CERTIFIED AS TRUE COPY

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TRUST DEED

FOR

AN INITIAL ISSUE OF UP TO TWENTY MILLION (20,000,000) BASEL III COMPLIANT HIGH YIELD DEBENTURES CONSTITUTED OF TYPE A BASEL III COMPLIANT, TIER 2, LISTED, RATED, UNSECURED, SUBORDINATED, REDEEMABLE HIGH YIELD DEBENTURES (2026/2031), TYPE B BASEL III COMPLIANT, TIER 2, LISTED, RATED, UNSECURED, SUBORDINATED, REDEEMABLE HIGH YIELD DEBENTURES (2026/2031) AND TYPE C BASEL III COMPLIANT, TIER 2, LISTED, RATED, UNSECURED, SUBORDINATED, REDEEMABLE HIGH YIELD DEBENTURES (2026/2031) WITH NON-VIABILITY CONVERSION OF THE PAR VALUE OF SRI LANKAN RUPEES ONE HUNDRED (LKR100/-) EACH BY UNION BANK OF COLOMBO PLC WITH AN OPTION TO ISSUE UPTO A FURTHER TEN MILLION (10,000,000) OF THE SAID BASEL III COMPLIANT HIGH YIELD DEBENTURES AT THE DISCRETION OF THE BANK IN THE EVENT OF AN OVERSUBSCRIPTION OF THE INITIAL ISSUE, TO RAISE UPTO A MAXIMUM AMOUNT OF SRI LANKAN RUPEES THREE BILLION (LKR 3,000,000,000/-).

DATED 17TH FEBRUARY 2026

TRUST DEED

FOR

AN INITIAL ISSUE OF TWENTY MILLION (20,000,000) BASEL III COMPLIANT HIGH YIELD DEBENTURES CONSTITUTED OF TYPE A BASEL III COMPLIANT, TIER 2, LISTED, RATED, UNSECURED, SUBORDINATED, REDEEMABLE HIGH YIELD DEBENTURES (2026-2031), TYPE B BASEL III COMPLIANT, TIER 2, LISTED, RATED, UNSECURED, SUBORDINATED, REDEEMABLE HIGH YIELD DEBENTURES (2026/2031) AND TYPE C BASEL III COMPLIANT, TIER 2, LISTED, RATED, UNSECURED, SUBORDINATED, REDEEMABLE HIGH YIELD DEBENTURES (2026/2031) WITH NON-VIABILITY CONVERSION OF THE PAR VALUE OF SRI LANKAN RUPEES ONE HUNDRED (LKR100/-) EACH BY UNION BANK OF COLOMBO PLC WITH AN OPTION TO ISSUE UPTO A FURTHER TEN MILLION (10,000,000) OF THE SAID BASEL III COMPLIANT HIGH YIELD DEBENTURES AT THE DISCRETION OF THE BANK IN THE EVENT OF AN OVERSUBSCRIPTION OF THE INITIAL ISSUE, TO RAISE UPTO A MAXIMUM AMOUNT OF SRI LANKAN RUPEES THREE BILLION (LKR 3,000,000,000/-).

This Trust Deed is made on this Seventeenth (17th) day of February Two Thousand and Twenty-Six (2026)

Between

UNION BANK OF COLOMBO PLC, a Licensed Commercial Bank regulated under the Banking Act No.30 of 1988 (as amended), duly established under the Companies Act No.17 of 1982 and re-registered under the Companies Act No.7 of 2007 (as amended) bearing Company Registration No. PB 676 PQ in the Democratic Socialist Republic of Sri Lanka and having its Registered Office and Head Office at No.64, Galle Road, Colombo 03 (hereinafter called "**the Bank**" and which term or expression herein used shall where the context so requires or admits mean and include the said **UNION BANK OF COLOMBO PLC** and its successors and assigns) of the **ONE PART**;

And

NATIONAL DEVELOPMENT BANK PLC, a banking company duly incorporated in the said Republic of Sri Lanka and re registered under the Companies Act No. 07 of 2007 of Sri Lanka bearing Registration Number PQ 27 and having its registered office at No. 40, Nawam Mawatha Colombo 2 in the said Republic of Sri Lanka (hereinafter called **"the Trustee"** and which term or expression herein used shall where the context so requires or admits mean and include the said **NATIONAL DEVELOPMENT BANK PLC** and its successors and assigns) of the **OTHER PART**;

Whereas

- The Bank being duly empowered in that behalf by its Articles of Association has resolved at the Meeting of its Board of Directors held on 18th September 2025 and 9th February 2026 to raise a sum not exceeding Sri Lankan Rupees Three Billion (LKR 3,000,000,000/-) by the issue of Type A BASEL III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable Five Year High Yield Debentures (2026-2031), Type B BASEL III Compliant, Tier 2, Listed, Rated,

Unsecured, Subordinated, Redeemable Five Year High Yield Debentures (2026-2031) and Type C BASEL III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable Five Year High Yield Debentures (2026-2031) with Non Viability Conversion of the par value of Sri Lankan Rupees One Hundred (LKR 100/-) each, having tenures and bearing interest at the rates hereinafter mentioned and to be listed on the Colombo Stock Exchange;

- The said BASEL III Compliant High Yield Debentures shall be constituted in the manner and upon the terms and conditions hereinafter contained;

