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Tarique Afzal  
President & Managing Director  
AB Bank Limited  
Corporate Office, Dhaka.

AB BANK LIMITED

As Issuer

AND

MTB Capital Limited

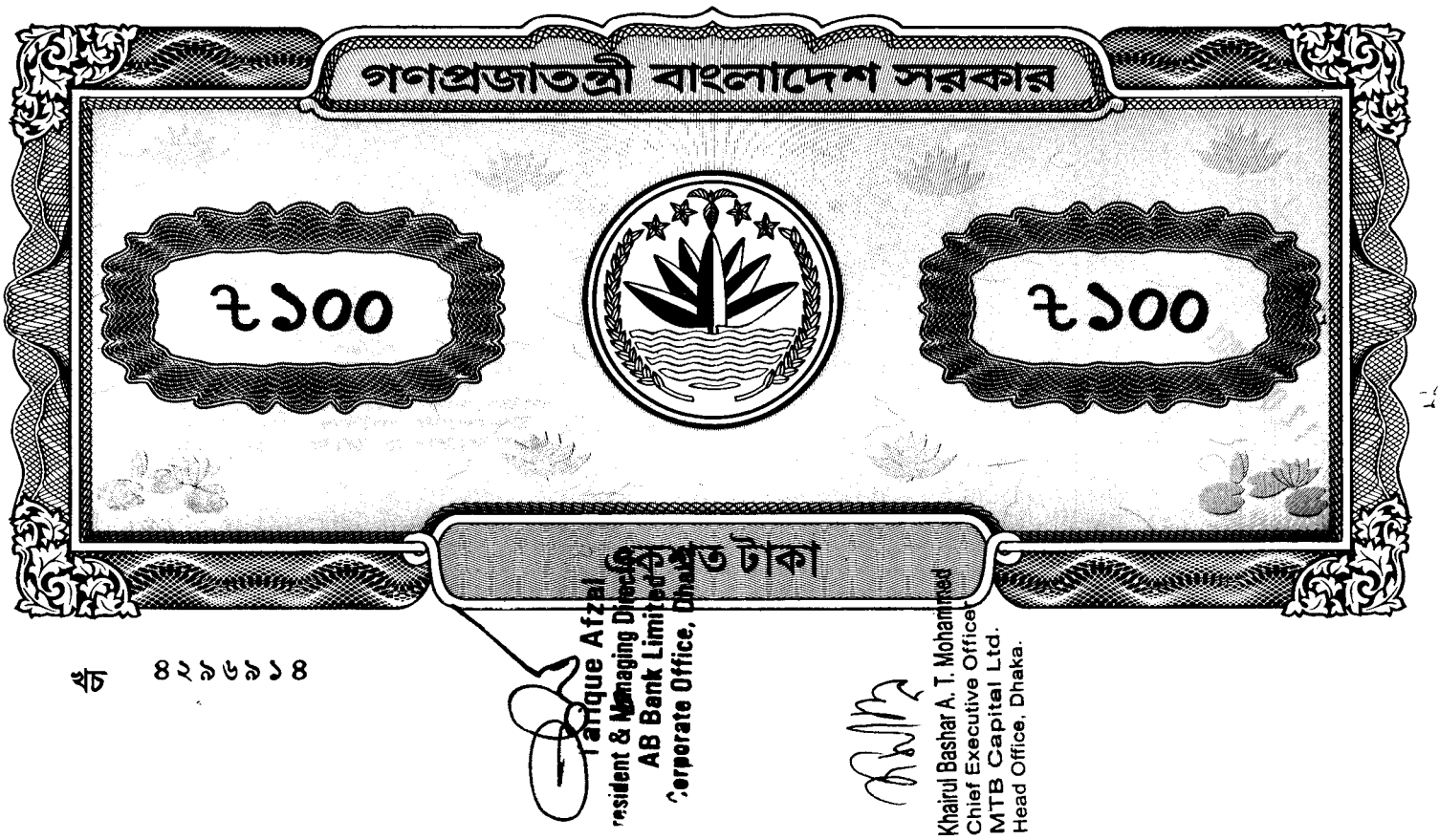
As Trustee

TRUST DEED RELATING TO

BDT 6,000,000,000 PERPETUAL BONDS

Khairul Bashar A. T. Mohammed  
Chief Executive Officer  
MTB Capital Ltd.  
Head Office, Dhaka.

“দেশপ্রেমের শপথ নিন, দুর্নীতিকে বিদায় দিন”



THIS TRUST DEED (this "Trust Deed") is made on December 09, 2021

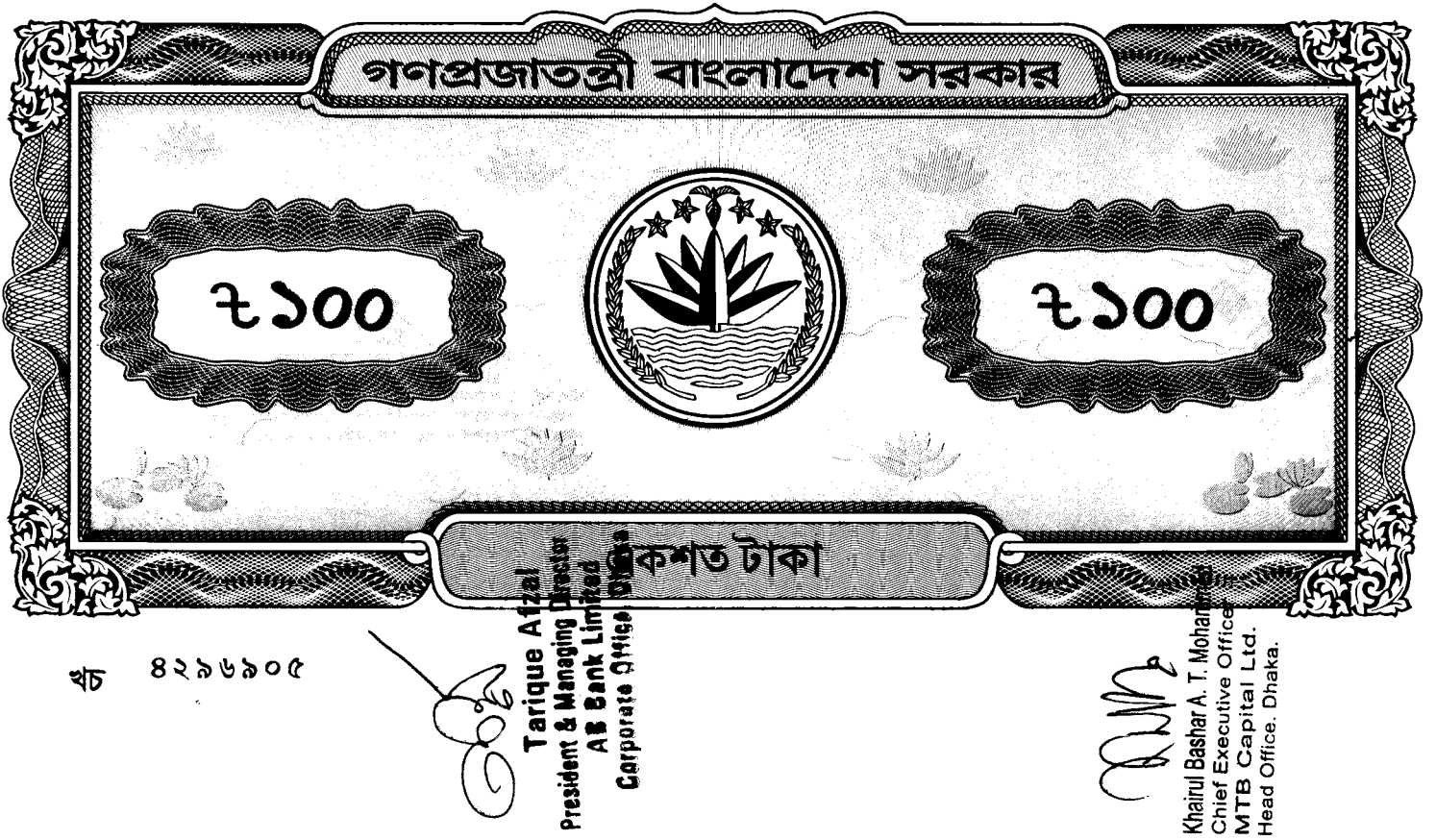
BETWEEN

- (1) **AB Bank Limited**, a public company incorporated under the Companies Act, 1913 of Bangladesh and operating under the Bank Company Act, 1991 and having its corporate headquarter at The Skymark, 18 Gulshan Avenue, Gulshan 1, Dhaka-1212, Bangladesh (hereinafter referred to as "Issuer," which expression shall, unless it is repugnant to the context or meaning thereof, include its successors in interest, legal representatives, administrators and assigns) of the ONE PART; and
- (2) **MTB Capital Limited**, a financial institution incorporated under the Companies Act, 1994 having its corporate head office at Chandrashila Suvastu Tower (2nd Floor), 69/1, Panthapath, Dhaka-1205, Bangladesh (hereinafter referred to as "Trustee") ", which expression includes, where the context admits, all persons for the time being the trustee or trustees of this Trust Deed and shall mean and include its successors-in-interest and assigns.

WHEREAS

- (a) The Issuer proposes to issue 6,000,000 unsecured, contingent-convertible, coupon-bearing perpetual bonds of BDT 1,000 each at par totalling BDT 6,000,000,000 (Six billion Taka) with no maturity dates as part of Additional Tier-I Regulatory Capital (the "Bonds"/ "Perpetual Bonds").
- (b) The Issuer accordingly has approached the Bondholders and entered into an agreement with the initial purchasers of the Bonds under Private Placement, as per "**Subscription Agreement**" pursuant to which the Bondholders have agreed to subscribe for the Bonds.
- (c) The Bangladesh Securities and Exchange Commission of Bangladesh (the "BSEC") has duly consented to the issuing of the Bonds, vide letter no. BSEC/CI/DS-163/2021/597 dated November 23, 2021 and the Bangladesh Bank approved the same vide letter no. BRPD(BFIS)661/14B(P)/2021-7965 dated September 07, 2021.
- (d) The Issuer as Settlor has decided to create a trust of covenants for the said Bonds and the Bondholders shall be beneficiary of the said trust and the said trust shall be known as **AB Bank Limited Perpetual Bonds Trust**. For the purpose of private placement of Bonds, the Issuer has entered into an agreement with the Investors (the "**Subscription Agreement**") for private placement of Bonds subject to the terms and conditions of the Bond Documents

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and Subscription Agreement. Under the Subscription Agreement, the Issuer covenants to pay all sums due under the Bonds to the Bondholders. The bond is listed on the Exchange(s).

