

GENERAL TERMS AND CONDITIONS

NSB FUND MANAGEMENT CO.LTD ONLINE PORTAL

1. Facilities provided for under the NSB Fund Management Co. Ltd Online Portal

1.1. I/We do hereby authorize NSB Fund Management Co. Ltd ('NSB FMC') hereof as consent to use email as identification number ('User ID') for the purpose of using the NSB Fund Management Co. Ltd Online Portal ('NSB FMC ONLINE PORTAL') by me/us.

1.2. I/We authorize the NSB FMC to consider the signing hereof as consent to use the facilities under the NSB FMC ONLINE PORTAL and to accept or act upon all instructions received/purported to be received by the NSB FMC through the NSB FMC ONLINE PORTAL under the password issued to me by the NSB FMC.

(Passwords - original password confidentially generated or subsequent passwords generated and issued exclusively to me/us by the NSB FMC further substituted by me/us).

1.3. I/We shall provide accurate and complete information and transmit same to the NSB FMC for/in connection with the NSB FMC ONLINE PORTAL and shall immediately notify the NSB FMC of any error, discrepancy or omission noted by me.

1.4. I/We do hereby confirm that the information provided herein is accurate, correct and complete and to be the latest/updated information as at date and I further undertake to keep the NSB FMC updated of any changes at all times.

1.5. I/We shall accept full responsibility for all instructions given/purported to be given by me and viewing/downloading information provided via the NSB FMC ONLINE PORTAL.

1.6. I/We shall provide NSB FMC ONLINE PORTAL instructions for the same day and future transactions, and if not, I agree that the NSB FMC shall have no obligation to comply with my payment/rollover instructions or to give me notice of non-payment thereof.

1.7. I/We agree that my requests / instructions warranting authorization by an officer/s of the NSB FMC may not be affected immediately or automatically and that the NSB FMC reserves the right to allow or disallow such instructions at its sole discretion with or without notice to me.

1.8. I/We do hereby authorize the NSB FMC to record the NSB FMC ONLINE PORTAL transactions and any other NSB FMC ONLINE PORTAL activity of mine and to use such records for the purpose of establishing or verifying transactions or any activity (viewing/downloading) through the use of User ID and Passwords.

- 1.9. I/We shall accept the NSB FMC's records and statements of all instructions given, viewing/downloading done by me or transactions processed (if any) through the NSB FMC ONLINE PORTAL as conclusive and binding on me/us.
 - 1.10. In the event of there being a discrepancy between the facts and figures shown via the NSB FMC ONLINE PORTAL and the actual facts and figures maintained with the NSB FMC, I/We agree that the latter will supersede the former at all times.
 - 1.11. NSB FMC ONLINE PORTAL instructions not processed due to technical defects, shall be informed to the NSB FMC within three (03) working days from the date of sending such instructions.
 - 1.12. I/We also understand that NSB FMC will only use electronic methods to send (only to the primary holder) advices /confirmations and will not send hard copies of advices /confirmations to my/our corresponding address.
 - 1.13. I/We do hereby provide consent to and irrevocably permit NSB FMC to verify with the Department for Registration of Persons and/or any third party/ authority, the Know Your Customer (KYC) information concerning me including the particulars contained in my National Identity Card.
 - 1.14. I/We also understand that NSB FMC Online Portal will update after 17.00 hours of each working day.
 - 1.15. I/We also understand that other market data shown on the NSB FMC Online Portal here indicative only and are subject to change based on final transactional data provided by the Central Bank of Sri Lanka (CBSL). This data can be subject to delays and are not provided real time. NSB FMC does not guarantee the accuracy of the same and this should not be constructed as official valuation.
2. Security of Transactions
- 2.1. I/We agree that the NSB FMC has the right to retain my NSB FMC ONLINE PORTAL User ID in disabled status, until the NSB FMC receives my acknowledgement of receipt of my Password mailer in accordance with the NSB FMC's requirements.
 - 2.2. I/We shall change the password immediately after accessing NSB FMC ONLINE PORTAL and thereafter at regular intervals.
 - 2.3. I/We will take adequate measures (including all data and information regarding transactions if any) to safeguard and keep confidential the NSB FMC ONLINE PORTAL and the User ID and Passwords from disclosure to or from access or use by any unauthorized person/s even after the expiry or termination of this agreement.

2.4. I/We shall inform the NSB FMC immediately if I/We become aware of any act or attempt of unauthorized use of the User ID and Password by another.

