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Attorney-at-Law & Notary Public
Pan Asia Banking Corporation PLC
No. 450, Galle Road,
Colombo 03

Computer No : E 0008
District : Colombo
Date of attest : 29.06.2020
Duplicate : Colombo

TRUST DEED

No. 692



FOR AN INITIAL ISSUE BY PAN ASIA BANKING CORPORATION PLC OF SEVEN MILLION FIVE HUNDRED THOUSAND (7,500,000) BASEL III COMPLIANT, TIER 2, UNLISTED, UNSECURED, SUBORDINATED, REDEEMABLE FIVE YEAR DEBENTURES (2020-2025) WITH A NON-VIABILITY CONVERSION AT A PAR VALUE OF RUPEES ONE HUNDRED (LKR 100/-) EACH WITH AN OPTION TO ISSUE UP TO A FURTHER FIVE MILLION (5,000,000) OF THE SAID DEBENTURES IN THE EVENT OF AN OVERSUBSCRIPTION

This Trust Deed is made on this 29th day of June Two Thousand and Twenty

Between

PAN ASIA BANKING CORPORATION PLC, a Banking Company duly established in the Democratic Socialist Republic of Sri Lanka and registered under the Companies Act No. 17 of 1982 and re-registered under the Companies Act No. 07 of 2007, bearing Company Registration No PQ48 and having its Registered Office at No. 450, Galle Road, Colombo 03 (hereinafter referred to as "the Bank" and which term or expression as herein used shall where the context so requires or admits mean and include the said PAN ASIA BANKING CORPORATION PLC its successors and assigns) of the ONE PART;

And

HATTON NATIONAL BANK PLC a Banking Company duly incorporated in the Democratic Socialist Republic of Sri Lanka bearing Company Registration No. PQ 82 and having its registered office at No.479, T.B.Jayah Mawatha, Colombo 10 (hereinafter referred to as the "Trustee" which term or expression as hereinafter used shall where the context so requires or admits mean and include the said HATTON NATIONAL BANK PLC its successors and assigns) of the OTHER PART;

Whereas

- The Bank being duly empowered in that behalf by its Articles of Association has resolved by resolution dated 13/01/2020 of its Board of Directors to raise a sum not exceeding Sri Lanka Rupees One Thousand Two Hundred and Fifty Million (LKR 1250,000,000/-) by the issue of Basel III Compliant, Tier 2, Unlisted, Unsecured, Subordinated Redeemable Five Year Debentures (2020-2025) with a non-viability conversion at a par value of Rupees One Hundred (LKR 100/-) each, having tenures and bearing interest at the rates hereinafter mentioned.

- The said Debentures shall be constituted in the manner and upon the terms and conditions hereinafter contained;
- The Trustee being duly qualified to act as Trustee; under the Securities and Exchange Commission Act No. 36 of 1987 (as amended) has agreed to accept the office of Trustee and act under the provisions of this Deed as Trustee for the benefit of and in the interests of the Debenture Holders on the terms hereinafter contained.

NOW THIS DEED WITNESSETH AND IT IS HEREBY AGREED AND DECLARED AS FOLLOWS:

1. DEFINITIONS

(a) In These Presents unless the subject or context otherwise requires the following expressions shall have the respective meanings given below:

- (i). "CBSL" means the Central Bank of Sri Lanka.
- (ii) "CERTIFICATE" means any certificate required to be issued under These Presents and they may be signed on behalf of the Bank by (a) any two Directors or (b) a Director and the Company Secretary or (c) any two other Officers specifically authorized by the Board of the Bank to issue such a certificate.
- (iii) "DATE OF ALLOTMENT" means the date on which the Debentures will be allotted by the Bank to applicants subscribing thereto.
- (iv) "DATE OF REDEMPTION" means in respect of;
Debentures issued for a period of Five (5) years from the Date of Allotment;
or such other date on which the Debentures may be redeemable in the circumstances set out in Clause 4.2 or Clause 10.1.
- (v) "DEBENTURE" shall mean the Basel III Compliant, Tier 2, Unlisted, Unsecured, Subordinated, Redeemable Five Year Debentures (2020-2025) with a non-viability conversion at a par value of Sri Lanka Rupees one hundred (LKR 100/-) each, at the rate of fourteen per centum (14%) per annum payable semi-annually on each Interest Payment Date from the Date of Allotment of the Debentures until the date immediately preceding the Date of Redemption.
- (vi) "DEBENTURE CERTIFICATE" means a certificate issued to a DEBENTURE HOLDER in respect of a Debenture/Debentures.

- (vii) "DEBENTURE HOLDERS" mean the Investors who are the holders of the Debentures.
- (viii) "ENTITLEMENT DATE" means the Market Day immediately preceding the respective Interest Payment Date or Date of Redemption on which a Debenture Holder would need to be recorded as being a Debenture Holder on the list of Debenture Holders in order to qualify for the payment of any interest or any redemption proceeds.
- (ix) "EVENT OF DEFAULT" means any event set out in Clause 10.
- (x) "EXTRAORDINARY RESOLUTION" means a resolution passed by the holders of not less than three fourth ($3/4^{\text{th}}$) in value of the Debenture Holders present and voting on such resolution.
- (xi) "INTEREST PAYMENT DATE" means the dates on which payments of interest in respect of the Debentures shall fall due, which shall be semi-annually from the Date of Allotment and semi-annually therefrom of each year from the Date of Interest Payment Allotment until the Date of Redemption and includes the Date of Redemption.
- (xii) "INTEREST PERIOD" means in respect of Debentures the semi-annual period from the date immediately succeeding a particular Interest Payment Date and ending on the next Interest Payment Date (inclusive of the aforementioned commencement date and end date) and shall include the period commencing from the Date of Allotment and ending on the first Interest Payment Date (inclusive of the aforementioned commencement date and end date) and the period from the date immediately succeeding the last Interest Payment Date before the Date of Redemption and ending on the date immediately preceding the Date of Redemption (inclusive of the aforementioned commencement date and end date).
- (xiii) "MARKET DAY" means a day on which trading takes place at the Colombo Stock Exchange.
- (xiv) "QUALIFIED INVESTORS" means the Qualified Investors as defined under Section 8 of the Colombo Stock Exchange Automated Trading Rules.
- (xv) "RATE OF INTEREST" means payable semi-annually at the rate of fourteen (14%) per centum per annum.