- The Bank has obtained an expected instrument rating of BB(lka) from Fitch Ratings Lanka Limited for the aforesaid BASEL III Compliant High Yield Debentures;

- The Trustee being duly qualified to act as Trustee under the Securities and Exchange Commission of Sri Lanka Act No. 19 of 2021 has agreed to accept the office of Trustee and act under the provisions of this Trust Deed as Trustee for the benefit of and in the interests of the BASEL III Compliant High Yield 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:

1. **"BASEL III COMPLIANT HIGH YIELD DEBENTURES"** shall mean

(a) Type A BASEL III Compliant High Yield Debentures : fully Paid BASEL III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable Five Year High Yield Debentures (2026/2031) with non-viability conversion of the par value of Sri Lankan Rupees One Hundred (LKR 100/-) each, bearing interest at a fixed rate of Thirteen per centum (13.00%) per annum payable annually (AER 13.00%) on each Interest Payment Date from the Date of Allotment of the BASEL III Compliant High Yield Debentures until the date immediately preceding the Date of Redemption;

(b) Type B BASEL III Compliant High Yield Debentures : fully Paid BASEL III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable Five Year High Yield Debentures (2026/2031) with non-viability conversion of the par value of Sri Lankan Rupees One Hundred (LKR 100/-) each, bearing interest at a fixed rate of Twelve Decimal Five Nought per centum (12.50%) per annum payable semi-annually (AER 12.89%) on each Interest Payment Date from the Date of Allotment of the BASEL III Compliant High Yield Debentures until the date immediately preceding the Date of Redemption;

(c) Type C BASEL III Compliant High Yield Debentures : fully Paid BASEL III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable Five Year High Yield Debentures (2026/2031) with non-viability conversion of the par value of Sri Lankan Rupees One Hundred (LKR 100/-) each, bearing interest at a floating rate of 182 Days Treasury Bill Rate plus Four per centum (182 T-bill + 4%) per annum payable semi-annually on each Interest Payment Date from the Date of Allotment of the BASEL III Compliant High Yield Debentures until the date immediately preceding the Date of Redemption;

2. **"BASEL III COMPLIANT HIGH YIELD DEBENTURE HOLDERS"** mean the Qualified Investors who are the Holders of the BASEL III Compliant High Yield Debentures in whose CDS account the BASEL III Compliant High Yield Debentures are lodged as at the relevant date.

3. **"CBSL"** means the Central Bank of Sri Lanka.

4. **"CDS"** means the Central Depository Systems (Private) Limited.

5. **"CERTIFICATE"** means any certificate required to be issued under These Presents and which 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.

6. **"CSE"** means the Colombo Stock Exchange.

7. **"DATE OF ALLOTMENT"** means the date on which the BASEL III Compliant High Yield Debentures will be allotted to the BASEL III Compliant High Yield Debenture Holders which date will be notified to the BASEL III Compliant High Yield Debenture Holders.

8. **"DATE OF REDEMPTION"** means Five (05) years from the Date of Allotment or such earlier date on which the BASEL III Compliant High Yield Debentures may become redeemable in accordance with These Presents or such other date on which the BASEL III Compliant High Yield Debentures may be redeemable in the circumstances set out in Clause 4.2 or Clause 4.3.

9. **"ENTITLEMENT DATE"** means the Market Day immediately preceding the respective Interest Payment Date or Date of Redemption on which a BASEL III Compliant High Yield Debenture Holder would need to be recorded as being a BASEL III Compliant High Yield Debenture Holder on the list of BASEL III Compliant High Yield Debenture Holders provided by the CDS to the Bank in order to qualify for the payment of any interest or any redemption proceeds.

10. **"EVENT OF DEFAULT"** means any event set out in Clause 10.1 and 10.5.

11. **"EXTRAORDINARY RESOLUTION"** means a resolution passed by the holders of not less than three fourth (3/4th) in value of the BASEL III Compliant High Yield Debenture Holders present and voting on such resolution.

12. **"INTEREST PAYMENT DATE"** in respect of

(a) Type A BASEL III Compliant High Yield Debentures : means the dates on which payments of interest in respect of the BASEL III Compliant High Yield Debentures shall fall due, which shall be twelve (12) months from the Date of Allotment and every twelve (12) months therefrom of each year from the Date of Allotment until the Date of Redemption and includes the Date of Redemption.

(b) Type B and Type C BASEL III Compliant High Yield Debentures : means the dates on which payments of interest in respect of the BASEL III Compliant High Yield Debentures shall fall due, which shall be six (06) months from the Date of Allotment and every six (06) months therefrom of each year from the Date of Allotment until the Date of Redemption and includes the Date of Redemption.

13. **"INTEREST PERIOD"** in respect of

(a) Type A BASEL III Compliant High Yield Debentures : means the twelve (12) month period from an Interest Payment Date and ending on the date immediately preceding 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 date immediately preceding the first Interest Payment Date (inclusive of the aforementioned commencement date and end date) and the period from 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).

(b) Type B and Type C BASEL III Compliant High Yield Debentures : means the six (06) month period from an Interest Payment Date and ending on the date immediately preceding 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 date immediately preceding the first Interest Payment Date (inclusive of the aforementioned

commencement date and end date) and the period from 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).