3. Liability and Indemnity

3.1. I/We shall agree that in no event (unless due to the gross negligence or willful default of the NSB FMC) the NSB FMC shall be liable to me for: (i) any loss or liability incurred or suffered by me in using any NSB FMC ONLINE PORTAL User ID and Passwords issued to me/us or substituted by me (ii) any incidental, indirect, special, consequential or exemplary damages including without limitation any loss of revenue, profits or savings suffered by me/us in using the NSB FMC ONLINE PORTAL (iii) the use of the services and / or access to any information as a result of such use by me or any other person whether or not authorized (iv) any information, interception, suspension, delay, loss, unavailability, mutilation or other failure in providing the NSB FMC ONLINE PORTAL services, in transmitting instruction or information relating to the NSB FMC ONLINE PORTAL services or in connecting with the internet site(s) caused by any acts, omission or circumstances beyond the reasonable control of the NSB FMC including without limitation, failure of any communication network, act or omission of any third party service providers, mechanical failure, power failure, malfunction, breakdown or inadequacy of equipment, installation or facilities or any law, rules, regulation, codes, directions, regulatory guidelines or Government directives (whether or not having the force of Law) (v) transmission and/or storage of any information and/or transactions relating to me or transactions or dealings conducted by me via the NSB FMC ONLINE PORTAL (vi) me not informing the NSB FMC about a change in the information provided by me herein

3.2. I/We shall be fully liable and responsible for all consequences arising from or in connection with the use of the NSB FMC ONLINE PORTAL and/or access to any information by me or any other person whether or not authorized.

3.3. I shall indemnify the NSB FMC, its employees or information provider and their respective offices and employees against all liabilities, claims, demands, losses, damages, charges and expenses of any kind which may be incurred by any of them and all actions or proceedings which may be brought by against any of them in connection with the provision of the NSB FMC ONLINE PORTAL services, the information and / or the report or the exercise or preservation of the NSB FMC's powers and rights under these terms or the failure to notify the NSB FMC of any change to the information provided by me/us herein in the absence of any gross negligence, fraud fault or willful default on the part of the NSB FMC or its employees.

3.4. I/We am fully aware of the consequences that may arise as a result of using this NSB FMC ONLINE PORTAL facility through common usernames and passwords and shall not hold the NSB FMC responsible for any username / password thefts.

4. Joint Account Holder Liability

- 4.1. If the account is a jointly held account, each of the joint account holders are inter alia jointly and severally bound by these terms and conditions and are jointly and severally liable for all transactions arising from the use of the NSB FMC ONLINE PORTAL even though Primary Account Holder take actions independently.

5. Changing the Terms and Conditions

- 5.1. The NSB FMC shall at any time be entitled to amend, supplement or vary these terms and conditions, at its absolute discretion with or without notice to me and such amendment, supplement or variation shall be binding on me.

6. Termination

- 6.1. The NSB FMC shall at its absolute discretion cancel, withdraw or renew NSB FMC ONLINE PORTAL with or without any prior notice to me.

7. Governing Law

- 7.1. The NSB FMC ONLINE PORTAL services and these terms and conditions shall be governed by and construed in accordance with the Laws of the Democratic Socialist Republic of Sri Lanka and the parties shall submit to the exclusive jurisdiction of the courts of Sri Lanka.

CUSTOMER AGREEMENT FOR TRANSACTIONS OF GOVERNMENT SECURITIES (CAGS)

Interpretation

- a) Customer- Any Person who purchase or sells or otherwise acquires or disposes of any product or any service therein or an interest therein through NSB Fund Management Co. Ltd (NSBFMC) or who negotiated with NSBFMC for the possible acquisition or disposition of such product or any service therein or interest and shall include where the context so permits a legal representative (a person who is acting for a customer under a power of attorney) of such customer or of the state of such customer.
- b) Purpose of CAGS - This CAGS covers the responsibilities, duties and legal liabilities between NSBFMC and the customer (Eligible investor) during the contract period of the securities investment in line with the schedule 1 of the Local Treasury Bills Ordinance, No 8 of 1923.