- (xvi) "RESOLUTION" means a Resolution passed by the Debenture Holders in terms of Clause 20 unless otherwise provided for.
- (xvii) "REGISTERED ADDRESS" when used in relation to a Debenture Holder means the address provided by the Debenture Holder to the Bank.
- (xviii) "REGISTRARS" means the Registrars to the Debenture issue or such other person or persons to be appointed as the Registrars for the purpose of These Presents by the Bank.
- (xix) "SEC" means the Securities Exchange Commission of Sri Lanka established under the Securities and Exchange Commission of Sri Lanka Act No. 36 of 1987 (as amended).
- (xx) "SRI LANKAN RUPEES" and the sign "LKR" mean the lawful currency of the Republic of Sri Lanka.
- (xxi) "SUBORDINATED" means the claims of the Debenture Holders shall in the event of winding up of the Bank rank after all the claims of secured and other unsecured creditors of the Bank and any preferential claims under any Statutes governing the Bank but shall rank in priority to and over the claims and rights of the Shareholder/s of the Bank unless there has been an issuance of shares to the Debentures Holders upon the occurrence of a Trigger Event in which case a Debenture Holder would cease to be a Debenture Holder and become a shareholder of the Bank to the extent of such issuance.
- (xxii) "THESE PRESENTS" means this Trust Deed as from time to time modified in accordance with the provisions herein contained and/or according to law and shall include any Supplementary Trust Deed executed in accordance with the provisions hereof.
- (xxiii) "TRIGGER EVENT" means a point or event at which the Monetary Board of the Central Bank of Sri Lanka in terms of item 10 (iii)(a) of Web Based Return Code 20.2.3.1.1.1 of the Banking Act Direction No. 1 of 2016 dated 29th December 2016 (as may be amended from time to time) determines:
- (a) the Bank would become non-viable, without a write-down in terms of item 10(iii)(a) of the Web Based Return Code 20.2.3.1.1.1 of the said Directions; or
 - (b) to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable in terms of item 10(iii)(b) of the said Directions.
- (xxiv) "TRUST DEED" means these Presents as from time to time modified in accordance with the provisions herein contained and/or according to law and

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shall include any Supplementary Trust Deed executed in accordance with the provisions hereof.

(xxv) "TRUSTEE" means Hatton National Bank PLC, a banking company duly incorporated under the Companies Ordinance No. 51 of 1938 and re-registered under the Companies Act No. 07 of 2007 and a licensed Commercial Bank under the Banking Act No. 30 of 1988 or its successors or assigns.

(xxvi) "WORKING DAY" means any day (other than a Saturday or Sunday or any statutory holiday) on which licensed commercial banks are open for business in Sri Lanka.

(b) Words denoting or importing the singular number shall include the plural number and vice versa and words denoting or importing the masculine gender only shall include the feminine gender and shall include corporate and unincorporated bodies of persons.

(c) In These Presents references to:

(i) any provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made there under or under such modifications or re-enactment.

(ii) principal and/or interest in respect of the Debentures or to any monies payable by the Bank under These Presents or under the Debentures shall be deemed also to include references to any additional amounts which may be payable under These Presents.

(iii) Costs, charges or expenses shall include (but not be limited to) Value Added Tax, Turnover Tax or similar tax charged or chargeable in respect thereof.

(iv) a 'month' shall mean a period commencing on a particular day and ending on the corresponding day in the next calendar month.

(v) a year shall mean a period commencing on a particular day and ending on the anniversary date thereof in the next calendar year.

(d) References in this Trust Deed to clauses, sub-clauses, paragraphs and sub-paragraphs shall be construed as references to the clauses, sub clauses, paragraphs and sub-paragraphs of this Trust Deed respectively.

(e) The headings are inserted herein only for conveniences and shall not affect the construction of These Presents.

2. APPOINTMENT OF THE TRUSTEE

The Trustee is hereby appointed as Trustee for the purposes of the Debentures and for the benefit of and in the interests of the Debenture Holders as provided herein and the Trustee

accordingly accepts the appointment upon the terms and conditions contained herein and agree to act under the provisions of this Trust Deed as the Trustee.

3. APPROVALS AND AMOUNT OF THE DEBENTURE ISSUE

Subject to receiving approval from its shareholders by way of a special resolution the Bank will issue Debentures to Qualified Investors to raise a sum up to Sri Lanka Rupees Seven Hundred and Fifty Million (LKR 750,000,000/-) with an option to increase the said sum by up to a further Sri Lanka Rupees Five Hundred Million (LKR 500,000,000/-) in the event of an oversubscription.

4. COVENANTS TO REPAY THE PRINCIPAL SUM AND INTEREST

4.1 (a) The Bank hereby covenants with the Trustee for the benefit of the Debenture Holders that it will:

- (i) upon the Debenture Holder surrendering the Debenture Certificate to the Bank either in person or through registered post to its registered office (or any other place as may be specified by the Bank with proper notice to the Debenture Holder) at least by the date of maturity, pay on the Date of Redemption to Debenture Holders in accordance with the provisions of These Presents and upon receipt of the information relating to the Debenture Holders from the Register, as of the Entitlement Date by a SLIPS (Sri Lanka Inter Bank Payments System) transfer or a RTGS (Real Time Gross Settlement System) transfer or in the event of insufficient information of the Debenture Holders, through crossed cheques marked "Account Payee only" sent by ordinary mail to the Registered Addresses of the Debenture Holders the principal sum of the Debentures which ought to be redeemed and interest (if any) remaining unpaid up to the date immediately preceding the Date of Redemption of the Debentures. RTGS transfers however could be effected only for amounts over and above the maximum value that can be accommodated via SLIPS transfers.
- (ii) pay on each Interest Payment Date to the Debenture Holders in accordance with the provisions of These Presents and upon receipt of the information relating to the Debenture Holders as of the Entitlement Date by a SLIPS (Sri Lanka Inter Bank Payments System) transfer or a RTGS (Real Time Gross Settlement System) transfer or in the event of insufficient information of the Debenture Holders, through crossed cheques marked "Account Payee only" sent by ordinary mail to the Registered Addresses of the Debenture Holders the interest on the Debentures for the time being outstanding at the Rate of Interest in accordance with the provisions of These Presents. RTGS transfers

however could be effected only for amounts over and above the maximum value that can be accommodated via SLIPS transfers.

- (iii) the interest calculation shall be based upon the actual number of days in each Interest Period .
 - (iv) the payment of the principal sum and interest shall be made in Sri Lankan Rupees after deducting any withholding tax and/or such other taxes and charges thereon, if applicable.
 - (v) any payments shall be deemed to have been made on the Date of Redemption or the Interest Payment Date as the case may be if the cheques are dispatched not later than three (03) Working Days from such date or the SLIPS transfer or the RTGS transfer is made not later than three (03) Working Days from such date and in the event of there being any delay due to a fault of the Bank in any such payment the Rate of Interest shall be increased as per clause 10.3 in respect of such delayed payment.
- (b) The Debentures shall be redeemed in accordance with the provisions contained in These Presents on the Date of Redemption together with interest (if any) remaining unpaid thereon.
- (c) If any Debenture Holder fails or refuses to receive payment of the interest or redemption monies payable to such Debenture Holder, or any part thereof within ninety (90) days from the Interest Payment Date or the Date of Redemption of the Debentures as the case may be, the amount due to him shall be transferred by the Bank to a suspense account maintained separately with the Bank at the end of ninety (90) days after the Interest Payment Date or the Date of Redemption of the Debentures and shall be paid by the Bank to the Debentures Holder when a claim is duly made and no interest will be payable by the Bank on such interest or redemption monies for the period between the Interest Payment Date or the Date of Redemption as the case may be and the date of the said payment unless the nonpayment is due to a default on the part of the Bank.

No person shall be entitled to claim any such payment after the completion of six (06) years from the Interest Payment Date or the Date of Redemption and all unclaimed monies shall cease to be owed and payable by the Bank to any Debenture Holder after the said period of six (06) years.