- (e) The Issuer has proposed to appoint **MTB Capital Limited** as Trustee in respect of the trust of covenants for the Bonds under which the Trustee will hold the benefit of the covenants made by the Issuer on trust for the benefit of the Bondholders; and provide evidences for proper utilization and payment/repayment/redemption of the issue. The Trustee has agreed to act and perform by declaring a trust in accordance with the Trusts Act, 1882, and Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021, for the objects set out hereinafter.
- (f) MTB Capital Limited has at the request of the Issuer consented to act as Trustee on the terms and conditions appearing hereinafter and obtained the approval of the Bangladesh Securities and Exchange Commission to act as Trustee to the issue vide letter no. BSEC/Reg./Trustee-223/2021/Part-I/397 dated November 29, 2021.

**NOW THIS DEED WITNESSES AND IT IS HEREBY DECLARED** as follows:

## 1. OBJECTIVE OF THE ISSUE

The Issuer has planned to issue the Bonds as part of the Additional Tier-1 Capital following the Capital Adequacy Guidelines.

## 2. DEFINITIONS AND INTERPRETATION

### 2.1 Definitions

Subject to definitions and expressions contained in the Features of the Bond contained in Clause 10.2 (*Features of the Bonds*) and also in 11.1 (*Form, Denomination and Title*), in this Trust Deed the following expressions have the following meanings.

"**Agency Agreement**" means the agency agreement dated on or about the date of this Trust Deed (as amended and restated or supplemented from time to time) between the Issuer, the Trustee, the Registrar, and the Paying Agent which shall form an integral part of this Trust Deed;

"**Appointee**" means any delegate, agent, nominee, receiver, attorney or custodian appointed by the Trustee pursuant to the provisions of this Trust Deed;

**"Authorised Signatory"** means, in relation to the Issuer, any director or any other person or persons notified to the Trustee by the Issuer as being an Authorised Signatory pursuant to Clause 14.2.3 (*Authorised Signatories*);

**"Bond Certificate"** means any individual bond certificate in demat form representing a Bondholder's entire holding of the Bonds;

**"Bondholder"** means a person in whose name a Bond (or, as the case may be, such Bond) is registered in the Register;

**"Bonds"** means the Bonds for the time being outstanding or, as the case may be, a specific number thereof;

**"Business Day"** means a day on which banks in Bangladesh are generally open for business;

**"Capital Adequacy Guidelines"** means the Guideline of Risk Based Capital Adequacy (Revised Regulatory Capital Framework in line with Basel III) of Bangladesh Bank or any successor guidelines or law.

**"Compliance Certificate"** means a certificate signed by the Managing Director and Chief Executive Officer of the Issuer, substantially in the form set out in Schedule 2 (*Form of Compliance Certificate*) hereto;

**"Conditions"** means, the terms and conditions to be endorsed on the Bonds, in the form or substantially in the form set out in Part B of Schedule 1 hereto, as the same may from time to time be modified in accordance with this Trust Deed, and any reference in this Trust Deed to a particular numbered Condition shall be construed accordingly;

**"Distributable Profit"** means the net profit after tax for that year, including retained earnings on that date;

**"Engagement Letter"** means the engagement letter dated August 31, 2021 between the Issuer and Trustee. The engagement letter shall form part of the Trust Deed and shall have effect accordingly.

**"Liability"** means any loss, damage, cost, charge, claim, demand, expense, judgment, action, proceeding or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges) and including any value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis;

**"Material Adverse Effect"** means a material adverse effect on the business, conditions (financial or otherwise), operations, performance, assets or prospects of (i) the Issuer or the Group (taken as a whole) or (ii) the ability of the Issuer to perform its obligations under the Bond Documents; or the legality, validity or enforceability of any or all of the Bond Documents or any or all of the rights or remedies of any of the Trustee or the Bondholders under any or all of the Bond Documents.

**"Paying Agent"** means the paying agent mentioned under Clause 10.2 (Features of the Bond)

**"Related Party"** means, in respect of any person, any affiliate of that person or any officer, director, employee or agent of that person or any such affiliate or any person by whom any of them is controlled;

**"Rules"** means Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021 issued by the Bangladesh Securities and Exchange Commission

**"Settlor"** means the Issuer of the Bond, AB Bank Limited.



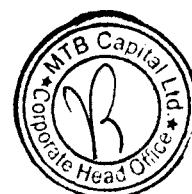
"**this Trust Deed**" means this Trust Deed, the Bonds and the Schedules (as each may from time to time be modified in accordance with the provisions contained herein) and (unless the context requires otherwise) includes any deed or other document executed in accordance with the provisions hereof (as from time to time modified as aforesaid) and expressed to be supplemental hereto.

"**Transaction Documents**" means this Trust Deed, the Subscription Agreement, the Bonds, the Bond Certificate including the Conditions, Agency Agreement and any documents pertaining thereto.

## 2.2 Principles of interpretation

In this Trust Deed, references to:

- 2.2.1 *Statutory modification*: a 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 thereunder or under such modification or re-enactment;
- 2.2.2 *Additional amounts*: any additional amounts which may be payable under Clause 11.4 (*Taxation*);
- 2.2.3 *Tax*: costs, charges or expenses shall include any value added tax or similar tax charged or chargeable in respect thereof as per law of the land;
- 2.2.4 *Currency*: all references to "**BDT**" or "**Taka**" are to the lawful currency of the People's Republic of Bangladesh ("**Bangladesh**") at all times;
- 2.2.5 *Clauses and Schedules*: a Schedule or a Clause or sub-clause, paragraph or sub-paragraph is, unless otherwise stated, to a schedule hereto or a clause or sub-clause, paragraph or sub-paragraph hereof respectively;
- 2.2.6 *Principal*: principal shall, when applicable, include premium;
- 2.2.7 *Gender*: words denoting the masculine gender shall include the feminine gender also, words denoting individuals shall include companies, corporations and partnerships and words importing the singular number only shall include the plural and, in each case, *vice versa*;
- 2.2.8 *Continuing*: A Default is "**continuing**" if it has not been remedied or waived;
- 2.2.9 *Persons*: a person includes a reference to that person's legal personal representative, successors and permitted assigns and transferees; and
- 2.2.10 *Agreement*: an agreement or a document includes any agreement or document executed in accordance with the provisions thereof and expressed to be supplemental thereto.
- 2.2.11 *In this Trust Deed, wherever used, the word outstanding shall mean, in relation to the Bonds, all the Bonds other than:*
  - (a) those which have been recalled in accordance with this Trust Deed; and
  - (b) those in respect of which the date for recall in accordance with the provisions of the Conditions has occurred and for which the call moneys (including all interest accrued thereon to the date for such recall) have been duly paid by the Issuer (and, where appropriate, notice to that effect has been given to the Bondholders in accordance with Clause 11.9 (*Notices*) and remain available for payment in accordance with the Conditions; *provided that* for each of the following purposes, namely:



- (i) the right to attend and vote at any meeting of Bondholders;
- (ii) the determination of how many and which Bonds are for the time being outstanding for the purposes of Clauses 13.9 (*Modification and Waiver*), Clause 14 (*Rights, Duties and Obligations of the Issuer*), Clause 11.5 (*Events of Default*), Condition 19.2 (*Meetings of Bondholders, Modification and Waiver*) and Condition 11.9 (*Notices*), Clause 19 (*Meeting of Holders of the Bond with Power, Scope and Quorum of the Meeting*); and
- (iii) any discretion, power or authority, whether contained in this Trust Deed or provided by law, which the Trustee is required to exercise in or by reference to the interests of the Bondholders or any of them;

those Bonds (if any) which are for the time being held by any person (including but not limited to the Issuer or any Subsidiary) for the benefit of the Issuer or any Subsidiary shall (unless and until ceasing to be so held) be deemed not to remain outstanding

### 2.3 The Conditions

In this Trust Deed, unless the context requires or the same are otherwise defined, words and expressions defined in the Conditions and not otherwise defined herein shall have the same meaning in this Trust Deed. In the case of any conflict or inconsistencies in respect thereof, the Conditions shall prevail.

### 2.4 Headings

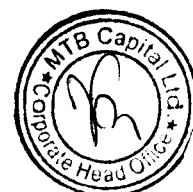
The headings and sub-headings are for ease of reference only and shall not affect the construction of this Trust Deed.

### 2.5 The Schedules

The schedules are part of this Trust Deed and shall have effect accordingly.

## 3. RELATION BETWEEN THE PARTIES

- 3.1 AB Bank Limited (the “Issuer”) was authorised by its Board of Directors on 709<sup>th</sup> Board Meeting held on May 11, 2021 for the issue of the Bonds for the purpose of raising Perpetual Bond as part of additional Tier-I Regulatory Capital following “**Guideline of Risk Based Capital Adequacy (Revised Regulatory Capital Framework in line with Basel III)**” of Bangladesh Bank. The Bonds are constituted by this trust deed (as amended or supplemented from time to time) the “**Trust Deed**”) to be dated on or about December 09, 2021 made between the Issuer and **MTB Capital Limited** as trustee for the holders of the Bonds (the “**Trustee**”, which term shall, where the context so permits, include all other persons or companies for the time being acting as trustee or trustees under the Trust Deed) and are subject to the agency agreement to be dated on or about date of this Trust Deed (as amended and/or supplemented from time to time, the “**Agency Agreement**”) between the Trustee, **AB Investment Limited** as paying agent (together with its successors, the “**Paying Agent**”), and together with the Registrar and the Paying Agent, the “**Agents**”) relating to the Bonds. The statements in the terms and conditions of the Bonds (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed. Copies of the Trust Deed and the Agency Agreement are available for inspection during usual business hours at the principal office at the registered office of the Trustee. The Bondholders are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them.



#### 4. GOVERNING LAW AND JURISDICTION

The Bonds and the Trust Deed are governed by and shall be construed in accordance with laws of Bangladesh.