- c) Treasury Bills/Bonds - A negotiable debt obligation/instruments backed by the Government of Sri Lanka under the Local Treasury Bills Ordinance No. 08 of 1923 and the Registered Stock and Securities Ordinance No.7 of 1937 (as amended). As an Agent of the Government of Sri Lanka, the Public Debt Department of the Central Bank of Sri Lanka'(CBSL) issues the Treasury bills and Treasury bonds.
- d) Eligible Investors for Treasury Bills and Bonds
- Sri Lankan Citizens
 - Corporate bodies incorporated in Sri Lanka
 - Foreign country funds, mutual funds and regional funds
 - Corporate bodies incorporated outside Sri Lanka
 - Citizens of foreign states and investor categories that time to time decided by the Central Bank of Sri Lanka.
- e) Trade Date - The trade date is when an order to purchase, sell or otherwise acquire a security is performed. The date in which an order is executed in the market.
- f) Settlement Date / Value Date - The date on which an executed security trade must be settled by the customer and NSBFMC. That is, the date on which the buyer must pay for the scripless securities delivered by the seller.
- g) Scripless Securities - The scripless government securities are the securities issued in data entry form without a paper certificate. Initially, Treasury Bills and Treasury Bonds are issued in scripless form. To enable primary issues and recording of secondary market transactions of scripless securities, a computer based central depository and a settlement system have been installed. The transactions will be settled through an electronic settlement arrangement known as the Scripless Securities Settlement System (SSSS). The SSSS and the Central Depository System (CDS) are named as 'LankaSecure'.
- h) Securities Account - Means an account maintained in LankaSecure by a direct participant to record title and interests in Scripless treasury bills and bonds of such direct participant and if such direct participant is a dealer direct participant, of its customers.

General Conditions

Introduction

These General Conditions shall apply to any transactions entered into between the Customer and the bank/primary dealer (collectively “Dealer”) and may be supplemented by Specific Conditions which may be applicable for particular transactions, with such Specific Conditions prevailing over these General Conditions in the event of any conflict.

1. Authority

- a) The Dealer may open and maintain Securities Accounts to hold Scripless Securities and interest of the Customer in accordance with the terms and conditions mentioned herein and those contained in the Specific Conditions.
- b) The Dealer may rely on the authority of each person designated by the Customer to send Communications (defined below) or do any other thing, subject to system rules applicable to Dealer Direct Participants of the Scripless Securities Settlement System, until the Dealer has received written notice or other notice acceptable to it of any change from a duly authorized person and the Dealer has had a reasonable time to act (after which time it may rely on the change).
- c) The Dealer may, without specific instructions of the Customer, carry out such transactions which are identified in the Specific Conditions.
- d) The Dealer may receive maturity proceeds on Scripless Treasury Bills and proceeds of transactions in Scripless Treasury Bills to which the Customer is entitled.
- e) The Dealer may rectify an erroneous debit or credit to a Securities Account of the Customer and shall inform the Customer in writing of any such rectification.

2. Communications

Unless otherwise agreed, the Customer or the Dealer may give instructions to the other in writing, by facsimile transmission or by any means of electronic communication, acceptable to the Dealer. The Customer shall comply with any agreed security procedures designed to verify the origination of any such communication and shall indemnify the Dealer for any loss or damage which may be caused to the Dealer for any non-compliance by the Customer.

3. Performance

- a) The Dealer shall perform its obligations in respect of any transaction in good faith and with reasonable care, as determined in accordance with the standards and practices of the primary dealer industry.
- b) Neither the Customer nor the Dealer will be responsible for any failure to perform any of its obligations with respect to any transaction if such performance would result in it being in breach of any law, regulation or other requirements of any governmental or other authority in accordance with which it is required to act.

4. Customer Information

- a) The Customer shall provide the Dealer all documents and other information reasonably required by the Dealer for the purposes of opening and maintenance of Securities Accounts and entering into any transaction and the Customer shall undertake to promptly inform the Dealer upon any change of such information
- b) The Dealer shall keep the information relating to the Customer as confidential provided however that the Dealer may disclose such information if the Customer consents to the disclosure of such information or to any third party who is involved in processing any data of the Dealer or if any such information is required to be disclosed by any law or by order of court.

5. Liability and Indemnity

- a) Neither the Dealer nor Customer shall have any liability for any indirect, incidental or consequential loss or damages.
- b) The Dealer shall not be liable for any losses sustained by the Customer unless caused by negligence or default on the part of the Dealer or any of its employees or agents.
- c) The Customer agrees to indemnify the Dealer from any loss or liability arising out of the carrying out of any instructions of the Customer provided in accordance with the General Conditions and the Specific Conditions, including but not limited to the settlement of funds to the Dealer on the stipulated value date, and any loss arising to the Dealer as a result of the failure to do so.
- d) If the Customer is more than one individual, all persons who would comprise the Customer, shall be jointly and severally liable to the Dealer.

6. Fees, Taxes and Levies

- a) The Customer shall pay to the Dealer such fees and charges as are specified in any fee schedule which is provided by the Dealer to the Customer. Fees and charges may be waived by the Dealer at its discretion;
- b) The Customer shall pay the Dealer all expenses incurred by the Dealer on account of taxes, levies and duties imposed on any transactions which are entered into between the Customer and the Dealer or by the Dealer on behalf of the Customer.