14. "**LISTED**" means tradable on the Colombo Stock Exchange.

15. '**LISTING RULES**' means Listing Rules of the Colombo Stock Exchange and any amendments made thereto from time to time.

16. "**MARKET DAY**" means a day on which trading takes place at the Colombo Stock Exchange.

17. "**PROSPECTUS**" means a prospectus prepared in accordance with the Companies Act No. 7 of 2007 (as amended) and the Rules of the Colombo Stock Exchange and delivered to the Registrar of Companies in terms thereof and the Securities and Exchange Commission of Sri Lanka in terms of the Securities and Exchange Commission of Sri Lanka Act No. 19 of 2021.

18. "**QUALIFIED INVESTORS**" shall mean:

(a) A commercial bank licensed by the Central Bank of Sri Lanka in terms of the Banking Act No. 30 of 1988 (as amended).

(b) A specialized bank licensed by the Central Bank of Sri Lanka in terms of the Banking Act No.30 of 1988 (as amended).

(c) A mutual fund, pension fund, Employee Provident Fund or any other similar pooled fund.

(d) A venture capital fund/company and private equity company.

(e) A finance company licensed by the Central Bank of Sri Lanka in terms of the Finance Business Act. No 42 of 2011 (as amended).

(f) A company licensed by the Central Bank of Sri Lanka to carry on finance leasing business under the Finance Leasing Act No. 56 of 2000 (as amended).

(g) A company licensed by the Insurance Board of Sri Lanka to carry on insurance business in terms of the Regulation of the Insurance Industry Act No. 43 of 2000 (as amended).

(h) A corporate (listed or unlisted) which does not fall under the above categories and is incorporated under the Companies Act No. 7 of 2007.

(i) An investment trust or investment company.

(j) A non-resident institutional investor.

(k) An individual with an initial investment of LKR 5,000,000/-

19. **"RATE OF INTEREST"** means with respect to :

(a) Type A BASEL III Compliant High Yield Debentures : a fixed rate of Thirteen per centum (13.00%) per annum.

(b) Type B BASEL III Compliant High Yield Debentures : a fixed rate of Twelve Decimal Five Nought per centum (12.50%) per annum.

(c) Type C BASEL III Compliant High Yield Debentures : a floating rate of 182 Treasury Bill rate plus Four per centum (182 T-bill + 4%) per annum.

20. **"RESOLUTION"** means a Resolution passed by the BASEL III Compliant High Yield Debenture Holders in terms of Clause 20 unless otherwise provided for.

21. **"REGISTERED ADDRESS"** when used in relation to a BASEL III Compliant High Yield Debenture Holder means the address provided by the BASEL III Compliant High Yield Debenture Holder to the CDS.

22. **"REGISTRARS"** means the Registrars to the BASEL III Compliant High Yield Debenture issue or such other person or persons to be appointed as the Registrars for the purpose of These Presents by the Bank.

23. **"SEC"** means the Securities and Exchange Commission of Sri Lanka established under the Securities and Exchange Commission of Sri Lanka Act No. 19 of 2021.

24. **"SRI LANKAN RUPEES"** and the sign **"LKR"** mean the lawful currency of the Republic of Sri Lanka.

25. **"SUBORDINATED"** means the claims of the BASEL III Compliant High Yield 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 *pari passu* to the claims of subordinated claims of the Bank and shall rank in priority to and over the claims of the ordinary and preference shareholder/s of the Bank unless there has been an issuance of shares to the BASEL III Compliant High Yield Debentures Holders upon the occurrence of a Trigger Event in which event a BASEL III Compliant High Yield Debenture Holder would cease to be a BASEL III Compliant High Yield Debenture Holder and become a shareholder of the Bank to the extent of such issuance.

26. **"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.

27. **"TRIGGER EVENT"** means the earlier of a point or event at which the Governing Board of the Central Bank of Sri Lanka in terms of item 10 (iii)(a) and (b) of Web Based Return Code 20.2.3.1.1.1 of the Banking Act Directions No. 01 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.

28. **"TRUST DEED"** means these Presents 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.

29. **"TRUSTEE"** means National Development Bank PLC, a banking company duly incorporated in the said Republic of Sri Lanka and re registered under the Companies Act No. 07 of 2007 of Sri Lanka bearing Registration Number PQ 27 and having its registered office at No. 40, Nawam Mawatha Colombo 2 in the said Democratic Socialist Republic of Sri Lanka or its successors and assigns.

30. **"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.

31. **"182 DAYS TREASURY BILL"** means the 182 Days Treasury Bill rate (net of tax) published by the Central Bank of Sri Lanka on a weekly basis based on the most recent treasury bill auction which has been conducted either on the date of the commencement of the Interest Period or on a date immediately prior to the commencement of the Interest Period.

(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 BASEL III Compliant High Yield Debentures or to any monies payable by the Bank under These Presents or under the BASEL III Compliant High Yield 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 BASEL III Compliant High Yield Debentures and for the benefit of and in the interests of the BASEL III Compliant High Yield 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 BASEL III COMPLIANT HIGH YIELD DEBENTURE ISSUE

The Bank will issue BASEL III Compliant High Yield Debentures to Qualified Investors to raise a sum up to Sri Lankan Rupees Two Billion (LKR 2,000,000,000/-) with an option to increase the said sum by up to a further sum of Sri Lankan Rupees One Billion (LKR 1,000,000,000/-) at the discretion of the Bank in the event of an oversubscription of the initial issue as described above, and such BASEL III Compliant High Yield Debentures shall be listed on the Colombo Stock Exchange subject to in-principle approvals of the CSE and SEC being obtained.