- (d) If any cheques for redemption and/or an interest payment sent by post to the Debenture Holders are returned to the Bank undelivered, the amounts represented by each of such returned cheques shall also be transferred by the Bank to the aforementioned suspense account maintained separately with the

Bank and retained therein for a period of six (06) years from the Interest Payment Date or the Date of Redemption of the Debentures. Such monies will be repaid to the Debenture Holders if the same is claimed in writing by such Debenture Holder within the said six (06) years period and no interest will be payable by the Bank on such interest or redemption monies for the period between the Interest Payment Date or the Date of Redemption as the case may be and the date of the said payment.

No person shall be entitled to claim any such redemption and/or interest payment after the completion of six (06) years from the Interest Payment Date or the Date of Redemption and all unclaimed monies shall cease to be owed and payable by the Bank to any Debenture Holder after the said period of six (06) years.

- (e) The Bank shall always act on the information furnished by the Registrar and it shall be the responsibility of each such Debenture Holder to keep all the information in respect of such Debenture Holder updated. Each Debenture Holder shall absolve the Bank from any responsibility or liability in respect of any error or absence of necessary changes in the information recorded with the Registrar.
- (f) the Bank shall be entitled to make payment on redemption of all such Debentures on the Date of Redemption to such Debenture Holders without any request for claim from such Debenture Holders and such payment shall be deemed to be a payment duly made by the Bank to the respective Debenture Holders in redemption of the Debentures of such Holders.

4.2 If the Date of Redemption falls on a day which is not a Working Day then the Date of Redemption shall be the immediately succeeding Working Day. For the avoidance of doubt interest shall be paid for the intervening days which are not Working Days.

4.3 The Debentures cannot be voluntarily redeemed by the Bank prior to the Date of Redemption.

5. ISSUE OF CERTIFICATES

- (a) The Bank shall issue to every Debenture Holder one certificate in respect of the units of Debentures held by him. Debenture Holder shall be entitled to only one certificate for any Debenture held jointly by them which certificate shall be delivered to that one of the joint holders whose name first appears in the Register of Debentures and the Bank shall not be bound to register more than two persons as the joint holders of any of the Debentures. The Debenture Holder may apply in writing to the Bank for the issue of more than one certificate for two or more units of Debentures if he so wishes. Upon the certificate which it is applied to be replaced by two or more certificates being

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surrendered to the Bank and on payment of such fee as the Bank may determine from time to time for such issue the Bank shall be obliged to issue to the applicant Debenture Holder two or more certificates for such as the applicant may apply for. The certificates shall be substantially in the form set out in the First Schedule hereto and have endorsed thereon the conditions mentioned in the said Second Schedule and the certificate shall be held subject to and with the benefit of all such conditions or such other conditions (having substantially the same effect) as may be endorsed on any Debenture Certificate. Every Debenture Certificate shall be under the seal of the Bank affixed with the authority of its Directors and in the manner provided by its Articles of Association for the time being of the Bank.

- (b) The Bank shall within 5 working days from the date of closing of the issue send by registered mail the Debenture Certificates to the Debenture Holders.
- (c) The Company shall pay all stamp duties, and other similar duties or taxes (if any) payable on or in connection with (i) the initial issue of the Debentures and (ii) the execution of these presents.

5. STAMP DUTY AND OTHER CHARGES (IF ANY)

The Bank shall pay all duties and charges in connection with the issue of the Debentures and the execution of These Presents.

6. ELIGIBILITY TO APPLY FOR DEBENTURES

Applications for Debentures are open only to Qualified Investors and should be for a minimum of Ten Thousand (10,000) Debentures for corporate or institutional investors and a minimum of Fifty Thousand (50,000) Debentures for individuals. Any application for excess of these figures should be multiple of One Hundred (100) Debentures.

7. TRANSFER OF DEBENTURES

- (a) These Debentures shall be freely transferable only to another qualified investor and the registration of such transfer shall not be subject to any restriction, save and except to the extent required for compliance with statutory requirements.
- (b) The Debentures shall be transferable and transmittable through the Registrar.. Subject to the provisions contained herein the Bank may register without assuming any liability any transfer of Debentures, which are in accordance with the statutory requirements and rules and regulations in force for the time being as laid down by CBSL and SEC.
- (c) In the case of death of a Debenture Holder:
 - (i) The survivor where the deceased was a joint holder; and

(ii) The executors or administrators of the deceased or where the administration of the estate of the deceased is in law not compulsory the heirs of the deceased where such Debenture Holder was the sole or only surviving holder;

shall be the only persons recognized by the Bank as having any title to his/her Debentures.

(d) Any person becoming entitled to any Debentures in consequence of bankruptcy or winding up of any Debenture Holder, upon producing proper evidence that he/she/it sustains the character in respect of which he/she/it proposes to act or his/her title as the Board of Directors of the Bank thinks sufficient may in the discretion of the Board be substituted and accordingly registered as a Debenture Holder in respect of such Debentures subject to laws, rules and regulations of CBSL and/or SEC.

(e) No change of ownership in contravention to these conditions will be recognized by the Bank.

8. COVENANT TO OBSERVE PROVISIONS OF THE TRUST DEED

The Bank hereby covenants with the Trustee to comply with the provisions contained herein and to perform and observe the same. It is expressly agreed between the Bank and the Trustee that the Trustee shall not be liable for any loss or damage however caused by non-observance or non-compliance with the covenants contained in Clause 9 by the Bank.

9. COVENANTS BY THE BANK

The Bank hereby covenants with the Trustee for the benefit of the Debenture Holders that, so long as any of the Debentures remain outstanding;

- (a) The Bank shall at all times carry on and conduct its affairs in a proper and appropriate manner.
- (b) The Bank shall at all times keep such books of accounts as it is obliged to keep under the applicable laws and (to the extent not prohibited by law or otherwise by virtue of any duty of confidentiality) at any time after an Event of Default shall have occurred or the Trustee shall have reasonable cause to believe that an Event of Default will occur, allow a reputed audit firm appointed by the Trustee in consultation with the Bank free access to the same at all times during working hours and to discuss the same with the directors and officers of the Bank, provided however that the Trustee and the audit firm shall, to the extent legally permitted, maintain confidentiality in respect of all the matters relating to the Bank and its business and shall not use any information they acquire pursuant to these provisions for any other purpose.
- (c) The Bank shall issue a Certificate in writing to the Trustee;

- (i) within five (05) days from each Interest Payment Date, certifying that the interest on the Debentures has been paid to the Debenture Holders in terms of Clause 4;
 - (ii) within five (05) days from each Date of Redemption certifying that the principal amount has been paid to the Debenture Holders in terms of Clause 4.
- (d) The Bank shall issue to the Trustee such certificates and provide such information as the Trustee may require in order to carry out its duties and obligations in terms of These Presents provided such certificates can be issued or such information can be provided by the Bank without committing any breach of its duty of confidentiality to any person or entity.
- (e) The Bank shall submit to the Trustee within thirty (30) days from the end of every calendar quarter from the Date of Allotment a Certificate which is dated in accordance with a resolution of its Board of Directors that the Bank has complied with each and all of the covenants including those contained in this Clause 9 in These Presents and the certification should include:
 - (i) Whether or not any limitation of liabilities or borrowings as prescribed by the Companies Act No. 7 of 2007 and the Articles of Association of the Bank has been exceeded;
 - (ii) Whether any material trading or capital loss has been sustained by the Bank;
 - (iii) Whether or not any circumstances materially affecting the Bank has occurred which adversely affects the Debenture Holders;
 - (iv) Whether or not any contingent liability has matured or is likely to mature within the next twelve (12) months, which will materially affect the ability of the Bank to repay the Debentures;
 - (v) Whether the Bank has any contingent liabilities and if so the amount of such liabilities;
 - (vi) Whether the Bank has assumed a liability of a related corporate body during the preceding calendar quarter, the extent of the liability assumed during the quarter and the extent of the liability at the end of the quarter;
 - (vii) Whether or not there has been any change in any accounting method or method of valuation of assets or liabilities of the Bank;
 - (viii) Whether or not any circumstances have arisen which render adherence to the existing method of valuation of assets or liabilities of the Bank inappropriate;
 - (ix) Whether or not there has been any substantial change in the nature of the Bank's business since the issue of the Debentures;

