

➔ PLEASE STAPLE THE CHEQUE / BANK DRAFT

HATTON NATIONAL BANK PLC (PQ 82) - DEBENTURE ISSUE -

A public limited Company incorporated on 5th March 1970 under the Laws of the Republic of Sri Lanka. The Bank was re-registered under the Companies Act No 7 of 2007 on 27th September 2007. It is a Licensed Commercial Bank under the Banking Act No. 30 of 1988

Issue Opening Date	15	07	2021	Master serial No (For Official Use only)
Issue Closing Date	05	08	2021	
Earliest Closing date	15	07	2021	Banker's /Stockbroker's (for Official Use Only)
Date	DD	MM	2021	

APPLICATION FORM (Issue is limited for Qualified Investors as defined in the Prospectus)

AN INITIAL ISSUE OF FIFTY MILLION (50,000,000) BASEL III COMPLIANT-TIER 2, LISTED RATED UNSECURED SUBORDINATED REDEEMABLE DEBENTURES WITH A NON-VIABILITY CONVERSION ("DEBENTURES"), AT A PAR VALUE OF LKR 100/- EACH TO RAISE SRI LANKAN RUPEES FIVE BILLION (LKR 5,000,000,000/-) WITH AN OPTION TO ISSUE UPTO A FURTHER TWENTY MILLION (20,000,000) OF SAID DEBENTURES TO RAISE UP TO SRI LANKAN RUPEES TWO BILLION (LKR 2,000,000,000/-), IN THE EVENT THE FIRST TRANCHE IS OVERSUBSCRIBED. MAXIMUM ISSUE WILL NOT EXCEED SEVENTY MILLION (70,000,000) OF SAID DEBENTURES OF A VALUE OF NOT EXCEEDING SRI LANKAN RUPEES SEVEN BILLION (LKR 7,000,000,000/-)

To: Board of Directors – Hatton National Bank PLC, C/o SSP Corporate Services (Pvt) Limited, Registrar to the Issue, No: 101, Inner Flower Road, Colombo 03.

I/We, the undersigned hereby apply for and request you to allot me/us the number of Debentures stated below as per the Prospectus dated 09th July 2021. The amount payable on application is attached herewith. I/We, hereby agree to accept the Debentures applied for or such smaller number as may be allotted to me/us, subject to the terms and conditions contained in the Prospectus. I/We irrevocably give my/our authority and consent to **NSB Fund Management Company Limited** to act as my/our Trustee subject to the terms and conditions stipulated in the Trust Deed dated **02nd July 2021** entered into between Hatton National Bank PLC and the said Trustee. I/We authorise you to procure my/our name(s) to be placed in the register of the holders of the above mentioned Debentures for such number of Debentures that may be allotted on the basis of acceptance by Hatton National Bank PLC.

PLEASE USE BLOCK CAPITALS AND READ INSTRUCTIONS ON THE REVERSE CAREFULLY

	AER	Tenure of Debentures	PLEASE TICK (✓) One Type Only
Fixed Interest Rate of 9.50% Payable Annually	9.50%	10 years	

NUMBER OF DEBENTURES	PRICE PER DEBENTURE (LKR)	AMOUNT TO BE PAID AT LKR 100 PER DEBENTURE
00	100/-	0000

MODE OF PAYMENT (PLEASE TICK (✓) AS APPROPRIATE).

Cheque		NAME OF BANK	NAME OF BRANCH	CHEQUE/BANK DRAFT/BANK GUARANTEE NO.
Bank Draft				
Bank Guarantee				
RTGS				

The allotted debentures would only be credited to the CDS account specified below (Please refer instructions on reverse).