7. Lien and Set-Off

- a) The Dealer shall be entitled to exercise a right of lien on all monies, deposits and securities belonging to the Customer pending the settlement of all amounts which are due and owing from the Customer to the Dealer.
- b) The Dealer shall also be entitled to exercise a right of set-off and appropriate any sum standing to the credit of the Customer in any account towards the satisfaction of the amounts due from the Customer to the Dealer.

8. Deal Confirmations and Customer Statements

- a) The Dealer shall send a written confirmation for each transaction entered into on behalf of the Customer.
- b) The Customer should make use of the facilities afforded by the Central Bank of Sri Lanka to receive periodic statements in electronic form or through the postal system. In addition, the Customer may also view the status of their transactions through the facilities provided by the Central Bank of Sri Lanka for such purpose (<https://www.cbsl.lk/lankasec/>).
- c) The Customer shall inform the Dealer in writing of any errors in confirmations or statements issued by the Dealer or the Central Bank of Sri Lanka within 14 days of receipt of such statement or confirmation.
- d) The Customer agrees to provide instructions pertaining to the maturity proceeds at least seven calendar days prior to maturity. In the event of the Dealer not having any instructions with respect to the manner in which the maturity proceeds are to be dealt with, the Dealer may reinvest such proceeds for a period not exceeding the period of the earlier transaction, in accordance with the Customer Charter available in website "cbsl.gov.lk"

9. Notices

The Dealer and the Customer shall notify each other of the names and designations of persons to whom any notice in terms of this Agreement should be sent together with their addresses, facsimile contact numbers or e-mail addresses as may be applicable. Each of the Customer and the Dealer may rely on the information provided as aforesaid until it has received notice in the manner specified above of any change and has had a reasonable time to act (after which time it may rely on the change).

10. Complaint resolution

The Dealer would resolve any complaints which it has received from the Customer in accordance with the complaint's resolution procedure set out in Section 14 of the Customer Charter issued by the Central Bank of Sri Lanka to primary dealers.

11. Amendments

The Dealer shall provide the Customer with no less than one month's notice with regard to any amendments, alterations to the services which it provides to customers.

12. Language of communication

The Dealer's preferred language of communication is English. Alternatively, the Customer may request that any information/documentation relating to any transactions to be entered into by the Customer with the Dealer be provided to him in either Sinhala or Tamil language.

13. Applicable Law

The Dealer shall at all times act in accordance with all applicable written law in the carrying out of its responsibilities, duties and functions and in the provision of services to the Customer.

Master Repurchase Agreement

1. Interpretation

For the purposes of this Agreement, the following defined terms will bear the following meanings:

"Acceleration Date" means the date specified as such in the Termination Notice, being the date upon which the Repurchase Date of all Transactions shall occur as a result of the service of such Termination Notice in accordance with the terms of this Agreement;

"Act of Insolvency" means, in respect of a Party (i) the Party being unable to pay its debts as they fall due in the ordinary course of business); (ii) the Party seeking, consenting to or acquiescing in the appointment of any trustee, administrator, receiver or liquidator or analogous officer of the Party or any material part of the Party's property, or (iii) the presentation or filing of a petition in respect of the Party in any court or before any agency alleging or for the bankruptcy, winding-up or other insolvency of the Party or any analogous proceedings not having been stayed or dismissed within 30 days of its filing,

"Agreement" means this Master Repurchase Agreement together with all Transactions which form part of it;

"Amended Repurchase Price" shall have the meaning ascribed thereto in Section 7;

"Business Day" means a day on which DEALER is open for general business;

“CDS Account” means the account of the CUSTOMER with the central depository system for government securities (“Lanka Secure”) in which the applicable Eligible Securities are held or, as appropriate, are to be held;

“Confirmation” means a confirmation issued by the DEALER substantially in the form of that appearing as Annex I hereto.

“Default Rate” means SLIBOR plus 2% per annum.

“Eligible Security” means any bill, note or bond issued by the Government of Sri Lanka or by the Central Bank of Sri Lanka and any other type of security approved by the Central Bank of Sri Lanka,

that the DEALER may from time to time notify the CUSTOMER will constitute an Eligible Security for these purposes;

“Equivalent Securities” means in relation to any situation where there has been a substitution of Purchased Securities in terms of Clause 6 hereof, securities of the same type, nominal value, description and amount as the Purchased Securities;

“Haircut” means in respect of Eligible Securities, a discount to market value as [agreed between the Parties, or in the instance of a transaction between a DEALER and a CUSTOMER, a haircut stipulated in good faith by the DEALER;

“Income” means, in respect of Purchased Securities, any coupons, interest, dividends and any other payment made by the Issuer (other than any payment in respect of principal) thereon;

“LKR” means Sri Lanka Rupees;

“Market Value” means, in respect of any Securities, the prevailing value of such Securities in the market or in the event of there being no such available value, as determined in accordance with such method as may be specified in the Confirmation;

“Notice of Default” means a notice by the non-defaulting party to the defaulting party of the occurrence of an Event of Default, such notice also specifying the applicable Acceleration Date and Termination Payment Date;

“Notice of Termination Event” means a notice by the non-defaulting party to the other party of the occurrence of a Termination Event, such notice also specifying the applicable Acceleration Date and Termination Payment Date;

“Purchase Date” means the date specified as such in the relevant Confirmation. “Purchase Price” means the price specified as such in the relevant Confirmation.