- (x) Whether or not any action has been taken by the Board of Directors of the Bank in terms of section 219 or section 220 the Companies Act No. 7 of 2007 during the preceding quarter;
- (xi) Whether or not the Bank has observed and performed all the covenants and obligations binding upon them respectively pursuant to the Trust Deed;
- (f) The Bank shall keep a record of the number of Debentures which have been issued and, the date of such issue and the persons to whom such Debentures were issued and to treat the records maintained by the Registrar as an accurate record of the Debenture Holders and the number, and value of the Debentures held by each Debenture Holder.
- (g) The Bank shall permit the Trustee and the Debenture Holders at all reasonable times without payment of any fee to inspect any records maintained by the Bank referred to in Clause 9(f) above and to take copies thereof.
- (h) The Bank shall forthwith upon the Bank becoming aware of the happening of any and every such event as is mentioned in Clause 10.1 hereof give notice thereof in writing to the Trustee provided that the Bank shall in any event issue a Certificate to the Trustee within thirty (30) days from the end of every semi- annual period commencing from the Date of Allotment of the Debentures certifying that no event mentioned in Clause 10.1 hereof has occurred during the previous six (06) month period which would have resulted in the Debentures becoming payable in terms of the said Clause.
- (i) The Bank shall make available the Trust Deed in full on the Bank's web site until the Date of Redemption and shall make available to any Debenture holder on request a certified copy of the Trust Deed upon payment of a fee of LKR 250/-
- (j) The Bank shall send to the Trustee and publish on its web site an interim financial statement prepared on a quarterly basis, no later than forty five (45) days from the end of the first, second and third quarters and sixty (60) days from the end of the fourth quarter of its financial year.
- (k) The Bank shall send the Trustee all published financial information, which is normally provided to ordinary shareholders at the same time that it is sent to the shareholders.
- (l) The Bank shall reimburse all reasonable expenses incurred by the Debenture Holders/Trustee after an Event of Default has occurred in connection with:
- (i) Preservation of the Bank's assets (whether then or thereafter existing)
 - (ii) Collection of amounts due under this Trust Deed.

All such sums shall be reimbursed by the Bank within thirty (30) days from the date of notice of demand from the Debenture Holders or the Trustee.

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- (m) The Bank shall immediately notify the Trustee in the event that the Bank becomes aware of the occurrence of any Trigger Event: .
- (n) In the event that the Bank creates a charge, the Bank shall submit to the Trustee the written details of the charge within twenty one (21) days after it is created and if the amount to be advanced on the security of the charge is indeterminate, the Bank shall submit to the Trustee the written details of the amount of each claim, within five (5) days from the date the claim is made.
- (o) The Bank shall at all times maintain records of all its published information and make them available for inspection by the Trustee and Debenture Holders.
- (p) The Bank shall not declare or pay any dividend to its shareholders during any financial year unless it has paid all principal sums and interest payments that have become due and payable to the Debenture Holders as at the date on which the dividend is proposed to be declared or paid or has made satisfactory provisions therefor.
- (q) The Bank shall submit to the Trustee any information relating to the affairs of the Bank which the Trustee may reasonably require in order to discharge its duties as Trustee.

10. EVENTS OF DEFAULT AND TRIGGER EVENTS

- 10.1 The Debentures shall become immediately payable at the option of the Trustee on the occurrence of any liquidation, bankruptcy, insolvency, receivership or similar action or proceeding is commenced against the Bank or an order shall be made or an effective resolution shall be passed for the winding up of the Bank.
- 10.2 Upon the occurrence of a Trigger Event, the Bank shall be required and entitled to issue and within twenty (20) days to allot ordinary voting shares of the Bank ranking equal and pari passu with the existing ordinary voting shares to the holders of the Debentures as of the date on which the Trigger Event has occurred as notified to the Bank by the CBSL up to the par value of such Debentures or if greater up to the outstanding balance due on such Debentures at an issue price for such ordinary voting shares based on the Volume Weighted Average Price of an ordinary voting share of the Bank during the three (03) month period, immediately preceding the date of the Trigger Event in lieu of the amounts due and payable on the relevant Debentures.

The Bank shall on receipt of a Trigger Event notification from the CBSL immediately make a market announcement of the same and further announce the "price" and "dates" (i.e the date on which the Trigger Event has been notified to the Bank by the CBSL, the entitlement date of the Debenture Holders to be issued ordinary voting shares, the date of the allotment of the ordinary voting shares and the Registrar upload date).

- 10.3 In the event of the occurrence of any of the events mentioned in this Clause 10.3 (a) to (h) the Trustee shall notice the Bank of such default and grant the Bank a period of 30 days to cure such default and in the event of such default not being cured within the time aforesaid the Rate of Interest on the Debentures shall be increased by Zero Decimal Five per centum (0.5%) per annum;
- (a) If there is a default in the payment of any interest due on the whole or any part of the Debenture on the Interest Payment Date or in the payment of principal sum due on the Debentures on the Date of Redemption.
 - (b) If the Bank does not submit a certificate to the Trustee as set out in Clause 9 (c), Clause 9 (e) or Clause 9 (h).
 - (c) If the Bank commits a breach of any of the other covenants or provisions herein contained and on its part to be observed and performed.
 - (d) If the Bank stops or threatens to stop payment of its debts or ceases to carry on its business.
 - (e) Where any other indebtedness of the Bank becomes due and payable prior to its stated maturity or where security created for any other indebtedness becomes enforceable.
 - (f) Where there is revocation, withholding or modification of a license, authorization or approval that impairs or prejudices the Bank's ability to comply with the terms and conditions of the Debentures or the provisions of the Trust Deed or any other document relating to the issue, offer or invitation in respect of the Debentures.
 - (g) Where any mortgage, charge, pledge, lien or other encumbrance present or future is created or assumed by the Bank contrary to the terms or conditions of the Debentures and the provisions of the Trust Deed.

11. ENFORCEMENT OF OBLIGATIONS

At any time after the Debentures shall have become repayable on redemption or otherwise under any provision of These Presents, and the Bank has failed and/or neglected to repay and/or redeem the same within the stipulated time period, the Trustee may upon the Bank's continuous failure and/or negligence to repay and/or redeem the Debentures despite such notice, at its discretion, or upon the request in writing of the Debenture Holders of at least one fifth ($1/5^{\text{th}}$) of the par value of the Debentures outstanding, and in the event that there is no Trustee, the Debenture Holders pursuant to an Extraordinary Resolution and subject to fourteen (14) days prior written notice to the Bank, institute such proceedings as they think fit to enforce repayment and other obligations of the Bank under These Presents.