CDS ACCOUNT NO.	
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	SOLE/FIRST APPLICANT	JOINT APPLICANTS	
TITLE (MR/MRS/MS/OTHER)		1.	2.
FULL NAME (UNDERLINE SURNAME) NAME OF COMPANY/CORPORATE BODY		1.	2.
ADDRESS		1.	2.
CONTACT TELEPHONE NUMBER		1.	2.
NIC/PASSPORT/COMPANY REGISTRATION NO.		1.	2.
NATIONALITY (Tick (✓) as appropriate.)	SRI LANKAN	OTHER	
RESIDENCY IN SRI LANKA (Tick (✓) as appropriate.)	RESIDENT	OTHER	
		1. SRI LANKAN	1. OTHER
		2. SRI LANKAN	2. OTHER
		1. RESIDENT	1. OTHER
		2. RESIDENT	2. OTHER

NAME AND ADDRESS OF THE FINANCIER (MARGIN TRADING ONLY)

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REFUND PAYMENT INSTRUCTIONS (IN CASE OF REFUND) Tick (✓) as appropriate.

Non Resident Applicants are requested to include the details of their IIA account which was used to invest in debenture issue.

SLIPS/RTGS *		Cheques to be sent by ordinary mail to first/primary Applicant's address stated above.
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*Please provide accurate information below to avoid delay in respect of refund by SLIPS/RTGS. In the event refunds are not to be made via SLIPS/RTGS – please indicate "N/A"

BANK CODE	BRANCH CODE	ACCOUNT NUMBER

DECLARATION IN TERMS OF THE PROVISIONS OF THE FOREIGN EXCHANGE ACT NO.12 OF 2017

TICK (✓) ONE BOX ONLY	For Sri Lankan Citizens resident in Sri Lanka, and Corporate Bodies Incorporated in Sri Lanka in terms of the provisions of the Foreign Exchange Act. I/We the above Applicant(s), of the above-mentioned Debentures hereby declare that I am/we are citizen(s) of and resident in Sri Lanka and I am/we are not acting as nominee(s) of any person(s) resident outside Sri Lanka.
	For Non-resident and Non-citizens in terms of the provisions of the Foreign Exchange Act I/We, the Investor(s) of the above mentioned Debentures hereby declare that, I am/we are resident outside Sri Lanka and that, I/We have made the Remittance as stipulated by the Controller of Exchange. A confirmation/endorsement from my/our bank to such effect is attached to this Application.

SIGNATURE(S) OF APPLICANT(S)

SOLE / PRIMARY APPLICANT	FIRST JOINT APPLICANT	SECOND JOINT APPLICANT

INSTRUCTIONS

All qualified Investors should indicate their respective CDS account number in the Application Form

- Any Application which does not carry a valid CDS account number or indicates a number of a CDS account which is not opened at the time of the closure of the subscription list or which indicates an inaccurate/incorrect CDS account number will be rejected and no allotment will be made
- If you wish to open a CDS account, you may do so prior to making the Application through any Member/Trading Member of the CSE or through any Custodian Bank as set out in Annexure II and III of the Prospectus.
- **The allotted Debentures would only be credited to the Applicant's CDS account.**
- **NO DEBENTURE CERTIFICATE WILL BE ISSUED.**