“Purchased Securities” means securities specified as such in the relevant Confirmation and shall be deemed to include any substituted Eligible Securities in terms of clause 6 hereof.

“Repurchase Date” means the date specified as such in the relevant Confirmation. “Repurchase Price” means the price specified as such in the relevant Confirmation.

“Repurchase Transaction” means a transaction whereby DEALER agrees to sell Eligible Securities (the “Purchased Securities”) to the CUSTOMER at an agreed price (the “Purchase Price”) on an agreed date (the “Purchase Date”) and the CUSTOMER simultaneously agrees

to sell the Purchased Securities to DEALER for an agreed price (the “Repurchase Price”) on an agreed date (the “Repurchase Date”), subject to the terms hereof, as set out in the applicable Confirmation;

“Reverse Repurchase Transaction” means a transaction whereby the CUSTOMER agrees to sell Purchased Securities to DEALER at the applicable Purchase Price on the applicable Purchase Date and DEALER simultaneously agrees to sell to the CUSTOMER the Purchased Securities for the applicable Repurchase Price on the applicable Repurchase Date, subject to the terms hereof, as set out in the applicable Confirmation.

“SLIBOR” means the Sri Lankan Interbank Offered Rate, being the rate offered in the interbank call money market for a period of one month as appearing on Reuters screen “SLIBOR” page as of 11am on the applicable day;

“Termination Notice” means a Notice issued pursuant to Clause 7(iii) hereof;

“Termination Payment Date” means the date on which the applicable amount is payable under Section 7 hereof (subject to the terms hereof), as set out in the Termination Notice;

“Transaction” means a Repurchase Transaction or a Reverse Repurchase Transaction. In addition, in this Agreement, unless the context otherwise requires:

- (a) Section headings are inserted for ease of reference only and shall not affect the construction of this Agreement;
- (b) references to Sections are to be construed as references to Sections of this Agreement;
- (c) words importing the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine and neuter genders and vice versa; and
- (d) Any reference to a legislation or subsidiary legislation shall be deemed to be a reference to that legislation or subsidiary legislation as from time to time amended, re-enacted or substituted.

2. Repurchase Transactions

- (I) Where the Parties enter into a Transaction, the DEALER shall issue a Confirmation setting out the terms for each Transaction.
- (II) Any Transactions which are entered into between the Parties shall (unless expressly agreed otherwise) be subject to, form part of, and be governed by, this Master Repurchase Agreement, so that all Confirmations for each such Transaction and this Master Repurchase Agreement shall together constitute one single agreement.
- (III) Subject to Section 7:
 - (a) In respect of each Repurchase Transaction:
 - (A) On the Purchase Date, the DEALER shall, subject to the receipt of the Purchase Price (which the DEALER may in the case of a CUSTOMER having an account with the DEALER debit from the CUSTOMER’s cash account with the DEALER), credit the CUSTOMER’s CDS Account with the applicable Purchased Securities or transfer to the CUSTOMER’s CDS account the applicable Purchased Securities.

