 2.1) (★2).

See below and Appendix 1 and Appendix 2 for more details.

We will notify you of the applicable interest rate after the change has taken effect. You do not need to submit any documents in connection with this change.

Please do not hesitate to contact us by calling the dedicated help desk if you have any questions.

We look forward to continuing to serve you.

Yours sincerely,

(\*1 to \*5): please refer to Appendix 1 “Explanation of Terms”.

(★1-★2): please refer to Appendix 2 “Details of Contract with Customers (Excerpt)”.

Details

## 1. Background to Benchmark Interest Rate Change

A statement by the Chair of the United Kingdom's Financial Conduct Authority in July 2017 has increased the likelihood that the publication of LIBOR will cease permanently at the end of 2021. The cessation of the publication of LIBOR interest rates will make it difficult to determine the benchmark interest rate, including the rate for customers with a Tokyo Lucky Star loan.

For this reason, financial institutions around the world are currently considering a benchmark interest rate to replace LIBOR.

After careful consideration, Tokyo Star Bank has decided to send this notice to inform our customers of the situation.

## 2. Summary of benchmark interest rate change (current schedule)

We intend to make the following changes to the Tokyo Lucky Star loan.

- We will change the benchmark interest rate from LIBOR to an adjusted long-term prime rate (long-term prime rate  $\pm$  adjustment range).
- We intend to switch to the new benchmark interest rate on April 1, 2021.
- The method we use to calculate the applicable interest rate before and after the benchmark interest rate change will be as follows:

[Before change (current)]

Applicable interest rate  
= LIBOR + spread

[After change]

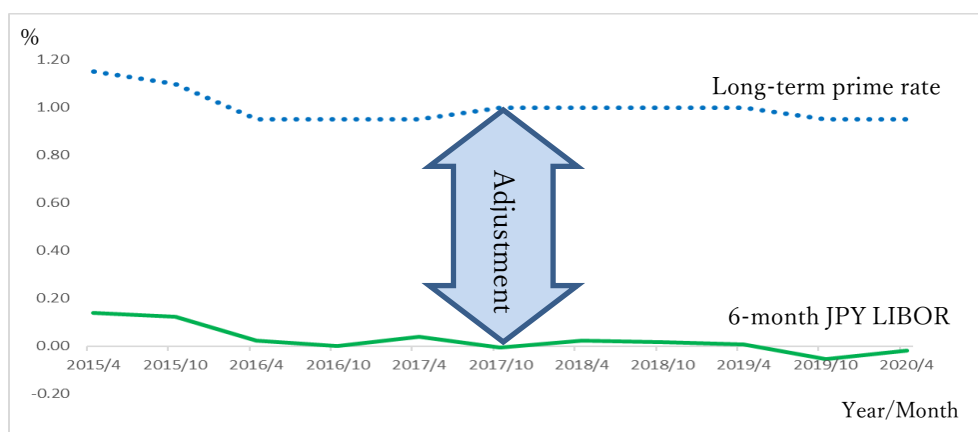
Applicable interest rate  
= Adjusted long-term prime rate (long-term prime rate  $\pm$  adjustment range) + spread

- You do not need to submit any documents in connection with this change.

(Explanation)

- The adjusted long-term prime rate is our long-term prime rate plus or minus an adjustment range. The adjustment range is a value added or subtracted in the interest rate calculation as an appropriate adjustment range so as to keep the applicable interest rate at the same level as much as possible even if the benchmark interest rate is changed, due to LIBOR and the long-term prime rate being different interest rate indices (refer to the chart below).
- The method of calculating the adjustment range is being discussed by the Cross-Industry Committee on Japanese Yen Interest Rate Benchmarks (secretariat: Bank of Japan) (\*5). Based on discussions by the Committee, we have established a calculation method for the adjustment range and plan to apply the appropriately calculated adjustment range to the Tokyo Lucky Star loans.  
Details of the adjustment range will be posted on our website during or after January 2021.
- The adjustment range is the value applied at the time of the benchmark interest rate change and will continue to apply thereafter. As a result, the applicable interest rate level after the benchmark interest rate change will fluctuate in accordance with the long-term prime rate fluctuation range.
- Reason for adopting the long-term prime rate as the new benchmark interest rate: (1) The Tokyo Lucky Star loan agreement with customers stipulates that the benchmark interest rate may be changed to a benchmark interest rate “generally adopted for the same type of loan transaction as the loan in this Contract” in the event of cessation of LIBOR publication (★2) and the long-term prime rate is the rate we have adopted for the same type of loan transactions (investment condominium loans). (2) We have concluded that the long-term prime rate, which is appropriate for long-term loans and is widely used in Japan, is appropriate due to the long term nature of the loan.
- We will notify customers in writing during or after April 2021 of the adjustment range and the borrowing interest rate for each customer.

(Reference) LIBOR and long-term prime rate interest rate trends and adjustment ranges during the past five years



☆The above shows the trend in interest rates as of April 1 and October 1 (interest rate change reference date) during the 5-year period from April 1, 2015 to April 1, 2020

(Source) LIBOR: Bloomberg; Long prime rate: Bank of Japan website

### 3. Switchover Schedule

From the next interest rate reference date (April 1, 2021) we intend to switch to using the adjusted long-term prime rate standard as the benchmark interest rate.

In this case, the actual change to the amount you repay will take effect from the July 26, 2021 repayment (☆) (☆calculated based on the adjusted long-term prime rate from the interest calculation on June 27, 2021). Please refer to your bank statement to check the repayment amount.