12. APPLICATION OF MONIES RECEIVED BY THE TRUSTEE

- 12.1 In the event of the Trustee recovering or receiving any monies from the Bank consequent to any action taken by the Trustee against the Bank the Trustee shall apply such monies,
- (a) In the first place in paying or providing for the payment or satisfaction of the costs charges expenses and liabilities incurred in or about the execution of the trust constituted by These Presents (including remuneration of the Trustee);
 - (b) Secondly, in or towards payment to the Debenture Holders of all arrears of interest remaining unpaid on the Debentures held by them respectively;
 - (c) Thirdly in or towards payment to the Debenture Holders of all principal monies due in respect of the Debentures held by them respectively; and
 - (d) Finally, the Trustee shall pay the surplus (if any) of such monies to the Bank or its assigns, provided that at the discretion of the Trustee payments may be made on account of principal monies before any part of the interest or the whole of the interest on the Debentures have been paid but such alteration in the order of payment of the principal monies and interest shall not prejudice the right of the Debenture Holders to receive the full amount to which they would have been entitled if the ordinary order of payment had been observed. Any payment to the Debenture Holders under this clause shall be made *pari passu* in proportion to the Debentures held by them respectively.

13. MANNER OF PAYMENT AND ENFORCEMENT OF DEBENTURES

Any payment to be made in respect of the Debentures by the Bank or the Trustee may be made in the manner provided in this Trust Deed and any payments so made shall be a good discharge *pro tanto* to the Bank or the Trustee, as the case may be. Any payment of interest in respect of a Debenture shall extinguish any claim which may arise directly or indirectly in respect of such interest from a Debenture Holder.

Upon any payment under the provisions of this Clause 13 of the Trust Deed in respect of which such payment is made in full shall be cancelled and the Trustee shall certify or procure the certification of such cancellation.

14. REMUNERATION OF THE TRUSTEE

The Bank shall pay the Trustee during the continuation of These Presents a sum of Sri Lankan Rupees Thirty Thousand per month (LKR 30,000/-per month) exclusive of government taxes and levies on account of remuneration for the Trustee for its services under These Presents. The said fee shall be paid in advance at the beginning of each semi-annual period commencing from the Date of Allotment of the Debentures. Further, the Trustee shall be entitled to the reimbursement

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or implied in the acts or proceedings of the Trustee shall be binding on the Debenture Holder.

- (f) The Trustee may, in the conduct of the trusts of These Presents, instead of acting through its staff, employ and pay a professional person with the prior written approval of the Bank, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee. Any expense incurred by such employment of a professional person shall not be charged as an expense to the Bank.
- (g) The Trustee shall not be liable to the Bank or any Debenture Holder by reason of having recognized or treated as a Debenture Holder any person subsequently found not to be so entitled to be recognized or treated.
- (h) Whenever in These Presents the Trustee is required in connection with any exercise of its powers, trusts, authorities or discretions to have regard to the interests of the Debenture Holders, it shall have regard to the interests of the Debenture Holders as a class and in particular, but without prejudice to the generality of the foregoing, shall not be obliged to have regard to the consequences of such exercise for any individual Debenture Holders resulting from his or its being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory.
- (i) The Trustee may, accept a Certificate certifying that all Debentures have been redeemed or relating to any other matter primarily in the knowledge of the Bank as sufficient evidence thereof and such Certificate shall be a complete protection to the Trustee who acts thereon.

15.2 The Trustee shall give notice to the Debenture Holders in writing:

- (a) when the Trustee is notified by the Bank of any occurrence mentioned in Clause 10.1, Clause 10.2 or Clause 10.3 or any condition of the Trust Deed which cannot be fulfilled;
- (b) when the Bank fails to deliver the Certificate referred to in Clause 9(e) of These Presents;
- (c) as soon as practicable if the Bank fails to remedy any breach of terms and conditions of the Debentures or the provisions/covenants of the Trust Deed.

15.3 The Trustee shall ensure that all documents required to be submitted by the Bank in terms of the covenants set out in the Trust Deed are forwarded in a timely manner.

15.4 The Trustees shall in performance of its duties maintain the confidentiality of confidential information received by it (the Trustee may disclose such information to a branch, head office, subsidiary or agent of the Trustee in connection with the Trust Deed

and to any government body court and/or to any party in accordance with the law) and shall not use such information for their own personal benefit.

- 15.5 The Trustee shall exercise reasonable diligence to ascertain whether the Bank has committed any breach of the terms and conditions of the Debentures or provisions of the Trust Deed or whether an Event of Default has occurred or is continuing to occur, on perusal of the documents submitted in terms of the covenants set out in the Trust Deed. However, the Trustee's role shall be passive prior to the Trustee being notified of any occurrence of an event specified in Clause 10.1, Clauses 10.2 and Clauses 10.3 and the Trustee shall not have any other duty apart from those expressly stated herein.

16. EXEMPTIONS AND INDEMNIFICATIONS OF TRUSTEE FROM LIABILITY

- 16.1 The Trustee shall be indemnified by the Bank for any liability, claim, expense, damage or loss that it may incur in connection with this Trust Deed, provided the liability or loss was not a result of the sole negligence or willful misconduct of the Trustee.

Provided further that none of the provisions of These Presents shall in any case in which the Trustee has failed to show the degree of care and diligence required by it, having regard to the provisions of These Presents, conferring on the Trustee the powers, authorities or discretions, relieve or indemnify the Trustee against any liabilities which by virtue of any rule of law would otherwise attach to it in respect of any negligence, default, breach of duty or breach of trust of which it may be guilty in relation to its duties under These Presents.

- 16.2 Any terms and conditions of the Debentures and provisions in the Trust Deed or a term of a contract with the Debenture Holders secured by the Trust Deed, shall be void in so far as such term or provision would have the effect of exempting the Trustee from liability for:

- (a) the failure to carry out its duties as the Trustee; or
- (b) the failure to exercise the degree of care and diligence required of it as the Trustee.
- (c) indemnifying the Trustee against that liability, unless the term or provision:
 - (i) enables the release of the Trustee from liability for something done or omitted to be done before the release is given; or
 - (ii) enables a meeting of Debenture Holders to approve the release of the Trustee from liability for something done or omitted to be done before the release is given.

Such release will be effective when approved by Debenture Holders if the Debenture Holders who vote for the resolution represent three fourth (3/4th) of the par value of the Debentures.

The Trustee is also not liable for anything done or omitted to be done in accordance with a direction given to the Trustee by the Debenture Holders at any meeting duly called.

16.3 The Trustee shall:

- (a) not be responsible in the capacity of a lender or borrower;
- (b) have no obligations to discharge debts owed by the Bank to Debenture Holders;
- (c) not be liable for any losses arising out of circumstances beyond its control;
- (d) be entitled to rely and act on any document/ instrument received from the Bank unless actual notice of otherwise is given.