Any disputes which may arise out of or in connection with the Trust Deed or the Bonds (including a dispute relating to non-contractual obligations arising from or in connection with the Trust Deed or the Bonds or a dispute regarding the existence, validity or termination of the Trust Deed or the Bonds or the consequences of their nullity) ("**Disputes**") between the Issuer and the Trustee or between Issuer and the Bondholders or between Trustee and the Bondholders shall be settled by arbitration in accordance with the provisions of the Arbitration Act 2001. Each party shall appoint its arbitrator and the arbitrators shall appoint chairman of the arbitral tribunal. Venue of arbitration shall be at Dhaka. Unless otherwise decided by the arbitral tribunal, each party to an arbitration proceeding shall bear their respective costs of arbitration.

#### REGISTERED ADDRESS OF THE TRUST

The offices of the Trust shall be situated at the registered office of the Trustee, and/or such place(s) as the Trustee may deem fit and proper in its discretion.

#### 5. DESCRIPTION OF THE TRUST

##### 5.1 Creation of the Trust

The Settlor hereby declares and confirms that it has simultaneously with the execution of this Trust Deed settled and does deliver to and make over to the Trustee an amount of BDT 100,000.00 (one hundred thousand only Taka)(the "**Trust Property**") along with benefit that will arise from the covenants made by the Settlor in terms of this trust, TO HAVE AND HOLD the same together with all additions or accretions thereto UPON the Trust and confirms that it will transfer the said amount, together with all additions or accretions thereto, and the investments representing the same would be applied and governed by the terms and conditions of this Trust Deed, and any direction of the Issuer at the time of creation of the Trust.

##### 5.2 Acceptance of the Trust

The Trustee hereby declares and confirms that it shall hold and stand possession of the Trust Property UPON trust and subject to the powers, provisions, agreements and declarations herein contained.

##### 5.3 Beneficiaries

The Trust Property shall be held for the benefit of the Bondholders (the "**Beneficiaries**") for distribution in accordance with law.

##### 5.4 Name of the Trust

##### 5.5 The Trust hereby created shall be called **AB Bank Limited Perpetual Bonds Trust** (herein referred to as the "**Trust**"). There shall be a seal of the Trust under the name and style of "**AB Bank Limited Perpetual Bonds Trust**" and all acts shall be done and all books of account of the Trust shall be maintained, kept and operated under the foregoing name. The purpose of the Trust is the protection, preservation and representation of rights, interest and liabilities of the Beneficiaries under the Bonds.



## **6. COMMENCEMENT AND TERMINATION OF THE TRUST**

### **6.1 Date of Commencement of the Trust**

The Trust hereby created shall be deemed to be established from the date of execution of this Trust Deed.

### **6.2 Date of Termination of the Trust**

- 6.2.1** The Trust shall only be extinguished when all liabilities, if any, are paid in full in accordance with this Trust Deed and the Conditions.
- 6.2.2** The Bonds are perpetual securities in respect of which there is no fixed redemption date.
- 6.2.3** Notwithstanding anything to the contrary in this Trust Deed or the other Bond Documents, the Settlor may revoke the Trust with the express consent of all Beneficiaries of the Trust and the permission from the BSEC.

## **7. COSTS AND EXPENSES**

### **7.1 Remuneration and Indemnification of the Trustee**

- 7.1.1** *Normal remuneration:* So long as the Trustee is a trustee under this Trust Deed and any Bond remains outstanding or any amount remains outstanding under this Trust Deed, the Issuer shall pay to the Trustee remuneration as described in Clause 9 of this Trust Deed for its services as trustee, such remuneration to be at such rate as agreed between the Issuer and the Trustee. Such remuneration shall accrue from day to day and be payable (in priority to payments to the Bondholders) up to and including the date when, all the Bonds having become due for redemption, the redemption moneys thereon to the date of redemption have been paid to the Trustee, *provided that* if upon due presentation (if required pursuant to the Conditions) of any Bond or any cheque, payment of the moneys due in respect thereof is improperly withheld or refused, remuneration will commence again to accrue;
- 7.1.2** *Extra remuneration:* In the event of the occurrence of a Default or Event of Default or the Trustee (after prior approval from the Issuer to the extent reasonably practicable in the circumstances) considers it expedient or necessary or being requested by the Issuer to undertake duties which the Trustee and the Issuer agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under this Trust Deed, the Issuer shall pay to the Trustee such additional remuneration as shall be agreed between them;
- 7.1.3** The issuer will bear the Value Added Tax (VAT) where applicable. Withholding Income Tax where applicable, may be deducted by the issuer as per Tax Laws of the country. All supporting treasury challan and deduction certificate thereon will be provided to the Trustee.
- 7.1.4** *Failure to agree:* In the event of the Trustee and the Issuer failing to agree with respect to Clause 7.1.2 upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under this Trust Deed, or upon such additional remuneration, such matters shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Trustee and approved by the Issuer (the expenses involved in such nomination and the fees of such investment bank being shared equally by the Trustee and the Issuer) and the determination of any such investment bank shall be final and binding upon the Trustee and the Issuer;





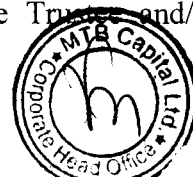
- 7.1.5 Expenses:** Subject to the terms of the Engagement Letter, the Issuer shall also pay or discharge all costs, charges and expenses incurred by the Trustee in relation to the preparation and execution of, the exercise of its powers and the performance of its duties under, and in any other manner in relation to, this Trust Deed, including but not limited to reasonably incurred travelling expenses, regulatory expenses, and any stamp, issue, registration, documentary and other taxes or duties paid or payable by the Trustee in connection with any action taken or contemplated by or on behalf of the Trustee for enforcing any provision of this Trust Deed, upon the production of documentary evidence to the satisfaction of the Issuer of the incurrence of the same and prior approval from the Issuer should be taken for such expense;
- 7.1.6 Indemnity:** The Issuer shall, on demand by the Trustee, indemnify it and any Appointee (approved by the Issuer ) (a) in respect of all liabilities and expenses incurred by it or by any Appointee or other person appointed by it to whom any trust, power, authority or discretion may be delegated by it in the execution or purported execution of the trusts, powers, authorities or discretions vested in it by this Trust Deed and (b) against all liabilities, actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to this Trust Deed *provided that* it is expressly stated that Clause 13.6 (*Trustee liable for gross negligence*) shall apply in relation to these provisions.
- 7.1.7 Payment of amounts due:** All amounts payable pursuant to sub-clauses 7.1.5 and 7.1.6 shall be payable by the Issuer against presentation of invoices by the Trustee and such payments shall be made within the time frame stipulated in such invoice.
- 7.1.8 Discharges:** Unless otherwise specifically stated in any discharge of this Trust Deed, the provisions of this Clause 7.1 (*Remuneration and Indemnification of the Trustee*) shall continue in full force and effect notwithstanding such discharge; and
- 7.1.9 Own Funds:** Nothing contained in this Trust Deed shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability and the Trustee shall not be obliged to do or omit anything, including entering into any transaction or incurring any liability (including without limitation, any environmental liability) unless the Trustee's liability is limited in a manner satisfactory to it in its absolute discretion and the Trustee may refrain from taking any action which it may have been instructed or directed to take in accordance with this Deed or to take any other action pursuant to this Trust Deed or any of the other Bond Documents unless and until it shall have received in form and substance satisfactory to it in its absolute discretion such indemnification and/or security (whether by way of payment in advance or otherwise) for all costs, claims, demands, liabilities, expenses (including legal fees and disbursements) which it will or may expend or incur or to which it may be exposed in complying with such instructions or directions. The Trustee shall not in any circumstances be obliged to give its own indemnity to any Appointee or to become a mortgagee in possession.

## **7.2 Stamp duties**

The Issuer will upon demand pay all stamp duties, registration taxes and other similar duties or taxes (if any) payable in Bangladesh on (a) the constitution and issue of the Bonds, (b) the initial delivery of the Bonds (c) any action taken by the Trustee (or any Bondholder where permitted by the Issuer or required under this Trust Deed to do so) to enforce the provisions of the Bonds or this Trust Deed or any other Bond Document and (d) the execution of this Trust Deed.

## **7.3 Indemnities separate and continuing**

The indemnities in this Trust Deed constitute separate and independent obligations from the other obligations in this Trust Deed, will give rise to separate and independent causes of action, will apply irrespective of any indulgence granted by the Trustee and/or any



Bondholder and will continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this Trust Deed or the Bonds or any other judgment or order.

#### **7.4 Subscription Agreement with the Holders of the Bonds**

##### **7.4.1 Taxes**

All payments in respect of the obligations of the Issuer under the Subscription Agreement shall be made free and clear of, and without withholding or deduction for or on account of, any Taxes, unless such withholding or deduction is required by law.

##### **7.4.2 Stamp duties**

The Issuer shall pay all stamp, registration and other Taxes which may be payable upon or in connection with the creation and issue of the Bonds and the execution of the Subscription Agreement and the Bond Documents.

#### **7.5 Agency Agreement with Paying Agent**

##### **7.5.1 Fees**

The Issuer shall pay to the Agents such fees as may be separately agreed in writing between the Issuer and the Agents in respect of the services of the Agents pursuant to the Agency Agreement.

##### **7.5.2 Expenses**

The Issuer shall on demand reimburse each Agent for all expenses (including, without limitation, legal fees and any publication, advertising, communication, courier, postage and other out-of-pocket expenses) properly and reasonably incurred in connection with its services hereunder (plus any applicable value added tax) in both cases, upon prior approval from Issuer and production of documentary evidence satisfactory to the Issuer of such expenses.

##### **7.5.3 Stamp Duties**

The Issuer shall pay all stamp, registration and duties (including any interest and penalties thereon or in connection therewith) which are payable upon or in connection with the execution and delivery of the Agency Agreement.

### **8. DESCRIPTION OF THE TRUSTEE WITH RIGHTS, DUTIES AND OBLIGATIONS**

#### **8.1 Description of the Trustee**

**MTB Capital Limited** is the Trustee for the Bonds.

**8.2** MTB Capital Limited a financial institution incorporated under the Companies Act, 1994 having its corporate head office at Chandrashila Suvastu Tower (2nd Floor), 69/1, Panthapath, Dhaka 1205, Bangladesh

#### **8.3 Rights, Duties and Obligations**

The rights, duties and obligations of the Trustee shall be as described under Clause 13 (*Rights, Duties and Obligations of the Trustee*) herein below in this Trust Deed.