- (B) On the Repurchase Date, the DEALER shall debit the CUSTOMER's CDS Account with the applicable Purchased Securities or obtain a transfer from the CUSTOMER's CDS account of the applicable Purchased Securities and credit the Repurchase Price to the CUSTOMER's cash account with the DEALER or to such other account as specified by the CUSTOMER for these purposes or make payment in such other manner as may be agreed with the CUSTOMER.
- (C) It is expressly agreed and acknowledged that each Repurchase Transaction involves the sale by DEALER to the CUSTOMER of the Purchased Securities on the Purchase Date for the Purchase Price and the purchase by DEALER from the CUSTOMER of the Purchased Securities on the Repurchase Date for the Repurchase Price, and (for the avoidance of doubt) the entire legal and beneficial interest in such Purchased Securities shall respectively vest in the CUSTOMER on the Purchase Date and in the DEALER on the Repurchase Date
 - (b) In respect of each Reverse Repurchase Transaction:
 - (A) On the Purchase Date, the DEALER shall debit the CUSTOMER's CDS Account with the applicable Purchased Securities or obtain a transfer from the CUSTOMER's CDS account of the applicable Purchased Securities, and credit the Purchase Price to the CUSTOMER's cash account with the DEALER or to such other account as specified by the CUSTOMER for these purposes or makes payment in such other manner as may be agreed with the CUSTOMER.
 - (B) On the Repurchase Date, the DEALER shall, subject to receipt of the Repurchase Price from the CUSTOMER (which the DEALER may in the case of a CUSTOMER having an account with the DEALER debit from the CUSTOMER's cash account with the DEALER), credit the CUSTOMER's CDS Account with the applicable Purchased Securities or transfer to the CUSTOMER's CDS account the applicable Purchased Securities.
 - (C) It is expressly agreed and acknowledged that each Reverse Repurchase Transaction involves the sale by the CUSTOMER to DEALER of the Purchased Securities on the Purchase Date for the Purchase Price and the purchase by the CUSTOMER from DEALER of the Purchased Securities on the Repurchase Date for the Repurchase Price, and (for the avoidance of doubt) the entire legal and beneficial interest in such Purchased Securities shall respectively vest in the DEALER on the Purchase Date and in the CUSTOMER on the Repurchase Date
- (IV) Unless the Confirmation provides otherwise neither the CUSTOMER in a Repurchase Transaction nor the DEALER in a Reverse Repurchase Transaction shall be entitled to call for a replenishment or removal of the Purchase Securities from the Purchase Date to the repurchase Date.

3. Income

If any payment of Income ("Income Payment") is made by the Issuer in respect of the Purchased Securities:

- (i) which are the subject matter of a Repurchase Transaction, at any time after the Purchase Date and on or before the Repurchase Date, such amount shall accrue to the benefit of the DEALER which (for the avoidance of doubt) shall be absolutely entitled to such amount and if such Income Payment is paid to the CUSTOMER, the CUSTOMER shall pay an amount equal to the amount so received to DEALER on the same Business Day as receipt thereof; and
- (ii) under a Reverse Repurchase Transaction, at any time after the Purchase Date and on or before the Repurchase Date, such amount shall accrue to benefit of the CUSTOMER, and where such Income Payment is paid to DEALER, the DEALER shall pay an amount equal to the amount so received to the CUSTOMER on the same Business Day as receipt thereof.

4. Representations

- (1) The CUSTOMER represents to the DEALER as follows (which representations shall be deemed to be repeated by the CUSTOMER on each day on which the CUSTOMER enters into a Transaction):
 - (i) the CUSTOMER has full power capacity and authority and has obtained any and all necessary authorizations and consents to enter into and perform its obligations under the Agreement and the Transactions hereunder on the terms set out in this Agreement and the applicable Confirmation;
 - (ii) The CUSTOMER is entering into this Agreement and such Transaction hereunder as principal;
 - (iii) the CUSTOMER is the sole beneficial owner of all sums paid by the CUSTOMER under any Transactions under this Agreement;
 - (iv) the CUSTOMER is fully informed of, and has sufficient knowledge and experience (based on the CUSTOMER's own judgment and evaluation or upon such professional advice as the CUSTOMER has deemed necessary to obtain, independently of the DEALER) to be able to evaluate, the tax and accounting implications, and potential financial benefits and risks and the appropriateness in light of the CUSTOMER's financial circumstances, of entering into Transactions;
 - (v) the CUSTOMER is not relying upon the view or advice of the DEALER in respect of the Transactions and this Agreement and based on the CUSTOMER's own evaluation (including taking such advice from the CUSTOMER's professional advisers as the CUSTOMER has deemed necessary) the CUSTOMER has decided to enter into each Transaction; and
 - (vi) the CUSTOMER has satisfied itself, and will continue to be responsible for assessing, the tax implications of becoming a party to any Transaction hereunder.
- (2) The DEALER represents to the CUSTOMER as follows (which representations shall be deemed to be repeated by the DEALER on each day on which the DEALER enters into a Transaction):

- (I) the DEALER has full power capacity and authority and has obtained any and all necessary authorizations and consents to enter into and perform its obligations under the Agreement and the Transactions hereunder on the terms set out in this Agreement and the applicable Confirmation;
- (II) the Transactions entered into by the DEALER do not violate any prudential norms or regulations in force relating Transactions by the DEALER.

5. Taxes

Unless otherwise agreed, all payments in respect of any Transaction hereunder shall be paid free and clear of, and without withholding or deduction for, any taxes or duties of whatever nature imposed, levied, collected, withheld or assessed by any authority having power to tax, unless the withholding or deduction of taxes is required by law or practice of any taxing authority. In such circumstances, the paying party shall not be obliged to gross up any such payment and the net amount after such withholding or deduction will be payable to the receiving party.