(1) APPLICATION FORM

- The Application form must be completed in **FULL**, in **BLOCK CAPITALS**
- Please tick (✓) in the boxes appropriate to you.
- In the event a particular section in this Application form is not applicable, **please indicate "N/A" in the relevant section.**
- All Applicants should meet the eligibility criteria set out under Section 6.2 in the Prospectus.
- Applications should be made on the Application Form, issued with the Prospectus. Application Forms will be made available from the collection points listed in Annex II of the prospectus and can also be downloaded from www.cse.lk and www.hnb.net. **Exact sized photocopies of the original Application Form will also be permissible. Care must be taken to follow the instructions given in the Application Form.**
- The minimum subscription requirement applicable for an individual investor applying for BASEL III Compliant Debt Securities shall be Rupees Five Million (LKR 5,000,000/-). Whereas the minimum subscription requirement applicable for a Qualified Investor applying for any debt securities shall be Rupees Ten Thousand (LKR 10,000/-). Provided however, Any application in excess of the minimum subscription requirement shall be multiples of Rupees Ten Thousand (LKR 10,000/-).
- Applications which do not strictly conform to instructions and the other conditions set out herein or which are incomplete or illegible may be rejected.
- Two or more Applications submitted by an Applicant for same type of debentures will not be accepted. If two or more Application Forms are submitted from a single Applicant, those would be construed as multiple Applications or suspected multiple Applications.
- If the ownership of the Debentures is desired in the name of one Applicant, details should be given only under the heading **SOLE/FIRST Qualified Investor** in the Application Form. In the case of joint Applicants, the signatures and particulars in respect of all Applicants must be given under the relevant headings in the Application Form.
- Qualified Investor of a joint Application will not be eligible to apply through a separate Application Form either individually or jointly. Such Applicants are also deemed to have made multiple Applications and will be rejected.
In the case of joint Applications, the refunds (if any), interest payments and the Redemption will be remitted in favour of the First Applicant as identified in the Application Form.
The company shall not be bound to register more than three (03) natural persons as joint holders of any Debentures (except in the case of executors, administrators or heirs of a deceased member).
- Applications by Companies, Corporate bodies, societies, approved provident funds, trust funds and approved contributory pension schemes registered/ incorporated/ established in Sri Lanka should have obtained necessary internal approvals as provided by their internal approval procedures at the time of applying for the Debentures and should be made under their common seal or in any other manner as provided by their article of association or such other constitutional document of such Applicant or as per the statutes governing them. In the case of approved provident funds, trust funds and approved contributory pension schemes, the Applications should be in the name of the trustee/board of management.
- All Qualified Investors should indicate in the Application for Debentures, their CDS account number.
- In the event the name, address or NIC number/passport number/company registration number of the Applicant mentioned in the Application Form differ from the name, address or NIC number/passport number/company registration number as per the CDS records, the name, address or NIC number/company registration number as per CDS records will prevail and be considered as the name, address or NIC number/passport number company registration number of such Applicant. Therefore, Applicants are advised to ensure that the name, address or NIC number/passport number company registration number mentioned in the Application Form tally with the name, address or NIC number/passport number company registration number given in the CDS account as mentioned in the Application Form. Application Forms stating third party CDS accounts, instead of Qualified Investors own CDS account numbers except in the case of margin trading, will be rejected.
- Qualified Investors who wish to apply through their margin trading accounts should submit the Application Forms in the name of the "Margin provider /Applicants name" signed by the margin provider, requesting direct deposit of the Debentures to the Applicant's margin trading account in CDS. The margin provider should indicate the relevant CDS account number relating to the margin trading account in the Application Form. A photocopy of the margin trading agreement must be submitted along with the Application.
- Margin providers can apply under their own name and such Applications will not be construed as multiple Applications.
- Application Forms may be signed by a third party on behalf of the Applicant(s) provided that such person holds the power of Attorney (POA) of the Applicant(s). A copy of such POA certified by a notary Public as "True Copy" should be attached with the Application Form. Original of the POA should not be attached.

- Funds for the investment in Debentures and the payment for the Debentures by Non-Resident(s): institutional investors, corporate bodies incorporated outside Sri Lanka, individuals resident outside Sri Lanka and Sri Lankans resident outside Sri Lanka should be made only out of funds received as inward remittances or available to the credit of "Inward Investment Account" (IIA) of the Non-Resident Applicants Opened and maintained in a licensed commercial bank in Sri Lanka in accordance with directions given by the Controller of Exchange in that regard to licensed commercial banks.
- An endorsement by way of a letter by the licensed bank in Sri Lanka in which the Non-Resident Applicant maintains the IIA, should be attached to the Application Form to the effect that such payment through bank draft/bank guarantee has been made out of the funds available in the IIA. **Non Resident Applicants are requested to include their IIA account details in the Application Form for refund payments.**
- Non-Resident(s): Qualified investors including corporate bodies incorporate outside Sri Lanka, individual resident outside Sri Lanka and Sri Lankans resident outside Sri Lanka should have obtained necessary internal approvals as provided by their internal approval procedures at the time of applying for Debentures and may be affected by the laws of the jurisdiction of their residence. If the Non-Resident Applicants wish to apply for the Debentures, it is their responsibility to comply with the laws relevant to the jurisdiction of their residence and of Sri Lanka.