## 9. TRUSTEE FEE

9.1 The Trustee shall be entitled to receive fees in accordance with the terms of its letter of engagement.

## 10. DESCRIPTION OF THE BONDS TO BE ISSUED

### 10.1 Certain Definitions

"**Affiliate**" means, in relation to any Person, a Subsidiary of that Person or a Holding Company of that Person or any other Subsidiary of any Holding Company of that Person.

"**Authorisation**" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"**Bangladesh Bank**" means the central bank in Bangladesh under the Bangladesh Bank Order 1972 (President's Order No. 127 of 1972).

"**BSEC**" means the Bangladesh Securities & Exchange Commission.

"**IAS**" means the International Accounting Standards which are applied and adopted by Institute of Chartered Accountants of Bangladesh (ICAB).

"**BB Approval**" means the approval from the Bangladesh Bank issued on BRPD(BFIS)661/14B(P)/2021-7965 dated September 07, 2021.

"**BDT**" and "**Bangladesh Taka**" denote the lawful currency for the time being of Bangladesh.

"**Bond Documents**" means the Transaction Documents (each a "**Bond Document**").

"**Bondholders**" has the meaning given in Clause 11.1.3. (*Title*).

"**Certification Date**" has the meaning given in Clause 16.4.2.

"**Closed Period**" has the meaning given in Clause 12.4 (*Closed Periods*).

"**Closing Date**" has the meaning given in each Subscription Agreement

"**Compliance Certificate**" means a certificate substantially in the form set out in Schedule 2 (*Form of Compliance Certificate*) of the Trust Deed.

"**Coupon Payment Date**" Means each date on which coupon shall be paid by the Issuer beginning at the end of 6 (six) months (182 days) from the date of drawdown and semi-annually thereafter.

"**Coupon Period**" Means each 6 (six) months (182 days) period beginning on the day immediately after the Coupon Payment Date and ending on the next Coupon Payment Date, except in the case of the first period, when it shall mean the period beginning on the Issue Date and ending on the next Coupon Payment Date.

"**Default Rate**" means, subject to the Issuer's Coupon Discretion, the incremental charge at rate of 2% payable by the Issuer to the Bondholders higher than the Coupon Rate and be payable on the amount not paid on the due date up till the date of actual payment.

"**Duplicate Register**" means the register maintained in accordance with Clause 11.2 of this Trust Deed.



“**Eligible Person**” shall mean

- (a) Public financial institutions which are duly authorized to invest in Bonds as per Bangladesh Bank regulations
- (b) Mutual Funds, Insurance Companies, Scheduled Commercial Banks,
- (c) Co-operative Banks, Regional Rural Banks authorized to invest in bonds/debentures,
- (d) Societies authorized to invest in bonds/debentures,
- (e) Trusts authorized to invest in bonds/debentures,
- (f) Statutory Corporations/ Undertakings established by Central/ State legislature authorized to invest in bonds/debentures; and
- (g) Other persons who eligible to subscribe as per regulations by Bangladesh Bank

“**Financial Indebtedness**” means any indebtedness for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with IAS, be treated as a finance or capital lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
- (h) any amount raised by the issue of redeemable shares;
- (i) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (j) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (i) above.

“**Group**” means collectively the Issuer and its Subsidiaries from time to time.

“**Guarantee**” means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Financial Indebtedness of any Person and any obligation, direct or indirect, contingent or otherwise, of such Person:

- (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such Person (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take-or-pay or to maintain financial statement conditions or otherwise); or
- (b) entered into for the purpose of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part);

provided, however, that the term "guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The term "guarantee" used as a verb has a corresponding meaning. The term "guarantor" shall mean any Person guaranteeing any obligation.



**"Issue Date"** shall refer to the date on which the Bonds are issued by the Issuer.

**"Issue Price"** means an amount equal to 100 per cent of the aggregate principal amount of the Bonds.

**"Holding Company"** means, in relation to a company, corporation or entity, any other company, corporation or entity in respect of which it is a Subsidiary.

**"Material Adverse Effect"** means a material adverse effect on the business, conditions (financial or otherwise), operations, performance, assets or prospects of (i) the Issuer or the Group (taken as a whole) or (ii) the ability of the Issuer to perform its obligations under the Bond Documents; or the legality, validity or enforceability of any or all of the Bond Documents or any or all of the rights or remedies of any of the Trustee or the Bondholders under any or all of the Bond Documents.

**"Person"** means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organisation, government or any agency or political subdivision thereof or any other entity.

**"Record Date"** has the meaning given in Clause 11.3.3.

**"Register"** has the meaning given in 11.1.2 (*Form and Denomination*).

**"Security Interest"** means:

- (a) a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person;
- (b) any arrangement under which money or claims to money, or the benefit of, a bank or other account may be applied, set off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person; or
- (c) any other type of preferential arrangement (including any title transfer and retention arrangement) having a similar effect.

**"Series"** shall have the same meaning as defined in the Trust Deed.

**"Shares"** means the fully paid-up shares of the Issuer.

**"Subscription Agreement"** means each subscription agreement dated on or about the date of this Deed entered into between the Issuer and holders of the Bonds.

**"Subsidiary"** means, in relation to any company, corporation or entity, a company, corporation or entity:

- (a) which is controlled, directly or indirectly, by the first-mentioned company, corporation or entity;
- (b) more than half of the issued share capital of or equity interest in which is beneficially owned, directly or indirectly, by the first-mentioned company, corporation or entity; or
- (c) which is a Subsidiary of another Subsidiary of the first-mentioned company, corporation or entity,

and for this purpose, a company, corporation or entity shall be treated as being controlled by another if that other company, corporation or entity is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.



## 10.2 Features of the Bonds

Issue Type	Transferable, Unsecured, Non-Cumulative, Contingent-Convertible, BASEL III compliant, Perpetual Debt instrument for inclusion in Additional Tier I Capital
Issuer	AB Bank Limited
Nature of Instrument	Unsecured
Purpose and Objectives	To raise Additional Tier I capital, proceed will be used for enhancing normal course of business: <ul style="list-style-type: none"> <li>Growing the bank's loan portfolio in corporate, SME and retail segments</li> <li>Investing in treasury securities and other instruments</li> </ul>
Advisor & Arranger	Riverstone Capital Limited
Issue Manager for Bond Public Offer	Riverstone Capital Limited
Trustee	MTB Capital Limited
Paying Agent	AB Investment Limited
Rating Agency	ARGUS Credit Rating Services Limited (ACRSL)
Legal Advisor	Chowdhury and Company
Underwriter	BMSL Investments Limited
Mode of Issue	Private Placement and Public Offer
Facility Size	Total BDT 600 Crore; of which, BDT 540 Crore through private placement BDT 60 Crore through public offer
No. of Bonds to be Issued	6,000,000 Units
Face Value	BDT 1,000 per unit
Bonds per lot/ Minimum Subscription	01
Tenure	Not Applicable. The Bonds shall be perpetual i.e., there is no maturity date and there are no step-ups or other incentives to redeem.
Investors	The following class of investors are eligible to participate in the offer: <ul style="list-style-type: none"> <li>Public Financial Institutions which are duly authorized to invest in Bonds as per Bangladesh Bank Regulations</li> <li>Mutual Funds, Insurance Companies, Scheduled Commercial Banks,</li> <li>Co-operatives, Specialized Banks or any other institutions approved by law and authorized to invest in bonds/ debentures,</li> <li>Societies authorized to invest in bonds/debentures,</li> <li>Trusts authorized to invest in bonds/ debentures,</li> <li>Statutory Corporations/Undertakings established by Central/State legislature authorized to invest in bonds/ debentures,</li> <li>Any other institution or person not mentioned in the list but is eligible to subscribe as per applicable regulations.</li> </ul>



Coupon Rate	Reference Rate + Coupon Margin
Reference Rate	20-year Treasury-Bond rate. (Latest available rate of 20-year Treasury-Bond rate as published by Debt Management Department of Bangladesh Bank on the quotation day)
Coupon Margin*	2% (As approved by Bangladesh Bank)
Quotation Day	Five (05) days before the first day of any period for which a coupon rate is to be determined
Coupon Range	<ul style="list-style-type: none"> <li>• Coupon Ceiling: 10%</li> <li>• Coupon Floor: 6% subject to having available distributable profit</li> </ul> As approved by Bangladesh Bank
Coupon Discretion	<ul style="list-style-type: none"> <li>i. The bank will have full discretion at all times to cancel distributions/payments to the bondholder;</li> <li>ii. Cancellation of discretionary payments must not be an event of default;</li> <li>iii. Banks must have full access to cancelled payments to meet obligations as they fall due;</li> <li>iv. Cancellation of distributions/payments must not impose restrictions on the bank except in relation to distributions to common stakeholders; and</li> <li>v. Dividends must be paid out of distributable items;</li> <li>vi. The dividend shall not be cumulative; i.e., dividend missed in a year will not be paid in future years, even if adequate profit is available and the level of CRAR conforms to the regulatory minimum. When dividend is paid at a rate lesser than the prescribed rate, the unpaid amount will not be paid in future years, even if adequate profit is available and the level of CRAR conforms to the regulatory minimum.</li> <li>vii. The instrument cannot have a credit sensitive coupon feature, i.e. a dividend that is reset periodically based in whole or in part on the banks' credit standing. For this purpose, any reference rate including a broad index which is sensitive to changes to the bank's own creditworthiness and / or to changes in the credit worthiness of the wider banking sector will be treated as a credit sensitive reference rate. Banks desirous of offering floating reference rate may take prior approval of the BB as regard permissibility of such reference rates.</li> <li>viii. In general, it may be in order for banks to have dividend stopper arrangement that stop dividend payments on common shares in the event the holders of Additional Tier 1 instruments are not paid dividend/coupon. However, dividend stoppers must not impede the full discretion that bank must have at all times to cancel distributions/payments on the Additional Tier 1 instrument, nor must they act in a way that could hinder the re-capitalization of the bank. For example, it would not be permitted for a stopper on an Additional Tier 1 instrument to: <ul style="list-style-type: none"> <li>▪ attempt to stop payment on another instrument where the payments on this other instrument were not also fully discretionary;</li> <li>▪ prevent distributions to shareholders for a period that extends beyond the point in time that dividends/coupons on the Additional Tier 1 instrument are resumed;</li> <li>▪ impede the normal operation of the bank or any restructuring activity (including acquisitions or disposals).</li> </ul> </li> </ul>

