

TERMS & CONDITIONS - CASH BACKED LOANS

In consideration of National Development Bank PLC, bearing registration No. PQ 27 offering to grant the Loan Facility against balances in the deposit account as stated above, with the Bank, I hereby undertake and agree to obtain the Facility described above subject to the following terms and conditions.

In these Terms and Conditions, unless the context otherwise requires;

- (a) "Account" means the Bank account or accounts held or to be held at the Bank in the name of the Borrower the number of which is specified above.
- (b) "Bank" or "NDB Bank" shall mean the National Development Bank PLC bearing registration No. PQ 27 having its registered office at No 40, Nawam Mawatha, Colombo 02 and shall include its successors and assigns as the case may be.
- (c) "Borrower" /"Depositor" shall mean the applicant more fully described above together with his/her respective heirs executors and administrators.
- (d) "Deposit/s" shall mean the deposit more fully described above and shall include the renewed deposits as referred to in clause 8 of these Terms and Conditions.
- (e) "Loan or Facility/Facilities" shall mean the loan Facility/ies granted to the Borrower against the Deposit which shall individually be considered as a separate loan with a unique reference number and which is more fully described above.
- (f) "Installment" shall mean the monies due and payable each month by the Borrower to the Bank in respect of each Loan Facility together with interest and other charges thereon as specified in above to these Terms and Conditions.
- (g) "Facility Rate of Interest" shall mean the rate of interest as may be determined by the bank at its sole discretion and charged by the Bank on the Facility. For Loans backed by Deposits the said interest rate will be linked to the relevant rate of interest applicable to each Deposit/s kept under lien to the Bank
- (h) "Loan Amount" shall mean the Facility amount determined by the Bank based on each Deposit.
- (i) "Terms and Conditions" shall mean the Terms and Conditions applicable to the Facility.
 - 1. The grant of this Loan Facility will be at the sole discretion of the Bank.
 - 2. Notwithstanding the amount requested by the Borrower, the terms specific to the Facility shall be as detailed above.
 - 3. Notwithstanding the Facility Rate of Interest stipulated hereof along with other charges agreed upon at the time of obtaining the Loan Facility, the Borrower further acknowledges that interest rates and charges on the Loan Facility are subject to change and fluctuations from time to time with notice to the Borrower. In the event the BORROWER does not/is unable to accept such changes and communicates to the bank to that effect in writing, the loan shall be then, become payable on demand.
 - 4. The Installment shall become due and payable to the Bank on the date and on the terms specified above. The Borrower further undertakes that if any monies are deposited in the Account such monies will be used to partially or fully settle all Installments in arrears on the Loan Facility. Penal interest is applicable on the overdue Installments and interest for the period of overdue at the penal interest rate charged by the Bank from time to time as specified in the Bank's tariff schedule. The

- tariff schedule shall be published by the Bank on its website and shall also be displayed at all branches.
5. Any payments made by the Borrower to the Bank will be applied by the Bank against payments due to the Bank in the following order of precedence:-
 - (a) Other charges including the processing fees and prepayment fees
 - (b) Interest
 - (c) Principal of the Loan Facility
 6. The Bank reserves the right to change the Facility Rate of Interest linked to the Deposit and the repayment period in keeping with any statutory charges being levied from time to time by the Government of Sri Lanka.
 7. The Borrower shall pay the processing fee to the Bank or hereby give authority to deduct from the Account or any other account of the Borrower, upon the disbursement of the Facility and the said processing fee is described in the Bank tariff schedule which will be displayed in the Bank official web site and/or at the branch.
 8. In the event of settlement of the Loan or any part thereof prior to its maturity, pre-payment fee shall be applicable as described in the Bank tariff schedule which will be displayed in the Bank official web site and/or at the branch.
 9. The Borrower hereby liens the Deposit held at the Bank. This Deposit will be automatically renewed at maturity during the tenure of this Facility and shall be continuing security for the Facility. The Borrower authorizes the Bank to reinvest the Deposit at its maturity and to renew the said Deposit/s for a further period at the discretion of the Bank and to hold the said Deposit as security for the Facility till such time as the Facility is repaid in full.
 10. The Borrower submits that the Deposit so renewed shall remain assigned and vested with the Bank and shall not be available for withdrawal by the Borrower or by the Borrower's heirs, administrators, executors or successors and assigns (as the case may be) under any circumstances till such time the Facility is repaid in full.
 11. The Borrower irrevocably authorizes the Bank;
 - (a) to hold the Deposit as a continuing security for the Facility.
 - (b) to refuse an application for withdrawal of the Deposit in whole or in part notwithstanding the fact that the Deposit is for a fixed term and the period may or may not have expired.
 - (c) to appropriate the whole or any part of the Deposit in repayment of the Facility notwithstanding that the Deposit is for a fixed term and the period may or may not have expired.
 - (d) for the purpose of any such appropriation, to convert the whole or any part of the Deposit at the Borrower's expense into any currency other than that in which the same is or are held by the Bank .
 - (e) to automatically renew the Deposit/s at maturity during the tenure of this Facility
 12. The Borrower acknowledges and accepts that the relevant Facility Rate of Interest described above shall be decided by the Bank at its discretion and the Installment shall be revised accordingly.
 13. The Borrower/Depositor agrees and undertakes that the Deposit will not be determined, affected or prejudiced by the death or bankruptcy, of the Borrower The Borrower further authorizes the Bank to uplift and/or set off at any time and from time to time and at all times the Deposit held together with all interest charges and costs due from the Borrower.