17. APPOINTMENT AND REMOVAL OF THE TRUSTEE

- (a) Subject to the provisions of this Trust Deed, the power of appointing new Trustees shall be vested in the Bank, provided that the Bank shall obtain the consent of Debenture Holders holding not less than fifty per centum (50%) of the par value of the Debentures for the time being outstanding or it may obtain approval by an ordinary resolution of the Debenture Holders prior to the appointment of the new Trustee. Notice of such appointment shall be given to the Debenture Holders within thirty (30) days of such appointment by an advertisement published in national newspapers in all three languages (Sinhala, Tamil and English) of the Bank's choice circulating in Sri Lanka.
- (b) In the event the Bank does not or cannot exercise its power to appoint a new Trustee and there being no new Trustee appointed as of thirty (30) days before the removal/resignation of the Trustee taking effect in accordance with the terms hereof, the Debenture Holders may convene a meeting to appoint a new Trustee by an ordinary resolution.
- (c) Any removal of a Trustee and the subsequent appointment of a replacement Trustee by the Bank shall be with the consent of the Debenture Holders by an Extraordinary Resolution.
- (d) In the event of the Debenture Holders not being satisfied with the Trustee, they have the right to remove the Trustee by way of an Extraordinary Resolution passed at a General Meeting convened under Clause 20 hereof.
- (e) The Bank shall be notified of any removal of the Trustee and subsequent appointment of a replacement Trustee by the Debenture Holders.
- (f) The Bank shall take reasonable steps to replace the Trustee as soon as practicable after becoming aware that:

- (i) The Trustee has ceased to exist
 - (ii) The Trustee is in a situation of conflict of interests
 - (iii) The Trustee has ceased to perform its function as a Trustee
 - (iv) The Trustee is in a situation of unsuitability and does not eliminate such situation within ninety (90) days, after they ascertaining or of them been informed that the Trustee has such situation.
- (g) In the event the Trustee discovers that it is not eligible to be appointed or act as Trustee, the Trustee shall give notice in writing to the Bank regarding the same.
- (h) Subject to Clause 19.1 below the existing Trustee shall continue to act as a Trustee until a new Trustee is appointed.

18. COMPLIANCE OF MAJORITY OF TRUSTEES

If there be more than one (01) Trustee under These Presents the Trustees shall with majority consent exercise all or any of the Trustee's powers and discretions vested in the Trustees generally under any Clause of These Presents.

19. RESIGNATION OF TRUSTEE

- 19.1 In the event of the Trustee, in its sole and absolute discretion, desiring to resign, the Trustee shall give not less than ninety (90) days' notice to the Bank in writing to that effect, and the Bank shall thereupon appoint a new Trustee in accordance with Clause 17 of These Presents. The Trustee shall continue in its capacity as Trustee until such time a new Trustee is appointed.
- 19.2 In the event of such a resignation, the Trustee at its cost shall publish a notice to this effect in Newspapers in all three languages (Sinhala, Tamil and English) of its choice circulating in Sri Lanka and such notice shall be deemed to be sufficient notice to the Debenture Holders notwithstanding anything to the contrary herein contained.

20. MEETINGS OF DEBENTURE HOLDERS

- (a) The Trustee shall call a meeting/cause a meeting of Debenture Holders with notice to the Bank and all Debenture Holders or on a requisition being received in writing signed by the Debenture Holders of at least one tenth ($1/10^{\text{th}}$) of the par value of the Debentures for the time being outstanding or if requested by the Bank.
- (b) Not less than twenty one (21) working days' notice shall be given of a meeting for the purpose of passing a Resolution.
- (c) The quorum for the meeting (other than adjourned meeting) for the purpose of passing an ordinary resolution shall be the Debenture Holders representing ten per centum (10%) of the par value of the Debentures for the time being outstanding, provided however, that the quorum for passing an Extraordinary Resolution should be the

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Holders representing fifty one per centum (51%) in par value of the outstanding Debentures present in person or by proxy or by attorney.

- (d) If such a quorum cannot be obtained, such meeting shall be adjourned for not less than fourteen (14) days in which event notice of adjourned meeting shall be sent to every Debenture Holder and shall state in such notice that if a quorum as above defined shall not be present at the adjourned meeting the Debenture Holders then present shall form a quorum.
- (e) On a poll, each Debenture Holder will be entitled to one vote for each Debenture held by such person.
- (f) A proxy need not be a holder of the Debentures.
- (g) The Trustee shall be the chairman of any meeting of the Debenture Holders and shall appoint a person or body to act as a Secretary of such meeting and a copy of a resolution certified by the Trustee and such Secretary shall deem to be conclusive evidence that such Resolution has been duly adopted. Provided however that in the event of the Trustee not exercising the aforesaid entitlement, the Debenture Holders may appoint a person to act as the chairman of the meeting.
- (h) In the event the Bank fails to remedy any breach of terms and conditions of the Debentures or the provisions/covenants of the Trust Deed, the Trustee may:
 - (i) Call a meeting of the Debenture Holders with notice to the Bank.
 - (ii) Inform the Debenture Holders of the failure at the meeting; and
 - (iii) Submit proposals for the protection of the Debenture Holders interests or call for proposals from the Debenture Holders at the meeting as the Trustee considers necessary or appropriate and obtain suitable directions.

21. MODIFICATION OF THE TRUST DEED

- 21.1 The Trustee and the Bank may by mutual agreement agree to modify These Presents, provided such modifications are of a routine nature. Provided however that any modification to These Presents which are detrimental to the Debenture Holders shall only be made with the consent of the Debenture Holders of at least three fourth (3/4th) of the par value of the Debentures for the time being outstanding.
- 21.2 Upon a modification being duly made, the Bank shall within seven (7) days of the modification being made inform the Debenture Holders of such modification.

22. NOTICES

Any notice or demand to the Bank, Debenture Holder(s) or the Trustee required to be given, made or served for any purpose hereof shall be given, made or served by sending the same by prepaid registered post in the case of the Bank or Trustee and by prepaid ordinary mail in the

case of Debenture Holder(s), or by facsimile transmission or by delivering it by hand to the Bank, Debenture Holders or the Trustee as the case maybe, in the case of the Bank or the Trustee at the address shown in below in this Deed and in the case of Debenture Holder(s) to the address which appear in the Register, and any notice sent by post as provided in this Clause shall be deemed to have been given, made or served seventy two (72) hours after dispatch and any notice sent by facsimile transmission as provided in this Clause shall be deemed to have been given, made or served at the time of dispatch and in proving the giving, making or service of the same it shall be sufficient to prove, in the case of a letter, that such letter was properly stamped, addressed and placed in the post and, in the case of a facsimile transmission that such facsimile transmission was duly dispatched and received in the readable and understandable condition.

Provided that any notice between the Bank and the Trustee for any purpose hereof may be given, made or served by sending the same via electronic mail to the e-mail addresses of the Bank and the Trustee shown below. Such electronic mail shall be deemed to have been given, made or served if the electronic mail was duly dispatched and received in the readable and understandable condition.

The Trustee shall at any time be entitled to give notice of any meeting or make any communication to the Debenture Holders by notice published in Newspapers in all three languages (Sinhala, Tamil and English) of its choice circulating in Sri Lanka and such notice will notwithstanding anything to the contrary herein contained be deemed to be sufficient notice to the Debenture Holders including the provisions of the above clause.