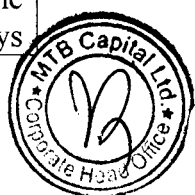


	A stopper may act to prohibit actions that are equivalent to the payment of a dividend, such as the bank undertaking discretionary share buybacks, if otherwise permitted.
Exercise of Coupon Discretion	Any coupon payment will be distributed subject to having available distributable profit of the issuer.
Coupon Payment Frequency	Semi-Annual
Late Payment	Issuer shall pay a late payment penalty on the basis of 2% (two per cent) higher than the Coupon Rate and be payable on the amount not paid on the due date till the date of actual payment unless exercise of coupon discretion is not in effect.
Business Day Convention/Effect of Holidays	<ul style="list-style-type: none"> <li>• If any Coupon/ Interest Payment Date falls on a day that is not a Business Day, the payment shall be made by the Bank on the immediately succeeding Business Day.</li> <li>• If the Call Option Due Date (also being the last Coupon Payment Date, in case Call Option is exercised) of the Bonds falls on a day that is not a Business Day, the Call Option Price shall be paid by the Bank on the immediately preceding Business Day along with interest accrued on the Bonds until but excluding the date of such payment.</li> </ul>
Early Redemption or Late Redemption	Not Applicable. Since the instrument is perpetual in nature i.e., there is no maturity date; late redemption is not applicable unless and until it is eligible for call option criteria.
Put Date	Not Applicable
Put Price	Not Applicable
Call Option	Can be exercised only after ten years of issuance, with prior approval from the Bangladesh Bank.
Call Option Eligibility	<ol style="list-style-type: none"> <li>1. Replace this instrument with capital of the same or better quality that are sustainable for the income capacity of the Bank; or,</li> <li>2. Capital position is above the minimum requirements after the call option is exercised.</li> </ol>
Claim Settlement in the event of Liquidation or Wind-up	<p>Claims of the investors on the bond are:</p> <ol style="list-style-type: none"> <li>1. Superior to the claims of investors in equity shares and perpetual non-cumulative preference shares, if any, of the bank whether currently outstanding or issued at any time in the future.</li> <li>2. subordinated to the claims of depositors, general creditors and subordinated debt of the Bank other than any subordinated debt qualifying as Additional Tier I Capital (as defined in the Basel III Guidelines) of the Bank;</li> <li>3. Is neither secured nor covered by a guarantee of the issuer nor related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis bank creditors</li> </ol> <p>Notwithstanding anything to the contrary stipulated herein, the claims of the Bondholders shall be subject to the provisions of Loss Absorption in this terms and features.</p>
Loss Absorption	As per the direction of Bangladesh Bank and BASEL III guidelines, the Bonds are subject to principal loss absorption through conversion to common shares at an objective pre-specified trigger point as required of Additional Tier I instruments.





	<p>If a Pre-Specified Trigger Level (as described below) occurs the Bank shall:</p> <ol style="list-style-type: none"> <li>1. notify the Trustee;</li> <li>2. cancel any coupon which is accrued and unpaid to as on the conversion date; and</li> <li>3. without the need for the consent of Bondholders or the Trustee, convert the outstanding principal of the Bonds by such amount as the Issuer may in its absolute discretion decide subject to the amount of conversion not exceeding the amount which would be required to bring the consolidated Common Equity Tier 1 (CET 1) ratio to 4.5% of RWA.</li> </ol> <p>CET-1 on Trigger Date will be considered to identify the shortfall percentage and it will be converted into common shares eventually. If a fractional share issuance arises upon conversion, the issuer will round the number of shares issuable, up to the next whole number. Fractional lot size will also be rounded to the next whole number.</p>
Trigger Point for Loss Absorption	<p>If the bank's consolidated CET-1 falls below Bangladesh Bank requirement (Currently of 4.50%) and stays below for 03 (Three) successive quarters; then, the 3rd quarter-end date of consecutive below-minimum CET-1 Ratio would be the Trigger-Point (date). Once the trigger point has been reached and exercised, the cycle will start again.</p>
Conversion Strike Price	<p>Average of 180 business days market price prior to the 3rd quarter end date on which issuer's consolidated CET-1 falls below Bangladesh Bank requirement (currently of 4.5%) or Par Value (BDT 10) whichever is higher.</p>
Payment Suspension Methodology (in case of written down)	<p>In case of the event of exercise of Loss Absorption feature of the Bond, any coupon payment in between the Trigger Point Condition Date and publication date of audited financials will be suspended. The bondholder will not be eligible for the coupon payment if the same situation prevails (Bank's consolidated CET-1 ratio remains below the regulatory requirement of 4.5%) after the publication of audited financials. In case of use of Loss Absorption feature, the portion that will be required to be converted, Coupon Payment will never resume back for that portion. The portion that shall not be converted, payment will resume from next coupon date for that non-converted portion, but subject to CET-1 Ratio remaining reaching 4.50% or above, and interest will be paid along with previous coupon for this portion. No penal/additional/delay fee shall be charged on the Issuer for the period when coupon(s) payment was suspension.</p>
Conversion Notice	<p>Within 2 (two) Business Days of the end of the 2nd Quarter when CET-1 Ratio remains below 4.50%, Issuer shall notify the Trustee that in the event that the Trigger Point Condition is met, the Loss Absorption feature shall be exercised ("Conversion Indication Notice"). Within 2 (two) Business Days of the approval of the audited financials which confirms fulfilment of the Trigger Point Condition Date, the Issuer shall notify the Trustee of the Conversion Strike Price, number of Bonds to be converted, expected end date of the Conversion Period ("Conversion Notice") and shall prepare and send the draft notice for the Bondholders to be sent by the Trustee informing such conversion along with the Conversion Notice; The Trustee shall within 2 (two) Business Days</p>



	<p>of the receipt of the Conversion Notice, notify the Bondholders about the receipt of the Conversion Notice. All notices are validly given if:</p> <ul style="list-style-type: none"><li>▪ Mailed to bondholders at their respective address in the register,</li><li>▪ Published for three consecutive days in one English newspaper and one Bengali newspaper; each having wide circulation in Bangladesh, and</li><li>▪ Emailed to bondholders at their respective addresses set out in the Issuer Register provided that such notices will only be considered as validly given unless followed up with hard copies of the notices being mailed to the bondholders or published for three consecutive days in a leading newspaper as aforesaid.</li></ul> <p>Any such notice shall be deemed to have been given on the seventh day after being so mailed or on the later of the date of such publications.</p>																				
Events of Default	<p>The occurrence of the events as described in Clause 11.5 of the “Deed of Trust” shall constitute an Event of Default.</p> <p>It is further clarified that cancellation of discretionary payments/coupon shall not be deemed to be an event of default. The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation.</p>																				
Consent Right of Bondholders	<p>Issuer needs to take prior consent from AT I (AB Bank Perpetual Bond) bondholders to issue new Tier-II capital over maximum limit (4.0% of RWA or 88.89% of CET-1 Capital, whichever is higher) as set by Bangladesh Bank.</p>																				
Credit Rating	<p>Issuer Rating: AA-</p> <table><tr><td>Credit Rating</td><td>Current</td></tr><tr><td>Long-term</td><td>AA-</td></tr><tr><td>Short-term</td><td>ST-2</td></tr><tr><td>Publishing Date</td><td>December 09, 2020</td></tr><tr><td>Validity Date</td><td>December 08, 2021</td></tr></table> <p>Bond Rating: A+</p> <table><tr><td>Credit Rating</td><td>Current</td></tr><tr><td>Long-term</td><td>A+</td></tr><tr><td>Short-term</td><td>ST-2</td></tr><tr><td>Publishing Date</td><td>June 27, 2021</td></tr><tr><td>Validity Date</td><td>June 26, 2022</td></tr></table>	Credit Rating	Current	Long-term	AA-	Short-term	ST-2	Publishing Date	December 09, 2020	Validity Date	December 08, 2021	Credit Rating	Current	Long-term	A+	Short-term	ST-2	Publishing Date	June 27, 2021	Validity Date	June 26, 2022
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Validity Date	June 26, 2022																				
Transferability/Liquidity	<p>Freely transferable in accordance with the provisions of the Deed of Trust.</p>																				
Costs to the issue	<p>Costs related to the issue is:</p> <p>BSEC Application Fee: BDT 10,000</p> <p>BSEC Consent Fee: BDT 0.1% of Total Issue Amount</p> <p>Legal Fee: BDT 500,000</p> <p>Trustee Fee: BDT 250,000 p.a.</p>																				



	<p>Credit Rating Fee: BDT 400,000 p.a.</p> <p>Issue Manager Fee: 0.5% of Total Public Issue Size</p> <p>Advisory and Arranger Fee: 1.00% of Total Private Placement Issue Size</p> <p>Underwriter Fee: 0.1% of Total Amount Underwritten</p> <p>CDBL Fee: TBD</p> <p>DSE Fee: As per applicable law.</p> <p>CSE Fee: As per applicable law.</p> <p>The cost may change based on the infinite maturity period of the perpetual bond.</p>
Governing Law	The Bonds are governed by and shall be construed in accordance with the existing laws of Bangladesh. Any dispute arising thereof shall be subject to the jurisdiction of courts of Bangladesh.
Prepayment, Call, Refunding, Conversion or Exchange option	<p>The Bond has a Call option which can be exercised only after ten years of issuance, with prior approval from the Bangladesh Bank.</p> <p>The Bond also has a Contingent-Conversion feature, whereby, the Bonds are subject to principal loss absorption through conversion to common shares at an objective pre-specified trigger point.</p>
Tax Features	As per applicable Law of Bangladesh.
Repayment Schedule	Since the instrument is perpetual in nature, no repayment schedule is applicable
Credit Enhancement Guarantee	Not applicable.
Enforcement of Charges Over Securities	The Trustee shall enforce all payment obligations under the Bonds only by way of petitioning for the winding up or dissolution of the Issuer and/or by proving for the amount due and payable under the Bonds in the liquidation or administration of the Issuer. In the event of default by the Issuer in the performance or observance of any covenant, condition or provision contained in the Bond or the Trust Deed or any of the Issue Documents (save for failure to pay any amount of principal, coupon or expenses or in respect of any other payment obligation), (i) the Trustee or any Bondholder shall not be entitled to any remedy available to the Trustee or any Bondholder which in substance amounts to a remedy to recover any amounts under any payment obligation of the Issuer under the Bonds and (ii) any other remedy available.