14. In addition to any general lien or other rights or remedies to which the Bank may be entitled to whether by operation of law or otherwise the Bank may at any time and without notice to the Borrower combine amalgamate or appropriate all monies lying to the Borrower's credit with the Bank in its Registered office or any of its branch offices. This unfettered right and irrevocable authority given by the Borrower to the Bank may be exercised by the Bank even to the extent of dishonoring or refusing to pay cheques demands or withdrawals or other documents drawn by the Borrower on the Bank or closing any account in the Borrower's name in any office of the Bank. Further the Borrower undertakes to indemnify the Bank against all claims or demands that may be made on the Bank consequent to such action of the Bank.
15. Save and except for the corporate tax payable by the Bank on its income, the Borrower will pay and /or reimburse the Bank of any and all taxes presently levied by the Government or the taxes that shall be levied/ reintroduced at a future date payable by it as a consequence of the grant of the Loan Facility.
16. All expenses and costs incurred by the Bank on account of or in connection with the said Loan Facility including payments to the Government and /or any Government Authority such as taxes on interest and legal expenses and all commissions and charges or levies charged by the Bank from the Borrower in the ordinary course of Bank's business from time to time is payable by the Borrower as and when incurred.
17. In conformity with the normal banking practices, the Bank will review the Facility on an annual basis or upon the renewal of the relevant Deposit as appropriately. Notwithstanding same, the Bank shall have the absolute discretion to renew or cancel the Facility or to vary the Terms and Conditions relating thereto including but not limited to the Facility Rate(s) of Interest, at the sole discretion of the Bank at such renewal or otherwise, with notice to the borrower.
18. The Facility offered herein is subject to all relevant approvals, directives and regulations that are issued or may be issued from time to time by the Central Bank of Sri Lanka and or any other relevant authority or institution or statutory body.
19. The Bank reserves the right to claim settlement of all liabilities of the Borrower to the Bank
20. The bank has the right to modify or cancel the Facility at its discretion, with notice to the borrower.
21. Any statement of account made out of the books, documents and records of the Bank and signed and certified as true by any authorized officer of the Bank shall be binding on the Borrower as regards the amounts outstanding and due to the Bank by the Borrower in respect of the Facility and shall be conclusive evidence thereof.
22. No extension waiver or indulgence granted by the Bank or any of its officers shall prejudice the rights of the Bank hereunder.
23. The Borrower shall notify the Bank with detailed information relating to any litigation that may arise involving the Borrower which may tend to affect the Borrower's financial capacity.
24. The monies payable in respect of the Facility together with Facility Rate(s) of Interest and other charges thereon shall be recoverable notwithstanding the Prescription Ordinance (sec. 68) and the Borrower shall not plead such Ordinance as a bar to the Bank suing the Borrower for the recovery of the said monies.
25. Any claims summons advice or notice relating to the Facility which the Bank may desire to convey to the Borrower shall be deemed to have been duly given in writing by registered post to the

address of the Borrower last known to the Bank. Notice of changes in Facility Rate(s) of Interest may also be given by announcement inserted in the local press and/or displayed in the Bank's premises. All notice to the Bank by the Borrower shall be sent by registered post to the Bank at its registered office at No. 40, Nawam Mawatha, Colombo 02.

26. No delay or omission of the Bank in exercising or enforcing (whether wholly or in part only) any right or remedy of the Bank shall be construed as a waiver of such right or remedy.
27. The Borrower hereby represents that no bankruptcy proceeding has been commenced or are intended to commence against the Borrower and that all information furnished herein is true complete and accurate and that the Borrower has not willfully withheld any material information.
28. In the event of representations made by the Borrower on the Borrower's behalf to the Bank to obtain the Facility are found to be untrue or inaccurate or the Borrower committing any breach of the Terms and Conditions set out herein including but not being limited to non-payment of any monies due to the Bank on the dates set forth herein or in any other contract/s previously entered in to or hereafter to be entered into with the Bank for the grant of other facilities the Bank shall thereupon be entitled to demand forthwith the payment of this Facility and interest and other charges thereon as shall be outstanding to the Bank.
29. Noncompliance with any of the terms of the Facility contained herein shall cause an event of default. In such cases, the Bank reserves the right to cancel and/or withdraw and/or cause the abatement of the aforementioned Facility and liquidate the security in settlement of the outstanding, and/or apply a higher rate of interest than that is applicable at present on the aforementioned Facility with or without notice from the Bank.
30. These terms and conditions shall be governed by the laws of Sri Lanka and the appropriate jurisdiction shall be vested in the courts of Sri Lanka. However the Bank shall have the right to pursue the repayment of the Loan Facility in any other country and for such purpose the Bank shall have the right to invoke the jurisdiction of any appropriate court in any other country.