	2020年				2021年												
月	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	
ホームページへ概要を掲載	☆	→															
事前のお知らせ(今回)発送	☆	→															
お問合せ受付	☆	→															
ホームページへ調整幅等掲載					☆	→											
変更のお知らせ発送									☆	→							
繰上返済の特例受付													☆	→			

金利変更基準日 (April 4, 2021)

返済額変更日 (July 26, 2021)

LIBOR公表停止予定 (December 31, 2021)

☆We will also update our website with additional information as appropriate.

### 4. Information on Early Repayments

As stated above, when changing the benchmark interest rate, we will adjust the benchmark interest rate by an appropriate range so that, wherever possible, the level of the applicable interest rate before and after the change will be kept at the same level as when LIBOR was used as the benchmark interest rate wherever possible.



However, LIBOR and the long-term prime rate are different interest rate indices, and future changes in interest rate levels may result in differences from your original repayment plan.

If you take this opportunity to repay your Tokyo Lucky Star loan, we intend to waive the early repayment fees during the following period. We will provide you with more details in a document to be sent during or after April 2021.

[Period for accepting repayment without imposing an early repayment fees (tentative)]

From Thursday, July 1, 2021 to Thursday, December 30, 2021

## 5. Inquiries

### ■ Telephone inquiries:

Dedicated help desk

Telephone number: +81-3-3224-3838 (weekdays: 9:00-17:00 JST)

End

## [Explanation of Terms]

**\*1 LIBOR**

LIBOR, which stands for London Interbank Offered Rate, is an aggregate, based on certain criteria, of the interest rates for loans traded between banks in the London market. It is widely recognized and used around the world, including in Japan, as a benchmark interest rate for the short-term interest rate market. The 6-month yen LIBOR, which is the interest rate for 6-month Japanese yen is used as the benchmark interest rate for Tokyo Lucky Star loans.

**\*2 Benchmark interest rate**

A benchmark interest rate is an interest rate used as the benchmark (reference) for interest rate fluctuations when borrowing at a variable interest rate.

**\*3 Spread**

Spread is the range of interest rate additions.

**\*4 Long-term prime rate**

The long-term prime rate is the minimum interest rate (the most favorable rate) at which private financial institutions provide loans with a maturity of one year or more to business and personal customers, and is a widely used benchmark interest rate in Japan.

You can check Tokyo Star Bank's long-term prime rate of interest by contacting us by telephone. (Telephone number: +81-3-3224-3838)

**\*5 Cross-Industry Committee on Japanese Yen Interest Rate Benchmarks (Secretariat: Bank of Japan)**

It is looking increasingly likely that LIBOR will permanently cease to be published at the end of 2021 and thus the Cross-Industry Committee on Japanese Yen Interest Rate Benchmarks is conducting various studies focused on how to respond to the cessation of LIBOR publication. Visit the following site for more information:

[https://www.boj.or.jp/paym/market/jpy\\_cmte/index.htm/](https://www.boj.or.jp/paym/market/jpy_cmte/index.htm/) (Japanese only)

## [Details of Contract with Customers (Excerpt)]

## Loan Agreement

## ★1 [Borrowing Guidelines] (Excerpt)

## 2. Interest rate (variable interest rate)

Initial Year: %

The Bank confirms that the above stated initial interest rate is the initial benchmark interest rate of [ ]% per annum plus [ ]% per annum (spread); provided, however, that the interest rate will change in accordance with the provisions of Article 2 (Interest Rate Changes) of these Loan Regulations.

## ★2 [Loan Regulations] (Excerpt)

## Article 2 (Interest Rate Changes)

- (4) The interest rate (the fourth decimal place or thereafter when shown as a percentage shall be rounded down to three decimal places) during the term of the loan shall be based on the telerate page 3750 (meaning page 3750 of the Dow Jones Telerate Service which shows the London Interbank Offered Rate for yen-denominated money lending transactions, or the succeeded page if the telerate page 3750 has been succeeded by another page) as at 11:00 a.m. London time or as close to 11:00 a.m. as possible after 11:00 a.m. London time on the last business day of the month preceding the reference date (April 1 and October 1 of each year) which is the six-month offered rate (hereinafter referred to as the “Six-month JPY LIBOR”; provided, however that if such interest rate is not published for any reason, the interest rate (expressed as an annual rate) shall be the rate reasonably determined by the Bank as the offered rate for six-month yen loan transactions on the London interbank market at 11:00 a.m. two business days prior to the day immediately preceding the first day of the interest calculation period or at the most recent point in time prior thereto), and shall change to the benchmark rate plus the spread stated in the interest rate section of Borrowing Guidelines 2 (hereinafter referred to as the “Applicable Interest Rate”).

If use of the Six-month JPY LIBOR ceases or if there are changes in financial conditions or other reasonable grounds, the Bank may change the benchmark interest rate to a rate generally adopted for the same type of loan transaction as the loan based on this Contract, and the comparison with the previous Applicable Interest Rate after the change shall be made in a manner that the Bank deems appropriate. In addition, the same shall also apply when the same benchmark interest rate is abolished.

- (5) The new Applicable Interest Rate shall apply in accordance with the provisions of paragraph 10.1 of the Borrowing Guidelines for interest due on each repayment date from July to December of

that year if the reference date is April 1 and to the interest due on each repayment date from January to June of the following year if the reference date is October 1.

- (6) If the interest rate is changed, the Bank shall promptly notify the Borrower using a form prescribed by the Bank of the new interest rate and the breakdown of principal and interest in the principal and interest repayment amount.