The Bank

PAN ASIA BANKING CORPORATION PLC

Attention: Ms. Nayantha Fernando, Company Secretary

Address: No. 450, Galle Road, Colombo 03

Tel No : 011 4667610

Fax : 011 2301844

The Trustee

HATTON NATIONAL BANK PLC

Attention: TYRONE HANNAN

Address : No.479, T.B.Jayah Mawatha, Colombo 10

Tel No : 112 661 762

Fax : 112 682 659

23. MISCELLANEOUS

- (a) Nothing in the provisions of These Presents shall require disclosure to the Trustee by the Bank of any information as to the affairs of any of its customers except,
 - i) when required to do so by a Court of Law, or
 - ii) in order to comply with any of the provisions of any Law.

PROVIDED however that the Bank shall be obliged to furnish to the audit firm referred to in the Clause 9(b) information in respect of the Bank's books of accounts.

- (b) In the event of any inconsistency between these provisions and any rules, regulations or directions of CBSL and or SEC such rules, regulations or directions shall prevail.
- (c) This Trust Deed shall be governed by and construed in accordance with the laws of Sri Lanka.
- (d) The Trustee shall not disclose the affairs relating to the Trust to any person whomsoever unless such disclosure is:
 - i) to the Bank as long as the Bank is not in default of its obligations hereunder, or
 - ii) required by any Court or regulatory authority in accordance with any statutory provision.

IN WITNESS WHEREOF the said PAN ASIA BANKING CORPORATION PLC have placed their common seal and the authorized signatories of Hatton National Bank PLC have set their hands hereunto and three others of the same tenor and date as These Presents at Colombo on the day herein before mentioned.

<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="font-size: 8px; line-height: 1;">PAN ASIA BANKING CORPORATION PLC PAN ASIA BANKING CORPORATION PLC PAN ASIA BANKING CORPORATION PLC PAN ASIA BANKING CORPORATION PLC PAN ASIA BANKING CORPORATION PLC</div> <div style="text-align: center;"> PAN ASIA BANK <small>The Truly Sri Lankan Bank</small> <small>Company Registration No. PQ 44</small> <small>(Incorporated under the Companies Act No. 17 of 1962 and Re-registered under the Companies Act No. 07 of 2007)</small> <small>Registered Office: 7th Floor, Galle Road, Colombo 03</small> </div> <div style="font-size: 8px; line-height: 1;">PAN ASIA BANKING CORPORATION PLC PAN ASIA BANKING CORPORATION PLC PAN ASIA BANKING CORPORATION PLC PAN ASIA BANKING CORPORATION PLC PAN ASIA BANKING CORPORATION PLC</div> </div>			
<div style="display: flex; justify-content: space-between;"> <div> THE FIRST SCHEDULE REFERRED TO IN THE TRUST DEED Pan Asia Banking Corporation PLC, duly established under the Banking Act No. 36 of 1988 Issue of Basel III compliant - Tier 2, Unlisted Unsecured Subordinated Redeemable Five Year Debentures with a Non-Convertibility Conversion Clause </div> <div style="text-align: right;"> CERTIFICATE NUMBER <div style="border: 1px solid black; width: 150px; height: 20px; margin-top: 5px;"></div> </div> </div>			
Number of Debentures of Face value LKR 100/- each <div style="border: 1px solid black; height: 20px; margin-top: 5px;"></div>	Principal sum Total value: <div style="border: 1px solid black; height: 20px; margin-top: 5px;"></div>	Date of Allotment <div style="border: 1px solid black; height: 20px; margin-top: 5px;"></div>	Date of Maturity <div style="border: 1px solid black; height: 20px; margin-top: 5px;"></div>
Name of the Debenture Holder's <div style="border: 1px solid black; height: 20px; margin-top: 5px;"></div>		NIC/PF/Cit. Reg. No. of the Debenture Holder's <div style="border: 1px solid black; height: 20px; margin-top: 5px;"></div>	
1. Pan Asia Banking Corporation PLC (hereinafter sometimes called and referred to as "the Issuer") having its Head Office at No. 470, Galle Road, Colombo 3 shall pay on the date of maturity/redemption mentioned above or on such other earlier date on which the Debentures hereby covered become payable under the conditions endorsed on the reverse hereof and the terms and conditions in the Trust Deed referred to in the conditions endorsed on the reverse hereof (hereinafter referred to as "the said Trust Deed") to the person's mentioned above or the registered holder's (or the trust being named (hereinafter called "the Debenture Holder") the Principal sum mentioned above representing the total value of the Debentures covered by this Debenture Certificate (hereinafter called "these Debentures") in accordance with the provisions contained in the said Trust Deed.			
2. The Principal sum Total value of these Debentures is subject to redemption in one installment on the date of maturity mentioned above, unless the same becomes payable on an earlier date under the conditions endorsed on the reverse hereof and the terms and conditions of the said Trust Deed.			
3. Interest on these Debentures shall be paid at a fixed rate of fourteen per centum (14.00%) per annum on the Principal sum from the date of allotment of the Debenture until the date of maturity/redemption of the debentures. Interest payments shall fall due semi-annually at the expiry of every six (06) months period from the date of allotment of the Debentures.			
4. Redemption of the Debentures will take place on the date of redemption in accordance with the provisions of the Trust Deed. The principal sum and unpaid and accrued interest (if any) payable on the redemption of Debentures will be paid not later than three (03) market days from the date of redemption. If the date of redemption falls on a day which is not a Market Day, then the date of redemption shall be the immediately succeeding market day and interest shall be paid for each calendar day up to the date immediately preceding such Market Day.			
5. Interest accruing on a daily basis will be paid semi-annually from the date of allotment until the date of redemption on the outstanding principal sum. The interest due on the Debentures for a particular interest period will be calculated based on the actual number of days in such interest period and will be paid not later than three (03) working days from such interest payment date. The payment date of interest will include Debenture holders holding Debentures in the Debenture Ledger as of the entitlement date. (One day prior to the due date of interest). If the entitlement date is a holiday interest shall be calculated including the entitlement date. Bank shall pay interest until maturity irrespective of holidays.			
6. Interest on these Debentures shall cease to accrue from the date of maturity/redemption of the Debentures. Payment of the Principal sum and interest shall be made in Sri Lankan Rupees after deducting any Withholding Tax and/or such other taxes and charges thereon, if applicable.			
7. These Debentures shall be freely transferable only to another qualified investor and the registration of such transfer shall not be subject to any restrictions save and except to the extent required for compliance with statutory requirements.			
8. This Debenture Certificate is issued subject to the conditions contained herein and on the reverse hereof and the terms and conditions in the said Trust Deed which is deemed to be a part hereof and all constituting integral parts of these Debentures.			
<div style="display: flex; justify-content: space-between; align-items: center;"> <div> GIVEN UNDER THE COMMON SEAL OF PAN ASIA BANKING CORPORATION PLC ON THIS DAY OF IN THE YEAR 2020. </div> <div style="text-align: right;"> </div> </div>			
DIRECTOR		DIRECTOR / COMPANY SECRETARY	

THE SECOND SCHEDULE REFERRED TO IN THE TRUST DEED

The conditions contained in the Debentures:

1. Basic III compliant - Tier 2, Unrated, Unsecured, Subordinated Redeemable Ten Year Debentures with a Non-Viability Conversion Clause issued by the Issuer at an issue price of LKR 100/- per Debenture subject to the Terms and Conditions contained in this Debenture Certificate and the terms and conditions contained in the Trust Deed No. 692 dated 20th June, 2020 and attested by D V Ekanayake Secretary Public of Colombo (hereinafter referred to as "the said Trust Deed").
2. These Debentures shall rank *pari passu* with each other and without any preference or priority over others except for the due value, interest rates and the frequency at which the interest is paid. These Debentures will not be listed on the Main Board of the Debt System of the Colombo Stock Exchange (CSE).
3. The Issuer shall issue to every Debenture Holder one certificate in respect of the Debentures held by such Debenture Holder. Joint Debenture Holders shall be entitled to only one certificate for the Debentures held jointly by them which certificate shall be delivered to that one of the joint holders whose name appears first in the register of Debentures and the Issuer shall not be bound to register more than Three (03) persons (including the Principal Holder) as the joint holders of any of the Debentures. Every Debenture Certificate shall bear the seal of the Issuer affixed with the signatures of its directors and in the manner provided for by the statute governing the Issuer for the time being.
4. The Issuer shall keep a Register of Debentures and enter therein particulars of the issue and all changes of ownership of the Debentures as provided for in the said Trust Deed.
5. (a) These Debentures shall be freely transferable only to another qualified investor and the registration of such Transfer shall not be subject to any restrictions save and except to the extent required for compliance with statutory requirements.
(b) These Debentures shall be transferable and transmissible through the register. Subject to the provisions contained herein the Issuer may register without assuming any liability for the transfer of Debentures, which are in accordance with the statutory requirements and rules and regulations in force for the time being as laid down by the CDSL and SEBI.
(c) In the case of the death of a Debenture Holder the survivor where the deceased was a joint holder and the executors or administrators of the deceased or where the administration of the estate of the deceased is in fact not compulsory the heirs of the deceased where such Debenture Holder was the sole or only surviving holder shall be the only persons recognized by the Issuer as having the title to his/her Debentures.
(d) Any person becoming entitled to any Debentures in consequence of bankruptcy or winding up of a Debenture Holder, upon producing proper evidence that he/she is entitled to the character in respect of which he/she proposes to act or to have title in the Board of Directors of the Issuer thinks sufficient may in the discretion of the Board be subsumed and accordingly registered as a Debenture Holder in respect of such Debentures subject to laws, rules and regulations of the CDSL and SEBI.
6. No change of ownership in contravention of these conditions will be recognized by the Issuer.
7. These Debentures shall not be redeemed by the Issuer prior to maturity (redemption for any reason other than early redemption due to the occurrence of an Event of Default as contemplated in Clause 10.1(a) of the Trust Deed). The Debenture Holder shall not have any right or option to call for redemption of the Debentures before the date of maturity redemption of such Debenture Holder. If a Trigger Event occurs prior to maturity redemption or at the point of maturity, the Debentures will get converted to ordinary voting shares ranking equal and *pari passu* with the existing ordinary voting shares of the Issuer.
8. On the date of maturity redemption the Holder of these Debentures to be redeemed shall be bound to surrender such Debenture Certificate to the Register of the Issuer. The Issuer shall on redemption cancel this Debenture Certificate.
9. The Principal sum and unpaid and accrued interest (if any) under this Debenture Certificate shall be paid as per Clause 4.1 of the Trust Deed.
10. The expressions defined in the said Trust Deed shall have the same meanings when used in this Debenture Certificate unless the context otherwise requires.
11. In the event of any inconsistency between the terms and conditions in this Debenture Certificate and any terms or conditions of the said Trust Deed the terms or conditions in the said Trust Deed shall always prevail.
12. If this Debenture Certificate is worn, defaced, lost or destroyed a duplicate certificate may be issued at the request of the Debenture Holder or the payment of such fee not exceeding LKR 500/- and on such terms in no evidence and indemnity as the Issuer shall think fit. In the event of loss of a Debenture Certificate the Issuer shall require an advertisement to be placed in one of the main newspapers or daily circulation and the cost of such advertisement shall be borne by the Debenture Holder. Any stamp duty/taxes/charges payable on such certificate shall be borne by the Debenture Holder.

The Common Seal of Pan Asia Banking Corporation PLC is hereto affixed in
The presence of

1. Nimal Rohana Tillekeratne
Director

2. Nayantha Fernando
Company Secretary

who do hereby attest the sealing thereof

PAN ASIA BANKING CORPORATION PLC

DIRECTOR

DIRECTOR/SECRETARY

Witnesses:

1. me 5159
2. Rubendy 1307

The Common Seal of Hatton National
Bank PLC is hereto affixed in
The presence of

- 1) Tyrone Hannan -
Head Custody and Trustee Services
- 2) Jonathan Abeywickrema -
R M Custody and Trustee Services

who do hereby attest the sealing thereof



Witnesses:

1. Kaviysha Harendrini Jhangantileke 997880072V
262/C/25 Crescent Gardens Wapiwita Kaduwela
2. Purnee Wathsala A66762039V
226/11 Hospital Road Kalubowila

Purnee
NOTARY PUBLIC

ATTESTATION

I DELUKSHI VARUNI EGODAGE Notary Public of Colombo in the Democratic Socialist Republic of Sri Lanka do hereby certify and attest that the foregoing instrument having been duly read over and explained by me the said Notary to the within named executants Nimal Rohana Tillekeratne and Nayana Nayantha Fernando both of whom are known to me and who have placed the common seal of the Bank and signed respectively illegibly in English as the Director and Company Secretary of Pan Asia Banking Corporation PLC in the presence of Melani Kurera (Emp No. 5159) and Eresha Dilhara Lethbridge (Emp No.1307) both of Pan Asia Banking Corporation PLC, No. 450, Galle Road, Colombo 03 both of whom are known to me and have signed respectively illegibly in English as the subscribing witnesses hereto and declare that they are well acquainted with the executants hereto and know their proper names residence and occupation and by Tyrone Hannan - Head of Custody and Trustee Services and Jonathan Abeywickrema - Relationship Manager - Custody and Trustee Services duly authorized officers for and on behalf of the Hatton National Bank PLC both of whom are known to me and both of whom signed illegibly in English and in the presence of Kavishna Harendrini Ilangantileke (holder of National Identity Card bearing No. 997880072 V of No. 262/C/25, Crescent Gardens, Welivita, Kaduwela and Wedisinghage Purnee Wathsala (holder of National Identity Card bearing No. 966762039 V) of No. 226/1, Hospital Road, Kalubowila both of whom are not known to me and who signed illegibly in English and declare that they are well acquainted with the said executants hereto and know their proper names residence and occupation, and the same was signed by the said executants and signed by the said witnesses in my presence and in the presence of one another all being present together at the same time at Colombo on this Twenty Ninth (29th) day of June Year Two Thousand and Twenty (2020).

I further certify and attest that no consideration passed in my presence and that this instrument is not an instrument liable for stamp duty under the Stamp Duty (Special Provisions) Act. No. 12 of 2006. The original of this instrument bears one stamp of Re. 1/-.



Date of Attestation

29th June 2020.

WHICH I ATTEST

NOTARY PUBLIC