### 10.3 Status

- 10.3.1** The Bonds constitute direct, unsecured, subordinated securities of the Issuer and rank pari passu without any preference among themselves. The right to payments in respect of the Bonds is conditional upon the Issuer being solvent at the time of payment by the Issuer and in those payments shall be due and payable in respect of the Bonds and still be solvent immediately thereafter. Further the indebtedness of the Issuer to the Bondholders shall be subordinate and junior in right of payment to its obligations to its depositors, its obligations under bankers' acceptances and letters of credit, and its obligations to its other creditors, including its obligations to the Bangladesh Bank, Deposit Insurance Trust Fund (DITF) and Tier II capital. In the event of any insolvency, receivership, conservatorship, reorganization, readjustment of debt or similar proceedings or any liquidation or winding up of or relating to the Issuer, whether voluntary or involuntary, all such obligations shall be entitled to be paid in full before any payment shall be made on



account of on the Bonds. In the event of any such proceedings, after payment in full of all sums owing on such prior obligations, the Bondholder unless relevant Bonds have been converted due to exercise of Loss Absorption feature will rank senior to the issued share capital and perpetual non-cumulative preference shares, if any, whether currently outstanding or issued at any time in the future of the Issuer, together with any obligations of the Issuer ranking on a parity with the Bond, shall be entitled to be paid from the remaining assets of the Issuer the principal amount of the Bonds, and accrued but unpaid interest before any payment or other distribution, whether in cash, property, or otherwise, shall be made on account of any issued share capital and perpetual non-cumulative preference shares, if any, whether currently outstanding or issued at any time in the future or any obligations of the Issuer ranking junior to the Bonds. Nothing herein shall impair the obligation of the Issuer, which is absolute and unconditional, to pay the sums on the Bonds according to its terms.

- 10.3.2** No Bondholders may exercise, claim or plead any right of set-off, counter-claim, deduction, withholding or retention in respect of any amount owed to it by the Issuer arising under or in connection with the Perpetual Bonds, and no Bondholders shall set-off, deduct, withhold or retain any amount owing by it to the Issuer against any amount owing to it by the Issuer under the Perpetual Bonds. Each Bondholder, by his acceptance of the Perpetual Bonds, shall be deemed to have waived all such rights of set-off, counter-claim, deduction, withholding or retention to the fullest extent permitted by law. If at any time any Bondholders receives payment or benefit of any sum in respect of the Perpetual Bonds as a result of the exercise or carrying into effect of any such set-off, counterclaim, deduction, withholding or retention (whether or not such exercise or carrying into effect is mandatory under applicable law), the payment of such sum or receipt of such benefit shall, to the fullest extent permitted by law, be deemed void for all purposes and such Bondholders, by acceptance of any Perpetual Bonds, shall agree as a separate and independent obligation that any such sum or benefit so received shall be paid or returned by such Bondholders to the Issuer upon demand by the Issuer or, in the event of the winding-up of the Issuer, the liquidator of the Issuer, whether or not such payment or receipt shall have been deemed void hereunder. Any sum so paid or returned shall then be treated for purposes of the Issuer's obligations as if it had not been paid by the Issuer, and its original payment or the original benefit previously received by the relevant Bondholders as a result of any such set-off, counterclaim, deduction, withholding or retention shall be deemed not to have discharged any of the obligations of the Issuer under the Perpetual Bonds
- 10.3.3** Save as provided in Clause 16.3 (*Providing Information to Bondholders*) below, the Bondholders shall not be entitled to any of the rights and privileges available to the shareholders of the Issuer including, the right to receive notices of or to attend and vote at general meetings or to receive annual reports of the Issuer. If, however, any resolution affecting the rights attached to the Bonds is placed before the members of the Issuer, such resolution will first be placed before the Bondholders for their authorization.
- 10.3.4** The Bonds are not a deposit and are not insured by the Deposit Insurance Scheme established under the Deposit Insurance Ordinance 1984 or any other insurance scheme. The Bonds are unsecured and it will be ineligible as collateral for a loan made by the Issuer.
- 10.3.5** Each Bondholder unconditionally and irrevocably waives any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Bond. No collateral is or will be given for the payment obligations under the Bonds and any collateral that may have been or may in the future be given in connection with other indebtedness of the Issuer shall not secure the payment obligations under the Bonds.



**10.3.6** The Bonds shall be distributed to Eligible Persons comprising of financial institutions, corporates and high net worth individuals and general public via private placement and public offering and may only be transferred to another Eligible Person.

**10.4 The Bonds**

**10.4.1 Bonds**

Each series of Bonds will be represented by Bond Certificates in Demat format. On the date on which any Bond Certificates are issued, the Register shall be completed by or on behalf of the Issuer by the Registrar/CDBL. On or promptly following the date of issuance, the Registrar shall transfer the Bond Certificates to the registered Bondholders BO Accounts.

**10.4.2 The Bond Certificates**

The Bond Certificates will be in demat form.

**10.4.3 Entitlement to treat Registered Holder as owner**

The Register shall be prima facie evidence of any matter in relation to the rights under the Bonds. Each of the Issuer, the Trustee and any Agent may deem and treat the Holder of a Bond whose name appears in the Register as the holder of all rights and interests in such Bond, free of any equity, set-off or counterclaim on the part of the Issuer against the original or any intermediate holder of such Bond (whether or not the Bond shall be overdue and notwithstanding any notation of rights or interest or other writing thereon or any notice of previous loss or theft of the Bond Certificate issued in respect of that Bond) for all purposes and, except as ordered by a court of competent jurisdiction or as required by applicable law, the Issuer, the Trustee shall not be affected by any notice to the contrary. All payments made to any such Agents shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for the moneys payable upon the Bonds.

**11. MODUS OPERANDI OF THE ISSUE**

**11.1 Form, Denomination and Title**

**11.1.1 Form and Denomination**

<b>Facility Size</b>	BDT 6,000,000,000
<b>No. of Bonds to be Issued</b>	6,000,000.00
<b>Face Value Per Lot</b>	1,000
<b>Bonds per lot/ Minimum Subscription</b>	1

**11.1.2 Form and Denomination**

The Bonds are issued in registered and dematerialized form in the denomination of BDT 1,000 each. Each Bond will be numbered serially with an identifying number, which will be recorded in the records of CDBL (the “Register”) a copy of which will be maintained by the Issuer.

**11.1.3 Title**

Title to the Bonds passes only by transfer and registration in the records of CDBL. The holder of any Bond will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it) and no person will be liable for so treating the holder. In these Conditions “Bondholder” and (in relation to a Bond) “holder” means the person



11.1.4 Application Procedure

BDT 5,400,000,000 of the Bond shall be distributed through private placement

Each investor (Bondholder) shall enter into a separate Subscription Agreement with the Issuer and shall be bound by the terms and conditions contained in the Subscription Agreement containing in details the rights and obligations of the investors.

BDT 600,000,000 of the Bond shall be distributed to the public through Public Issue.

An applicant for public issue of the securities shall submit application/buy instruction to the Stockbroker/ Merchant Banker where the applicant maintains customer account, within the cut-off date (i.e. the subscription closing date). The cut-off date will be defined by Bangladesh Securities and Exchange Commission upon giving consent for the public issue of the bonds. Each Bondholder shall be entitled to receive, in their respective BO Accounts, with respect of his/her entire holding of the bonds issued by the Issuer through CDBL allotment procedure.

The Public Issue subscription money collected from investors will be remitted in following bank account with AB Bank Limited, Principal Branch:

Name of Account	Account Number	Type of A/C	Currency
AB Bank Limited- Perpetual Bond Issue	4005-775047-000	Current	BDT

Undertaking to Issue

Bonds shall be issued in dematerialized form and shall be delivered in the BO Account of the Bondholders.

The Bonds

Subject to the BSEC Approval and the completion of the condition precedent as set forth in the Subscription Agreement and receipt of issue price, the Issuer shall issue the Bonds on the Issue Date in the name of the Bondholders in such number the respective Bondholder is entitled. Bonds shall be subject to the terms and conditions of the Bond Documents. On the Issue Date the Register shall be completed by the Issuer by registering the name of the Bondholders in the Register. On or promptly following the date of issuance, the Issuer shall procure the delivery Bonds in the Account to the registered Bondholders.

11.1.5 Status

The Bonds shall be an unsecured, non-convertible, coupon bearing perpetual bond. All payments made to any such Holder shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for the moneys payable upon the Bonds. Nothing herein shall impair the obligation of the Issuer, which is absolute and unconditional, to pay any Redemption Amount and any Default Interest on the Bonds according to the Conditions.

The Bondholders shall not be entitled to any of the rights and privileges available to the members of the Issuer including, the right to receive notices of or to attend and vote at general meetings or to receive annual reports of the Issuer. If, however,



any resolution affecting the rights attached to the Bonds is placed before the members of the Issuer, such resolution will first be placed before the Bondholders for their authorization.

Each Bondholder unconditionally and irrevocably waives any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Bond.

## **11.2 Register**

The Issuer will cause a duplicate of the records of CDBL to be kept at its registered office on which shall be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers of the Bonds. On the Issue Date, each Bondholder shall be entitled to receive his/her bonds in dematerialized form in their BO account.

### **11.2.1 Transfer**

Subject to regulations concerning Closed Periods detailed in the Trust Deed, a Bond may be transferred subject to the detailed regulation concerning transfer of Bonds stipulated by the CDBL from time to time. A copy of the current regulations will be mailed (free of charge) by the Issuer to any Bondholder upon request. No transfer of a Bond will be valid unless and until entered in the records of CDBL.

### **Trading or listing with the stock exchange**

Trading and settlement regulations of the stock exchange shall apply in respect of trading and settlement of the bonds.