(2) MODE OF PAYMENT

- Payment in full for the total value of Debentures applied for should be made separately in respect of each Application either by cheque, bank draft, bank guarantee drawn upon any licensed commercial bank operating in Sri Lanka or RTGS/SLIPS transfers directed through any licensed commercial bank operating in Sri Lanka, as the case may be, subject to (ii) below. **RTGS transfers are accepted for payments inclusive and above LKR 100,000,000/- . Cash will not be accepted.**
- Payments for Applications for values above and inclusive of Sri Lanka Rupees One Hundred Million (LKR 100,000,000/-) should be supported by either a
 - Bank guarantee issued by a licensed commercial bank or
 - Multiple bank drafts/cheques drawn upon any licensed commercial bank, each of which should be for a value less than LKR 100,000,000/- or
 - RTGS transfer with value on the Issue Opening Date
- Cheques or bank drafts should be made payable to "**HNB PLC DEBENTURE ACCOUNT 2021**" and crossed "Account Payee Only", and must be honoured on the first presentation
- In case of bank guarantees, such bank guarantees should be issued by any licensed commercial bank in Sri Lanka in favour of "**HNB PLC DEBENTURE ACCOUNT 2021**" in a manner acceptable to the Company, and be valid for a minimum of one (01) month from the issue Opening Date (i.e. 15th July 2021).
- In case of RTGS transfers (only for Application values above and inclusive of Sri Lanka Rupees One Hundred Million (LKR100,000,000/-) such transfers should be made to the credit of "**HNB PLC DEBENTURE ACCOUNT 2021**" bearing the account number '**003010540913**' at **HNB PLC – Head office Branch with value on the Issue Opening Date** (i.e. the funds to be made available to the above account on the Issue Opening Date).
The applicant should obtain a confirmation from the Applicant's bank, to the effect that arrangement have been made to transfer payment in full and should be attached to the Application Form.
For RTGS transfers above and inclusive of Sri Lanka Rupees One Hundred Million (LKR 100,000,000/-), the Applicants are entitled to an interest at the rate of **Two decimal Five per centum (2.50%)** per annum from the date of such transfers up to the date of allotment. However, no interest will be paid if the RTGS transfers are not realised before the end of the Closing Date. Furthermore, even if such RTGS transfers are affected prior to the Issue opening date, no interest will be paid for the period prior to the Issue Opening Date.
- All cheques/bank drafts received in respect of the Applications for Debenture will be banked commencing from the Business Day immediately following the Closing Date. Cheques must be honoured on first presentation for the Application to be valid.
- Please refer Section 6 of the prospectus for further details.

(3) FORWARDING COMPLETED APPLICATION

- The scanned copies of duly filled Application Forms along with the scanned copies /soft copies of the payment proof will be accepted. Scanned copy of the duly filled an application and the payment proof (i.e.: cheque or bank draft deposit slip / RTGS Confirmations) should be emailed to DEBENTURE2021@hnb.lk. Please refer section 6.3 of the prospectus for further details.
- Application Forms properly filled in accordance with the instructions thereof together with the remittance for the full amount payable on Application should be enclosed in an envelope marked "**HNB PLC - DEBENTURE ISSUE 2021**" on the top left had corner in capital letters and dispatched by post or courier or delivered by hand to the Registrars to the Issue or any collection points mentioned in Annex II of the Prospectus.
- Applications sent by post or courier or delivered to any collection points in Annex II of the Prospectus should reach the office of the registrars to the Issue; **SSP Corporate Services (Private) Limited, No.101, Inner Flower Road, Colombo 03 (Tel:- +94 11 2 573 894 at least by 4.30 p.m. on the following market date immediately upon the Closing Date.** Applications received after the said period will be rejected even though they have been delivered to any of the said collection points prior to the Closing Date or carry a postmark dated prior to the Closing Date.
Applications delivered by hand to the Registrars to the Issue or emailed to the given email address after the Closing Date of the Issue will also be rejected.

(4) REFUNDS ON APPLICATIONS

Refunds on Applications rejected or partly allotted Debentures would be made within Eight (8) Market Days (excluding the Closing Date). Please refer Section 6.9 of the Prospectus for further details.

**PLEASE REFER PROSPECTUS FOR FURTHER DETAILS.
APPLICATIONS NOT MADE IN LINE WITH INSTRUCTIONS WILL BE REJECTED**