4. COVENANTS TO REPAY THE PRINCIPAL SUM AND INTEREST

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

(i) pay on the Date of Redemption to BASEL III Compliant High Yield Debenture Holders as of the Entitlement Date, in accordance with the provisions of These Presents and upon receipt of the information relating to the BASEL III Compliant High Yield Debenture Holders from the CDS, either through an electronic fund transfer mechanism recognised by the banking system of Sri Lanka such as SLIPS (Sri Lanka Interbank Payments System) and RTGS (Real Time Gross Settlement System) or in the event of insufficient information of the BASEL III Compliant High Yield Debenture Holders in the CDS, through crossed cheques marked "Account Payee Only" sent by ordinary mail to the Registered Addresses of the BASEL III Compliant High Yield Debenture Holders the principal sum of the BASEL III Compliant High Yield Debentures which ought to be redeemed and interest (if any) remaining unpaid up to the date immediately preceding the Date of Redemption of the BASEL III Compliant High Yield 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 BASEL III Compliant High Yield Debenture Holders as of the Entitlement Date, in accordance with the provisions of These Presents and upon receipt of the information relating to the BASEL III Compliant High Yield Debenture Holders from the CDS, either through an electronic fund transfer mechanism recognised by the banking system of Sri Lanka such as by a SLIPS transfer or a RTGS transfer or in the event of insufficient information of the BASEL III Compliant High Yield Debenture Holders in the CDS, through crossed cheques marked "Account Payee Only" sent by ordinary mail to the Registered Addresses of the BASEL III Compliant High Yield Debenture Holders the interest on the value of the BASEL III Compliant High Yield 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 (actual/actual).

(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 (3) Working Days from such date or the SLIPS transfer or the RTGS transfer is made not later than three (3) Working Days from such date and in the event of there being any delay in any such payment the Rate of Interest shall be increased by a further Three per centum (3.00%) per annum in respect of such delayed payment.

(b) The BASEL III Compliant High Yield 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 BASEL III Compliant High Yield Debenture Holder fails or refuses to receive payment of the interest or redemption monies payable to such BASEL III Compliant High Yield Debenture Holder, or any part thereof within ninety (90) days from the Interest Payment Date or the Date of Redemption of the BASEL III Compliant High Yield 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 BASEL III Compliant High Yield Debentures and shall be paid by the Bank to the BASEL III Compliant High Yield Debenture Holders 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 (6) 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 BASEL III Compliant High Yield Debenture Holder after the said period of six (6) years.

(d) If any cheques for redemption and/or an interest payment sent by post to the BASEL III Compliant High Yield 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 (6) years from the Interest Payment Date or the Date of Redemption of the BASEL III Compliant High Yield Debentures. Such monies will be repaid to the BASEL III Compliant High Yield Debenture Holders if the same is claimed

in writing by such BASEL III Compliant High Yield Debenture Holder within the said six (6) 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 (6) 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 BASEL III Compliant High Yield Debenture Holder after the said period of six (6) years and any such money will be refunded to the Bank.

(e) The Bank shall always act on the information furnished by the CDS and it shall be the responsibility of each such BASEL III Compliant High Yield Debenture Holder to keep all the information in respect of such BASEL III Compliant High Yield Debenture Holder updated. Each BASEL III Compliant High Yield 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 CDS. Provided further that the BASEL III Compliant High Yield Debenture Holder shall absolve the CSE and the CDS from any responsibility or liability in respect of any error or absence of necessary changes in the information recorded with the CDS where such errors or absence of changes are initiated or are attributable to the BASEL III Compliant High Yield Debenture Holders.

(f) The Bank shall be entitled to make payment on redemption of all such BASEL III Compliant High Yield Debentures on the Date of Redemption to such BASEL III Compliant High Yield Debenture Holders without any request for claim from such BASEL III Compliant High Yield Debenture Holders and such payment shall be deemed to be a payment duly made by the Bank to the respective BASEL III Compliant High Yield Debenture Holders in redemption of the BASEL III Compliant High Yield Debentures of such Holders.

(g) In order to accommodate the BASEL III Compliant High Yield Debenture interest cycles in the CDS System of the CSE, the BASEL III Compliant High Yield Debenture Holders to whom interest shall be paid shall be those holding BASEL III Compliant High Yield Debentures in the CDS as of the Entitlement Date.

4.2 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. For the avoidance of doubt interest shall be paid for the intervening days which are not Market Days.

4.3 The BASEL III Compliant High Yield Debentures shall not be redeemed by the Bank prior to maturity for any reason whatsoever except

(a) due to the occurrence of an Event of Default as contemplated in Clause 10.1 hereunder.

(b) with the prior written approval from the Central Bank of Sri Lanka and the approval of the BASEL III Compliant High Yield Debenture Holders representing three fourth (3/4th) in nominal value of the BASEL III Compliant High Yield Debentures outstanding when the principal sum is repaid before maturity.