## **11.3 Payments**

### **11.3.1 Payment of Coupon**

- (a) The Issuer hereby covenants that from (and including) the Issue Date, the Issuer will pay to the Bondholders coupon on each Perpetual Bond at the Coupon Rate, provided however that all payment of Coupon Rate shall be subject to exercise of Issuer's Coupon Discretion and/or having distributable profit after making payments to creditors senior to the Bondholders and Coupon Range shall be, subject to the Coupon Ceiling, proportionately adjusted based on such available distributable profits of the Issuer;
- (b) The first coupon payment shall be made on the date falling six (6) months (182 days) after the Issue Date. The first coupon payment shall be calculated for the period commencing from the Issue Date up to the aforesaid date of first coupon payment (inclusive of the date of commencement, but excluding the date of expiry). Thereafter, coupon calculated for each subsequent six (6) months (182 days) period (inclusive of the date of commencement, but excluding the date of expiry) shall be payable semi-annually in arrears. The date of expiry of each six (6) months (182 days) period commencing from the Issue Date shall be known as the "Coupon Payment Date". If any Coupon Payment Date would otherwise fall on a day which is not a Business Day, the date on which payment shall be made shall be next Business Day. A holder of a Bond shall not be entitled to any payment in respect of any delay in payment resulting from the due date for a payment not being a Business Day. All coupon payments shall be calculated based on the outstanding nominal value of the Perpetual Bonds as at the day immediately preceding the Coupon Payment Date.



- (c) Trustee will notify the amount of the coupon payment to the Issuer 21 (twenty-one) days prior to any Coupon Payment Date.
- (d) Every payment by the Issuer to the Bondholders in respect of the coupon shall be in satisfaction *pro tanto* of the covenant by the Issuer contained in this Condition and the obligations and liabilities of the Issuer with regard to that coupon payment.

### 11.3.2 Payments subject to applicable laws

Unless otherwise agreed herein, all payments in respect of the Bonds are subject in all cases to any applicable laws and regulations of Bangladesh, but without prejudice to the provisions of Clause 11.5 (*Events of Default*). No commissions or expenses shall be charged to the Bondholders in respect of such payments.

### 11.3.3 Record Date

Each payment in respect of a Bond will be made to the person shown as the holder in the Register at the close of business on the day that is 10 (ten) Business Days before the due date for such payment and upon exercise of Loss Absorption feature, the title to common shares issued through conversion shall belong to the person shown as the Holder in the Register at the close of business on the day that is 10 (ten) Business Days before the end of Conversion Period (the "**Record Date**").

### 11.3.4 Default Rate

The Issuer shall pay a late payment penalty of 2% (two per cent) higher than the Coupon Rate and be payable on the amount not paid on the due date up till the date of actual payment unless exercise of Issuer's Coupon Discretion is not in effect. However, a holder of a Bond shall not be entitled to any late payment fee in respect of any delay in payment resulting from the due date for a payment not being a Business Day.

### 11.3.5 Payment to Nominee

If the Holder of a Bond is a natural person, he may appoint a nominee who shall on the death of the Holder of a Bond is entitled to receive money in relation to the Bond held in the name of the Bondholder in the Register. Bondholder shall inform the Registrar in the prescribed form the name of his nominee and upon receipt of such information the Registrar shall record the name of nominee in the Register and shall inform the Issuer. If the Holder of a Bond is more than one person each Holder of a Bond may appoint a nominee for himself who shall hold the Bond along with the surviving Holder of the Bond. Payment by the Paying Agent to the nominee on the Coupon Payment Date on the death of the Bondholder shall be sufficient to discharge payment obligations of the Issuer to the Bondholders and it shall be responsibility of the nominee to distribute amongst the heirs of the deceased in accordance with applicable laws.

### 11.3.6 Redemption or Conversion or Exchange or Refund

As the bond is a contingent-convertible, perpetual bond, there are no redemption, refund or exchange features for the bond.

The Bond has a Call option which can be exercised only after ten years of issuance, with prior approval from the Bangladesh Bank.

The Bond also has a contingent-conversion feature, whereby, the Bonds are subject to principal loss absorption through conversion to common shares at an objective pre-specified trigger point.

## 11.4 Taxation

- 11.4.1 All tax will be paid or deducted as per the laws of Bangladesh.





## 11.5 Events of Default

11.5.1 The occurrence of the following event shall constitute an Event of Default: -

- (i) Breach of Common Equity Holders' Dividend Stopper Clause;
- (ii) Subject to exercise of Issuer's Coupon Discretion, Trigger Point Consideration being met, and/or exercise of Loss Absorption feature, the Issuer defaults in the payment of any money owing in respect of the Perpetual Bonds when the same shall become due and payable in accordance with these presents and such default continues for at least seven (7) Business Days
- (iii) Breach of any covenant, warranty or other provision of the Trust Deed otherwise as provided in the preceding paragraphs of this Clause and such default continues for at least thirty (30) Business Days.
- (iv) *Non-Payment*: a default is made in the payment of any interest due remain unpaid for thirty days from the due date in respect of the Bonds;
- (v) *Breach of Other Obligations*: the Issuer does not perform or comply with one or more of its other obligations in the Bonds or the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 90 days after written notice of such default shall have been given to the Issuer by the Trustee;
- (vi) *Misrepresentation*: any representation or statement made or deemed to be made by the Issuer in any Bond Document or any other document delivered by or on behalf of the Issuer under or in connection with any Bond Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made
- (vii) *Insolvency*: The Issuer is insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts of the Issuer; an administrator or liquidator of the Issuer is appointed (or application for any such appointment is made);
- (viii) *Winding-up*: an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer or the Issuer ceases or threatens to cease to carry on all or a material part of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by the Trustee or by an Extraordinary Resolution of the Bondholders;
- (ix) *Governmental Intervention*: by or under the authority of any government or of the Bangladesh Bank (as the case may be) (a) the management of the Issuer is wholly or partially displaced; or (b) the authority of the Issuer in the conduct of its business is wholly or partially curtailed; or (c) any of the Shares of the Issuer or any material part of its assets is seized, nationalised, expropriated or acquired
- (x) *Repudiation*: it rescinds or purports to rescind or repudiates or purports to repudiate a Bond Document or evidences an intention to rescind or repudiate a Bond Document
- (xi) *Illegality*: it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Bonds or the Trust Deed;



- (xii) *Material Adverse Change*: any event or circumstance (or any series of events or circumstances) occurs which the Trustee reasonably believes might have a Material Adverse Effect; or.

The Bonds shall automatically bear interest from (and including) the date of the occurrence of any such event at the Default Interest Rate. The Trustee shall notify the Bondholders in accordance with Condition 13 not less than 7 business days after it has become aware of an Event of Default that the Default Interest Rate has taken effect

- 11.5.2 Upon the occurrence of: an Event of Default described in Clause 11.5.1, subject to the terms of this Trust Deed, the Trustee may, in addition to rights under Clause 11.6.1, institute proceedings for winding up of the Issuer.

For the avoidance of doubt:

(a) the occurrence of an Event of Default shall not prejudice the subordination provided in Clause 10.3.1 hereof; and

(b) save as provided in Clause 11.5.1, the Trustee or any Bondholder shall not be entitled to accelerate any payment under the Perpetual Bonds as a result of any default by the Issuer in the performance or observance of any covenant, condition or provision contained in the Perpetual Bonds or the Trust Deed or any of the Issue Documents.

## **11.6 Enforcement**

### **11.6.1 Proceeding**

The Trustee, subject to Clauses 11.3.1 and 11.6.2, shall enforce all payment obligations under the Perpetual Bonds and damages where applicable for the amount due and payable under the Perpetual Bonds in accordance with arbitration under clause 4 of this Trust Deed.

- 11.6.2 The Trustee shall follow the procedure laid down in Clause 19 of the Trust Deed (or any successor provision) to call for a meeting of the Bondholders and shall be bound by the written decision of the holders of not less than 75% in principal amount of the Bonds then outstanding. However, if no written instructions is received in accordance with this clause within thirty days after mailing of the notice in accordance with Clause 19, the Trustee shall proceed to take any step to enforce the rights of the Bondholders against the Issuer in accordance with Conditions 11.6.1; provided however that at all times Trustee shall only proceed with enforcement if it has been fully indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all costs (including legal costs on a solicitor and client basis), charges, damages and expenses which it may incur by so doing.

- 11.6.3 Only the Trustee may pursue the rights and remedies available under Clauses 11.5.2 and 11.6.1 hereof to enforce the rights of the Bondholders against the Issuer and no Bondholder shall be entitled to pursue such remedies against the Issuer unless the Trustee, having become bound to do so in accordance with the terms of this Trust Deed, fails to do so after the expiry of fourteen (14) days from the date of the Trustee having become bound to do so.

### **11.6.4 Application of Moneys**

All moneys received by the Trustee in respect of the Bonds or amounts payable under the Trust Deed will be held by the Trustee on trust to apply them (subject to the terms of the Trust Deed):



- (a) first, in payment or satisfaction of the costs, charges, expenses and liabilities incurred by, or other amounts owing to, the Trustee in relation to the preparation and execution of the Trust Deed (including remuneration of the Trustee) agreed between the Trustee and the Issuer but not paid by the Issuer;
- (b) secondly, in payment of any amounts due and owing by the Issuer to any Agent under the Agency Agreement;
- (c) thirdly, in or towards payment pari passu and rateably of all amounts remaining due and unpaid in respect of the Bonds; and
- (d) fourthly, the balance (if any) in payment to the Issuer for itself.

## 11.7 Certificates/Reports

Any certificate or report of any expert or other person called for by or provided to the Trustee (whether or not addressed to the Trustee) in accordance with or for the purposes of this Trust Deed may be relied upon by the Trustee as sufficient evidence of the facts therein (and shall, in absence of manifest error, be conclusive and binding on all parties) subject to such certificate or report and/or engagement letter or other document entered into by the Trustee with consent from the Issuer in connection therewith contains a monetary or other limit on the liability of the relevant expert or person in respect thereof.

*In the event of the passing of an Extraordinary Resolution in accordance with Clause 19.2 (Meetings), a modification, waiver or authorisation in accordance with Clause 13.9 (Modification and Waiver) the Issuer will procure that the Bondholders be notified in accordance with Clause 11.9.*

## 11.8 Replacement of Certificates

As the bond certificates will be issued in demat format, there will be no replacement of certificates.