6. Substitution

- (I) In relation to any Repurchase Transaction at any time between the Purchase Date and the Repurchase Date the DEALER may, in accordance with any relevant confirmation, substitute other Eligible Securities, for any Purchased Securities, provided, however, that such substitute Eligible Securities shall have a Market Value at least equal to the Market Value of the Purchased Securities for which they are initially substituted as at the date of substitution. Such substitution shall be made by transfer to the CUSTOMER of such other Eligible Securities and simultaneous transfer to DEALER of the relevant amount of Equivalent Securities in respect of the Purchased Securities being substituted. After substitution, the substituted Securities shall be deemed to be Purchased Securities and the original Purchased Securities so substituted shall cease to be the Purchased Securities. The DEALER shall be entitled to debit and credit the CUSTOMER's CDS Account accordingly or obtain a transfer from or make a transfer to the CUSTOMER's CDS account accordingly.
- (II) In relation to a Reverse Repurchase Transaction, the substitution provisions in (i) above shall apply only if the relevant Confirmation provides for such substitution.

7. Event of Default/Termination Event

- (I) The following shall constitute Events of Default under this Agreement
 - (a) any of the Parties fails to perform any payment or delivery obligation hereunder;
 - (b) any of the representations made by a party hereunder is false or misleading in any material respect;
 - (c) an Act of Insolvency in respect of a Party
 - (d) if the CUSTOMER, being an individual, dies or becomes of unsound mind or otherwise incapacitated, and, in the case of death, the outstanding monetary obligations of the CUSTOMER to the DEALER are not satisfied within 30 days of the date of death.
- (II) the Defaulting Party shall be obliged to notify the Non-Defaulting Party of the

occurrence of any Event of Default in respect of the Defaulting Party, of which the Defaulting Party shall have become aware;

- (iii) if any Event of Default occurs the Non-Defaulting Party may serve a Termination Notice upon the Defaulting Party by giving not less than three (03) days' notice.
- (iv) where the Non Defaulting Party serves a Termination Notice, the Repurchase Date in respect of each Transaction hereunder shall be accelerated to the Acceleration Date (which shall not be a date earlier than the date on which the Termination Notice is deemed to be received in accordance with the terms hereof). The Repurchase Price in respect of each Transaction shall be

amended accordingly to an amount determined in good faith by the DEALER to take into account the acceleration of the relevant Repurchase Date in respect of each Transaction (such amended Repurchase Price, the "Amended Repurchase Price");

- (v) where an Acceleration Date so occurs, (A) the DEALER shall determine (a) the Market Value of each of the Purchased Securities hereunder and (b) the Amended Repurchase Prices hereunder, and (B) the obligation of the parties under the Transactions shall automatically be replaced
 - (1) where the sum of (a) the aggregate of the Market Values under all Repurchase Transactions and (b) the aggregate of the Amended Repurchase Prices under all Reverse Repurchase Transactions (such sum, the "DEALER Amounts") exceeds the sum of (c) the aggregate of the Market Values under all Reverse Repurchase Transactions and (d) the aggregate of the Amended Repurchase Prices under any Repurchase Transactions (such sum, the "CUSTOMER Amounts"), by an obligation on the part of the CUSTOMER (subject to Section 7(vi) hereof) to pay an amount equal to such excess to DEALER on the Termination Payment Date, and
 - (2) where the CUSTOMER Amounts (as defined in Section 7(v)(B)(1) hereof) exceed the DEALER Amounts (as defined in Section 7(v)(B)(1) hereof), by an obligation on the part of DEALER (subject to Section 7(vi) hereof) to pay an amount equal to such excess to the CUSTOMER on the Termination Payment Date;
- (vi) without limiting any other rights of combination of accounts, netting or set-off available to the DEALER, the DEALER may set off any amount (a) payable to it under Section 7(v)(B)(1) hereof against any other amounts payable by it to the CUSTOMER and
 - (b) payable by it under Section 7(v)(B)(2) against any other amounts payable to it by the CUSTOMER, in each case whether any such other amounts arise under this Agreement or otherwise.

8. Notices

Notices will be given to the CUSTOMER at the address specified above, or such other address as the CUSTOMER may have notified to DEALER in writing, and will be deemed to have been received by the CUSTOMER (i) where delivered personally during business hours of DEALER

(“Business Hours”) on a Business Day, on that Business Day (or if the date of delivery is not a Business Day, or the time of delivery is outside Business Hours, at the commencement of Business Hours on the next following Business Day), (ii) where delivered by fax, on a Business Day on receipt of the applicable acknowledgment of sending, (or if delivered by fax on a date which is not a Business Day, or the time of delivery is outside Business Hours, at the commencement of Business Hours on the next following Business Day) and (iii) where delivered by post, two Business Days following the date of dispatch.