4.4 The BASEL III Compliant High Yield Debenture Holder shall not have any right or option to call for redemption of the BASEL III Compliant High Yield Debentures before the Date of Redemption. However, if a Trigger Event occurs prior to maturity or at the point of maturity, the BASEL III Compliant High Yield Debentures will get converted to ordinary voting shares ranking equal and *pari passu* with the existing ordinary voting shares of the Bank.

5. STAMP DUTY AND OTHER CHARGES (IF ANY)

The Bank shall pay all duties and charges in connection with the issue of the BASEL III Compliant High Yield Debentures and the execution of These Presents.

6. ELIGIBILITY TO APPLY FOR BASEL III COMPLIANT HIGH YIELD DEBENTURES

Applications for BASEL III Compliant High Yield Debentures are limited to Qualified Investors and should be for a minimum of One Hundred (100) BASEL III Compliant High Yield Debentures and any application for excess of this figure should be in multiples of One Hundred (100) BASEL III Compliant High Yield Debentures. In the case of an individual in order to be a Qualified Investor the minimum subscription would need to be for Fifty Thousand (50,000) BASEL III Compliant High Yield Debentures.

7. TRANSFER OF BASEL III COMPLIANT HIGH YIELD DEBENTURES

(a) These BASEL III Compliant High Yield Debentures shall be freely transferable amongst Qualified Investors 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 BASEL III Compliant High Yield Debentures shall be transferable and transmittable through the CDS as long as the BASEL III Compliant High Yield Debentures are listed in the CSE. Subject to the provisions contained herein the Bank may register without assuming any liability any transfer of BASEL III Compliant High Yield Debentures, which are in accordance with the statutory requirements and rules and regulations in force for the time being as laid down by the CSE, SEC and the CDS.

(c) In the case of death of a BASEL III Compliant High Yield 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 BASEL III Compliant High Yield 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 BASEL III Compliant High Yield Debentures.

(d) Any person becoming entitled to any BASEL III Compliant High Yield Debentures in consequence of bankruptcy or winding up of any BASEL III Compliant High Yield 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/its 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 BASEL III Compliant High Yield Debenture Holder in respect of such BASEL III Compliant High Yield Debentures subject to the applicable laws, rules and regulations of the Bank, CDS, CSE and 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 BASEL III Compliant High Yield Debenture Holders that, so long as any of the BASEL III Compliant High Yield 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 (5) days from each Interest Payment Date, certifying that the interest on the BASEL III Compliant High Yield Debentures has been paid to the BASEL III Compliant High Yield Debenture Holders in terms of Clause 4;

(ii) within five (5) days from the Date of Redemption certifying that the principal amount has been paid to the BASEL III Compliant High Yield 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 (as amended) 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 BASEL III Compliant High Yield 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 BASEL III Compliant High Yield 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 BASEL III Compliant High Yield 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 of the Companies Act No. 7 of 2007 (as amended) 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 BASEL III Compliant High Yield Debentures which have been issued and, the date of such issue and the persons to whom such BASEL III Compliant High Yield Debentures were issued, provided however that the Bank shall after the listing of the BASEL III Compliant High Yield Debentures on the CSE be entitled to treat the records maintained by the CDS as an accurate record of the BASEL III Compliant High Yield Debenture Holders and the number, type and value of the BASEL III Compliant High Yield Debentures held by each BASEL III Compliant High Yield Debenture Holder.

(g) The Bank shall permit the Trustee and the BASEL III Compliant High Yield 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

(i) Any amount secured or payable under the BASEL III Compliant High Yield Debenture to become immediately payable.

(ii) Any event, in the opinion of the Applicant Entity that may lead to the acceleration of either the payment of interest or redemption.

(iii) Any other right or remedy under the terms and conditions of the BASEL III Compliant High Yield Debentures or the provisions or covenants of the Trust Deed to become immediately enforceable.

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 BASEL III Compliant High Yield Debentures certifying that no event mentioned in Clause 10.1 hereof has occurred during the previous six (6) month period which

would have resulted in the BASEL III Compliant High Yield 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 and CSE's web site until the Date of Redemption and shall make available to any BASEL III Compliant High Yield Debenture Holder on request a certified copy of the Trust Deed upon payment of a fee of Sri Lankan Rupees Two Hundred and Fifty (LKR 250/-).

(j) The Bank shall send to the Trustee and the CSE and publish on its web site no later than one hundred and fifty (150) days from its financial year end its audited financial statements and 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 and other 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 BASEL III Compliant High Yield 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 BASEL III Compliant High Yield Debenture Holders or the Trustee.

(m) The Bank shall immediately notify the Trustee in the event that the Bank becomes aware of the occurrence of a Trigger Event.

(n) The Bank shall immediately notify the Trustee in the event that the Bank becomes aware of the occurrence of any of the events mentioned in Clause 10.

(o) 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.

(p) The Bank shall at all times maintain records of all its published information and make them available for inspection by the Trustee and BASEL III Compliant High Yield Debenture Holders.

(q) 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 BASEL III Compliant High Yield Debenture Holders as at the date on which the dividend is proposed to be declared or paid or has made satisfactory provisions therefor.

(r) The Bank shall submit to the Trustee any information relating to the affairs of the Bank which the Trustee may require in order to discharge its duties as Trustee to the extent permitted by law and the Rules of the CSE.

(s) In the event of any change in the BASEL III Compliant High Yield Debenture rating assigned by Fitch Ratings Lanka Limited, the Bank shall notify the CSE by way of a immediate market announcement along with a notification to the Trustee.

10. EVENTS OF DEFAULT AND TRIGGER EVENTS

10.1 The BASEL III Compliant High Yield Debentures shall become immediately payable 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 BASEL III Compliant High Yield Debenture Holders 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 the BASEL III Compliant High Yield Debentures which are subject to conversion in terms of the determination made by the Governing Board or if greater up to the outstanding balance due on such BASEL III Compliant High Yield 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 (3) month period, immediately preceding the date of the Trigger Event in lieu of the amounts due and payable on the relevant BASEL III Compliant High Yield Debentures.

10.3 The CDS upload pertaining to the ordinary voting shares will be completed within ten (10) Market Days from the date of allotment of such shares. In the event of any BASEL III Compliant High Yield Debenture Holder being entitled to a fractional allotment of an ordinary voting share on such issuance and allotment, the Bank shall settle such sums in cash based on the issue price of such share within fourteen (14) market days of the date of allotment of the ordinary voting shares.

10.4 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 BASEL III Compliant High Yield Debenture Holders to be issued

ordinary voting shares, the date of the allotment of the ordinary voting shares and the CDS upload date) pertaining to such conversions of BASEL III Compliant High Yield Debentures to Ordinary voting shares.

10.5 In the event of the occurrence of any of the events mentioned in this Clause 10.5 (a) to (h) the Trustee shall give notice to the Bank of such default and grant the Bank a period of thirty (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 BASEL III Compliant High Yield Debentures shall be increased by One per centum (1%) per annum.

(a) If there is a default in the payment of any interest due on the whole or any part of the BASEL III Compliant High Yield Debenture on the Interest Payment Date or in the payment of principal sum due on the BASEL III Compliant High Yield Debentures on the Date of Redemption.

(b) If the BASEL III Compliant High Yield Debentures cease to be listed in the CSE at any time between the time of listing and the Date of Redemption, due to any default on the part of the Bank.

(c) 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).

(d) If the Bank does not submit the financial statements/information as set out in Clause 9(j) or Clause 9(k).

(e) If the Bank commits a breach of any of the other covenants or provisions herein contained or any other documents relating to the issue, offer or invitation in respect of the BASEL III Compliant High Yield Debentures and on its part to be observed and performed.

(f) If the Bank stops or threatens to stop payment of its debts or ceases to carry on its business.

(g) 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.

(h) 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 BASEL III Compliant High Yield Debentures or the provisions of the Trust Deed or any other document relating to the issue, offer or invitation in respect of the BASEL III Compliant High Yield Debentures.

(i) 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 BASEL III Compliant High Yield Debentures and the provisions of the Trust Deed.

(j) Where the rating assigned to the BASEL III Compliant High Yield Debentures is downgraded to a 'default' rating by a rating agency.

11. ENFORCEMENT OF OBLIGATIONS

At any time after the BASEL III Compliant High Yield 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 BASEL III Compliant High Yield Debentures, at its discretion, and upon the request in writing of the BASEL III Compliant High Yield Debenture Holders of at least one fifth (1/5th) of the par value of the BASEL III Compliant High Yield Debentures outstanding, or the BASEL III Compliant High Yield 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 of capital and payment of interest of the BASEL III Compliant High Yield Debentures and other obligations of the Bank under These Presents.

12. APPLICATION OF MONIES RECEIVED BY THE TRUSTEE

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 BASEL III Compliant High Yield Debenture Holders of all arrears of interest remaining unpaid on the BASEL III Compliant High Yield Debentures held by them respectively;

(c) Thirdly in or towards payment to the BASEL III Compliant High Yield Debenture Holders of all principal monies due in respect of the BASEL III Compliant High Yield 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 BASEL III Compliant High Yield 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 BASEL III Compliant High Yield 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 BASEL III Compliant High Yield Debenture Holders under this Clause shall be made *pari passu* in proportion to the BASEL III Compliant High Yield Debentures held by them respectively.

13. MANNER OF PAYMENT AND ENFORCEMENT OF BASEL III COMPLIANT HIGH YIELD DEBENTURES

Any payment to be made in respect of the BASEL III Compliant High Yield 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 BASEL III Compliant High Yield Debenture shall extinguish any claim which may arise directly or indirectly in respect of such interest from a BASEL III Compliant High Yield Debenture Holder.

Upon any payment under the provisions of this Clause 13 of the Trust Deed in respect of the total liability of the Bank on the BASEL III Compliant High Yield Debentures, the BASEL III Compliant High Yield Debentures 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 Three Hundred and Sixty Thousand (LKR 360,000/-) per annum payable semiannually 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 BASEL III Compliant High Yield Debentures. Further, the Trustee shall be entitled to the reimbursement of all reasonable costs, charges and expenses which the Trustee may incur in relation to the exercise of its duties hereunder and the amounts to be so reimbursed shall be paid by the Bank to the Trustee within fourteen (14) days of a claim being made.