9. Interest on late payments

Where the Party fails to make any payment under any Transaction or under the Agreement, interest shall be payable by the Party at the Default Rate on the amount payable but unpaid for the period from and including the due date for such payment to but excluding the date on which the applicable payment is actually received by other Party. Such interest will be calculated on the basis of daily compounding and the actual number of days elapsed.

10. Non-Transferability

- (i) Neither of the Parties shall transfer or assign any of its rights and obligations under this Agreement, nor shall it seek to create any third-party rights in respect thereof, without the prior written consent of the other Party.
- (ii) The Purchased Securities shall not be traded at any time between the Purchase Date and the Re-Purchase Date on a Repurchase Transaction, unless specified otherwise in the relevant Confirmation.

11. Obligations of DEALER/Force Majeure

- (i) The obligations of the DEALER hereunder are performable only by DEALER and such performance is subject to all applicable laws and regulations in Sri Lanka.
- (ii) Where it becomes, by reason of force majeure or act of state, impossible or impracticable for DEALER to perform its obligations hereunder, such obligations shall be suspended until it is no longer impossible or impracticable for DEALER to perform such obligations, and no interest or other payment (except any interest or other payment that would have been payable in respect of such obligations had no such suspension occurred) shall be payable in respect of the suspended
- (iii) obligations during the period of suspension; provided that DEALER may declare that the relevant obligation is due for performance upon any event of default or termination event in respect of the other party to enable DEALER to include the value of such obligation in any netting or set-off in such circumstances.

12. Governing Law/Submission to Jurisdiction

This Agreement and all Transactions entered into hereunder shall be governed by the laws of Sri Lanka and the Parties submit to the exclusive jurisdiction of the courts of Sri Lanka.

STANDARD SERVICE AGREEMENT

Applicable Legal Provision

In terms of the provisions of the Local Treasury Bills Ordinance No. 8 of 1923 (LTBO) and the Registered Stock and Securities Ordinance No 7 of 1937 (RSSO) and the Local Treasury Bills (Primary Dealers) Regulations No. 01 of 2009 made under section 16 of the LTBO and the Registered Stock and Securities (Primary Dealers) Regulations No. 01 of 2009 made under section 55 of the RSSO.

General Principles

NSB Fund Management Co Ltd will ensure that in all its dealing with Customers and within the context of its authorization it:

- (a) acts honestly, fairly and professionally in the best interests of its customers and the integrity of the market
- (b) acts with due skill, care and diligence in the best interests of its customers
- (c) does not recklessly, negligently or deliberately mislead a customer as to the real or perceived advantages or disadvantages of any investment
- (d) seeks from its customers information relevant to the investment
- (e) makes full disclosure of all relevant material information, including all charges, in a way that seeks to inform the customer
- (f) seeks to avoid conflicts of interest
- (g) corrects errors and handles complaints speedily, efficiently and fairly
- (h) does not exert undue pressure or undue influence on a customer
- (i) ensure that the name of any investment is not misleading in terms of the benefits that the investment can deliver to a customer
- (j) ensure that all instructions from a customer are processed properly and promptly
- (k) ensure that any funds received by it in favor of a customer, are credited to that account by close of the business day on which the funds are received
- (l) where NSB FMC deals with a person who is acting for a customer under a power of attorney NSB FMC will;
 - Obtain a certified copy of the power of attorney
 - Ensure that the power of attorney allows the person to act on the customer's behalf and operate within the limitations set out in the power of attorney.

Provision of Information

- (a) If NSB FMC ceases operations, merges with another, or transfers all or part of its activities to another Primary Dealer, NSB FMC will;
 - Provide at least two months' notice to its customers to enable them

- to make alternative arrangements
 - Ensure all outstanding transactions are properly completed or inform the customer of how continuity of services will be provided following the transfer or merger.
- (b) NSB FMC ensures that where it communicates with a Customer using electronic media, it has in place appropriate arrangements to ensure the security of information received from the Customer and the secure transmission of information to the Customer

A Customer's obligations toward a Primary Dealer

It is imperative that the Customer informs NSB FMC at all times of any changes to his/her address and contact details to facilitate to contact the Customer at any time and to ensure that Customer registration details in the CDS are current and accurate

- (a) The Customer should have the complete understanding of the product/service offered by the Primary Dealer before entering into the contract.
- (b) The Customer should duly fill and submit the required application forms and supporting documents in time.

Compliance with Customer Charter

NSB FMC hereby confirms that it is governed by the Customer Charter which offers protection to Customers and that the Charter can be found on the Central Bank's website www.cbsl.gov.lk.