15. GENERAL POWERS AND DUTIES OF THE TRUSTEE

15.1 Without prejudice to the powers and reliefs conferred on the Trustee by These Presents or by the laws relating to the trusts or any other applicable law the Trustee shall have the following powers:-

(a) The Trustee may in relation to These Presents act on the opinion or advice of or a certificate or any information obtained from any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant, auditor, other expert (whether obtained by the Trustee or the Bank) or other responsible officer of the Bank and shall not be responsible for any loss occasioned by acting on any such opinion, advice, certificate or information provided that it has reasonable grounds for believing such person was competent to provide such opinion, advice, certificate or information and the Trustee shall not be liable for acting on any opinion, advice, certificate or information purporting to be so conveyed although the same shall contain some error as long as the Trustee has acted in good faith with professional diligence.

(b) The Trustee shall as regards all the trusts, powers, authorities and discretion vested in it by These Presents or by operation of law, have absolute and uncontrolled discretion as to the exercise or non-exercise thereof and the Trustee shall not be responsible for any loss, costs, damages, expenses or inconvenience that may result from the exercise or non exercise thereof but where the Trustee is under the provisions of These Presents bound to act at the request or direction of the BASEL III Compliant High Yield Debenture Holders the Trustee shall nevertheless not be bound unless first indemnified to its satisfaction against all

actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by so doing.

(c) To summon any meeting of the BASEL III Compliant High Yield Debenture Holders in accordance with the provisions of Clause 20 hereof.

(d) In case of default by the Bank, the Trustee may but shall not be bound unless directed either by an instrument in writing signed by the BASEL III Compliant High Yield Debenture Holders of at least Seventy Five per centum (75%) of the par value of the BASEL III Compliant High Yield Debentures for the time being outstanding or in accordance with an Extraordinary Resolution passed by the BASEL III Compliant High Yield Debenture Holders in accordance with Clause 20 of These Presents, to waive such terms and conditions as they shall deem expedient any of the covenants and provisions contained in These Presents on the part of the Bank to be performed and observed.

(e) The Trustee as between itself and the BASEL III Compliant High Yield Debenture Holders shall have full power to determine all questions and doubts arising in relation to any of the provisions of These Presents and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Trustee shall be binding on the BASEL III Compliant High Yield 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 BASEL III Compliant High Yield Debenture Holder by reason of having recognized or treated as a BASEL III Compliant High Yield 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 BASEL III Compliant High Yield Debenture Holders, it shall have regard to the interests of the BASEL III Compliant High Yield 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 BASEL III Compliant High Yield Debenture Holders resulting from his her 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 BASEL III Compliant High Yield 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 BASEL III Compliant High Yield 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 10.5 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 BASEL III Compliant High Yield 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 BASEL III Compliant High Yield 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.

15.6 Where an Event of Default has occurred and is continuing to occur the Trustee shall exercise such rights and powers vested in it by the Trust Deed and use reasonable degree of skill and diligence in exercising such powers.

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 BASEL III Compliant High Yield Debentures and provisions in the Trust Deed or a term of a contract with the BASEL III Compliant High Yield 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 BASEL III Compliant High Yield 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 BASEL III Compliant High Yield Debenture Holders if the BASEL III Compliant High Yield Debenture Holders who vote for the resolution represent three fourth (3/4th) of the par value of the BASEL III Compliant High Yield Debentures for the time being outstanding.

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 BASEL III Compliant High Yield Debenture Holders at any meeting duly called.

16.3 The Trustee shall:

(a) not be responsible in the capacity of a lender or borrower in terms of these Presents;

(b) have no obligations to discharge debts owed by the Bank to the BASEL III Compliant High Yield 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 Trustee shall be vested in the Bank. A Trustee shall be a corporate body which is qualified to act as Trustee under the Securities and Exchange

Commission of Sri Lanka Act No. 19 of 2021. The Bank shall obtain the consent of BASEL III Compliant High Yield Debenture Holders holding not less than fifty per centum (50%) of the par value of the BASEL III Compliant High Yield Debentures for the time being outstanding or it may obtain approval by an ordinary resolution of the BASEL III Compliant High Yield Debenture Holders prior to the appointment of the new Trustee. Notice of such appointment shall be given to the BASEL III Compliant High Yield Debenture Holders within thirty (30) days of such appointment by an advertisement published in national newspapers in all three (3) 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 BASEL III Compliant High Yield Debenture Holders may convene a meeting to appoint a new Trustee which is a corporate body and qualified in terms of Clause 17(a) above 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 an Extraordinary Resolution of the BASEL III Compliant High Yield Debenture Holders.

(d) In the event of the BASEL III Compliant High Yield 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 BASEL III Compliant High Yield 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 them 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.

(i) Upon a change of the Trustee in accordance with Clause 17, the Bank or the Trustee shall notify the CSE and take steps to make an immediate market announcement.

18. COMPLIANCE OF MAJORITY OF TRUSTEES

If there be more than one (1) Trustee under These Presents the Trustees shall with majority consent exercise all or any of the Trustee's powers and discretions vested in the Trustee 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 (3) languages (Sinhala, Tamil and English) of its choice circulating in Sri Lanka and such notice shall be deemed to be sufficient notice to the BASEL III Compliant High Yield Debenture Holders notwithstanding anything to the contrary herein contained.

19.3 The Bank or the Trustee shall notify the CSE and take steps to make an immediate market announcement upon such resignation.

20. MEETINGS OF BASEL III COMPLIANT HIGH YIELD DEBENTURE HOLDERS

(a) The Trustee shall call a meeting/cause a meeting of BASEL III Compliant High Yield Debenture Holders with notice to the Bank and all BASEL III Compliant High Yield Debenture Holders or on a requisition being received in writing signed by the BASEL III Compliant High Yield Debenture Holders of at least one fifth ($1/5^{th}$) of the par value of the BASEL III Compliant High Yield Debentures for the time being outstanding or if requested by the Bank.

(b) Not less than twenty one (21) 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 BASEL III Compliant High Yield Debenture Holders representing ten per centum (10%) of the par value of the BASEL III Compliant High Yield Debentures for the time being outstanding, provided however, that the quorum for passing an Extraordinary Resolution should be the Holders of a majority in par value of the outstanding BASEL III Compliant High Yield 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 BASEL III Compliant High Yield

Debenture Holder and shall state in such notice that if a quorum as above defined shall not be present at the adjourned meeting the BASEL III Compliant High Yield Debenture Holders then present shall form a quorum.

(e) On a poll, each BASEL III Compliant High Yield Debenture Holder will be entitled to one (1) vote for each BASEL III Compliant High Yield Debenture held by such person.

(f) A proxy need not be a holder of the BASEL III Compliant High Yield Debentures.

(g) The Trustee may appoint a person to chair the meeting of BASEL III Compliant High Yield Debenture Holders. The Trustee shall also appoint a person or body to act as a Secretary of such meeting and a copy of a resolution certified by the chairman 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 BASEL III Compliant High Yield 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 BASEL III Compliant High Yield Debentures or the provisions/covenants of the Trust Deed, the Trustee may:

(i) Call a meeting of the BASEL III Compliant High Yield Debenture Holders with notice to the Bank;
(ii) Inform the BASEL III Compliant High Yield Debenture Holders of the failure at the meeting; and
(iii) Submit proposals for the protection of the BASEL III Compliant High Yield Debenture Holders interests or call for proposals from the BASEL III Compliant High Yield 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 BASEL III Compliant High Yield Debenture Holders shall only be made with the consent of the BASEL III Compliant High Yield Debenture Holders of at least three fourth (3/4th) of the par value of the BASEL III Compliant High Yield 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 BASEL III Compliant High Yield Debenture Holders of such modification.

21.3 Upon a modification being duly made, the Bank or the Trustee shall notify the CSE and take steps to make an immediate market announcement

22. NOTICES

Any notice or demand to the Bank, BASEL III Compliant High Yield 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 BASEL III Compliant High Yield Debenture Holder(s), or by facsimile transmission or by delivering it by hand to the Bank, BASEL III Compliant High Yield 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 Trust Deed and in the case of BASEL III Compliant High Yield Debenture Holder(s) to the address which appear in the CDS, 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 BASEL III Compliant High Yield Debenture Holders by notice published in Newspapers in all three (3) 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 BASEL III Compliant High Yield Debenture Holders including the provisions of the above Clause.

The Bank

UNION BANK OF COLOMBO PLC
Address: 64, Galle Road, Colombo 03
Fax: 011 2337818 Tel No: +9411 2374100 (Ext 2910)
E-mail: csd@unionb.com
Attention: Laswie Tsung

The Trustee
NATIONAL DEVELOPMENT BANK PLC
Address: No. 40, Nawam Mawatha Colombo 2
Tel No: 011 2448448
E-mail: shermila.nadishani@ndbbank.com
Attention: Shermila Nadishani

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 the SEC, or the CSE 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.

[Execution Page to follow]

IN WITNESS WHEREOF the said **UNION BANK OF COLOMBO PLC** has placed its Common Seal and the duly appointed Authorised Signatories of **NATIONAL DEVELOPMENT BANK PLC** have set their hands hereunto and to three others of the same tenor and date as These Presents at Colombo on the day herein before mentioned.

The Common Seal of **UNION BANK OF COLOMBO PLC** was affixed hereunto in the presence of ...D.P.N. Rodrigo..... (Director) and...L.E. Tsung..... (Director/Company Secretary) at Colombo on this Seventeenth (17th) day of February Two Thousand and Twenty Six (2026) in the presence of:

Dilshan Rodrigo
Director/Chief Executive Officer
Union Bank of Colombo PLC

Laswie Tsung
Company Secretary
Union Bank of Colombo PLC

Witnesses:

1. S.Y. Abeywardene
732330089V
258/5 Udinga MW
Malabe.

2. P. Saraniya.
938583242V
852/16 B2/2 Alithmawatha Road.
Colombo. 15.

Signed by its duly authorized signatories ...M.V.A.D.S. Nadishani and ...R.M.A.U. Rathnayake for and on behalf of **NATIONAL DEVELOPMENT BANK PLC** at Colombo on this Seventeenth (17th) day of February Two Thousand and Twenty Six (2026) in the presence of:

National Development Bank PLC
Custody and Trustee Services
Authorised Signatory Authorised Signatory

Witnesses:

1. D H M Niroshini
955412125V
NO. 40, Nawam Mawatha, Colombo 02.

2. K H T Perera
200360811455
NO. 40, Nawam Mawatha, Colombo 02.