## 11.9 Notices

### 11.9.1 Addresses for notices

All notices and other communications hereunder shall be made in writing (by letter or fax) and shall be sent as follows:

- (a) *Issuer:* If to the Issuer, to it at:

Address: **AB Bank Limited**  
The Skymark, 18 Gulshan Avenue  
Gulshan -1, Dhaka- 1212

Attention: **Mr Tarique Afzal**  
President & Managing Director

- (b) *Trustee:* If to the Trustee, to it at:

Address: **MTB Capital Limited**  
Corporate Office:  
Chandrashila Suvastu Tower (2nd Floor)  
69/1, Panthapath, Dhaka 1205

Attention: **Khairul Bashar Abu Taher Mohammed**  
Chief Executive Officer



(c) *Paying Agent:*  
Address: **AB Investments Limited**  
WW Tower  
68 Motijheel C/A

Attention: **Sheikh Ashraf Haque**  
Chief Executive Officer

or, in any case, to such other address or fax number or for the attention of such other person or department as the addressee has by prior notice to the sender specified for the purpose, in writing.

### 11.9.2 Effectiveness

Every notice or other communication sent in accordance with Clause 11.9.1 shall be effective if sent by letter, three days after the time of despatch and if sent by fax at the time of despatch *provided that* any such notice or other communication which would otherwise take effect after 4.00 p.m. on any particular day shall not take effect until 10.00 a.m. on the immediately succeeding business day in the place of the addressee.

### 11.9.3 Notices to Bondholders:

All notices are validly given if:

- (a) mailed to the Bondholders at their respective addresses in the Register; or
- (b) published for three consecutive days in one English newspaper and one Bengali newspaper, each having wide circulation in Bangladesh; or
- (c) emailed to the Bondholders at their respective addresses set out in the Issuer Register provided that such notices will only be considered as validly given unless followed up with hard copies of the notices being mailed to the Bondholders or published for three consecutive days in a leading newspaper as aforesaid.

Any such notice shall be deemed to have been given on the seventh day after being so mailed or on the later of the date of such publications.

### 11.10 Indemnification

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer.

## 12. MODE OF TRANSFER

### 12.1 Transfer

A Bond may be transferred subject to the detailed regulation concerning transfer of Bonds stipulated by the CDBL from time to time. A copy of the current regulations will be mailed (free of charge) by the Issuer to any Bondholder upon request. No transfer of a Bond will be valid unless and until entered in the records of CDBL.

### 12.2 Registration and delivery of Bond Certificates

The bond certificates will be issued in demat form and will be registered through CDBL. No physical registration and delivery of bond certificates will be required.



### 12.3 Formalities Free of Charge

The transfer of a Bond will be affected without charge by or on behalf of the Issuer.

### 12.4 Closed Periods

No Bondholders may require transfers to be registered:

**12.4.1** in the case of a payment as a result of an Event of Default, during the period from the later of (i) 15 (fifteen) Business Days prior to the due date of such payment and (ii) the date on which the Trustee provides a notice pursuant to Clause 11.5 (*Events of Default*) to and including the due date for such payment or interest; or

**12.4.2** on the due date for any payment in respect of such Bond.

### 12.5 Regulations concerning transfers and registration

All transfers of Bonds and entries in the Register are subject to the detailed regulations concerning the transfer of Bonds scheduled to the Agency Agreement. The regulations may only be changed by the Issuer with the prior written approval of the Trustee and the Registrar. A copy of the current regulations will be mailed by the Registrar to any Bondholder who requests in writing a copy of such regulations.

## 13. RIGHTS, DUTIES AND OBLIGATIONS OF THE TRUSTEE

### 13.1 Duties and Powers of the Trustee

The Trustee has the following duties and powers in connection with the Trust:

- 13.1.1** to hold the benefit of the covenants made by the Issuer in this Trust Deed and the Conditions on trust for the Bondholders;
- 13.1.2** to open such accounts as it deems necessary for discharging the functions of Trustee;
- 13.1.3** to keep the money and assets representing the Trust Property (including enforcement proceeds) and to deposit and withdraw such moneys and assets as may be required from time to time;
- 13.1.4** to undertake all such actions for the recoveries of any overdue in accordance with the provisions of this Trust Deed and to execute all such documents, deeds and papers and to do all acts in relation thereto;
- 13.1.5** to issue, manage and administer the Bonds in accordance with the terms of this Trust Deed and execute, acknowledge, confirm or endorse any agreements, documents, deeds, instruments and papers in connection therewith;
- 13.1.6** to call any meetings of the Bondholders in accordance with the provisions of the Trust Deed and the Bonds and to facilitate the proceedings of such meeting as it deems appropriate in accordance with the terms of this Trust Deed;
- 13.1.7** to implement, give effect to and facilitate the terms and conditions of the Bonds and such other documents, deeds and agreements in contemplation thereof;
- 13.1.8** upon instruction by the Bondholders upon occurrence of an Event of Default in accordance with this Trust Deed, to sell or otherwise dispose of the Trust Property and close any bank accounts that may have been opened in pursuance of this Trust Deed after distribution of amounts standing to their credit;
- 13.1.9** to take such action as may be appropriate for the protection of the interest of the Bondholders in accordance with the Trust Act, 1882 and the provisions of this Trust Deed; and
- 13.1.10** The Trustee shall have power to initiate negotiations with the respective parties for inclusion of any additional terms and conditions for the performance of the



obligations under this Trust Deed for the protection of the interest of the Bondholders, and necessary amendments can then be made by way of mutual agreement; and

**13.1.11** to perform all responsibilities of a trustee as required under the Rules or any other successive rules of the BSEC; and

**13.1.12** to do all such other acts, deeds and things as may be necessary and incidental to the above objects unless such acts require the prior consent of the Beneficiaries in accordance with this Trust Deed.

### **13.2 Covenant to repay**

The Issuer covenants with the Trustee that it will, as and when any payment obligation with respect to the Bonds becomes due to be repaid in accordance with and subject to the terms and conditions of the Bonds in this Trust Deed or any provision of this Trust Deed, unconditionally pay or procure to be paid to or to the order of the Trustee in Taka in freely transferable funds for value the relevant due date for payment on that date and shall (subject to any terms and conditions of the Bonds) until all such payments (both before and after judgment or other order) are duly made unconditionally pay or procure to be paid to or to the order of the Trustee as aforesaid on the dates provided for in the Trust Deed, or any of them outstanding from time to time as set out in the Trust Deed *provided that*:

**13.2.1** every payment in respect of the Bonds or any of them made to or through the Paying Agent in the manner provided in the Agency Agreement shall satisfy, to the extent of such payment, the relevant covenant by the Issuer contained in this Clause except to the extent that there is default in the subsequent payment thereof to the Bondholders in accordance with the Trust Deed;

**13.2.2** if any payment in respect of the Bonds or any of them is made after the due date, payment shall be deemed not to have been made until either the full amount is paid to the Bondholders or, if earlier, the third Business Day after notice by the Trustee to the Bondholders in accordance with the Trust Deed that the full amount has been received by the Paying Agent or the Trustee in the case of payment to the Paying Agent, to the extent that there is failure in the subsequent payment to the Bondholders under the Trust Deed; and

**13.2.3** in any case where payment due in respect of any Bond is improperly withheld or refused upon due presentation of a Bond Certificate, payment shall accrue in accordance with Clause 11.3 on the whole or such part of such amount from the date of such withholding or refusal until the date either on which such amount due is paid to the Bondholders or, if earlier, the third Business Day after which notice by the Trustee is given to the Bondholders in accordance with this Trust Deed that the full amount payable in respect of the said principal amount is available for collection by the Bondholders provided that on further due presentation thereof such payment is in fact made.

The Trustee will hold the benefit of this covenant and the covenants in Clause 13 (*Rights, Duties and Obligations of the Trustee*) on trust for the Bondholders.

### **13.3 Terms of Appointment**

#### **13.3.1 Reliance on information**

(a) *Advice*: The Trustee may in relation to this Trust Deed act on the opinion or advice of or a certificate or any information obtained from any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant or other expert and shall not be responsible for any Liability occasioned by so acting;



- (b) *Certificate of directors or Authorised Signatories:* The Trustee, in the exercise of its functions, may call for and shall be at liberty to accept a certificate signed by two Authorised Signatories of the Issuer or other person duly authorised on their behalf as to any fact or matter *prima facie* within the knowledge of the Issuer, as the case may be, as sufficient evidence thereof and a like certificate to the effect that any particular dealing, transaction or step or thing is, in the opinion of the person so certifying, expedient as sufficient evidence that it is expedient and the Trustee shall not be bound in any such case to call for further evidence or be responsible for any Liability that may be occasioned by its failing so to do;
- (c) *Resolution or direction of Bondholders:* The Trustee shall not be responsible for acting in good faith upon any resolution purporting to be a Written Resolution or to have been passed at any meeting of the Bondholders in respect whereof minutes have been made and signed or a direction of a specified percentage of Bondholders, even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or the making of the directions or that for any reason the resolution purporting to be a Written Resolution or to have been passed at any Meeting or the making of the directions was not valid or binding upon the Bondholders;
- (d) *Bondholders as a class:* In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including without limitation any modification, waiver, authorisation or determination), the Trustee shall have regard to the general interests of the Bondholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Bondholders whatever their number and in particular, but without limitation, shall not have regard to the consequences of the exercise of its trusts, powers, authorities and discretions for individual Bondholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders;
- (e) *No obligation to monitor:* The Trustee shall not be under any obligation to monitor or supervise the functions of any other person under the Bonds or any other agreement or document relating to the transactions herein or therein contemplated and shall be entitled, in the absence of actual knowledge of a breach of obligation, to assume that each such person is properly performing and complying with its obligations;
- (f) *Bonds held by the Issuer:* In the absence of actual knowledge or express notice to the contrary, the Trustee may assume without enquiry (other than requesting a certificate of the Issuer), that no Bonds are for the time being held by or for the benefit of the Issuer or any of its Affiliates;
- (g) *Events of Default:* The Trustee shall not be bound to give notice to any person of the execution of this Trust Deed or to take any steps to ascertain whether any Default or Event of Default has happened and, until it shall have actual knowledge or express notice to the contrary, the Trustee shall be entitled to assume that no such Default or Event of Default has happened and that the Issuer is observing and performing all the obligations on its part contained in the Bonds and the Bond Documents and no event has happened as a consequence of which any of the Bonds may become repayable;



- (h) *Right to deduct or withhold for taxes:* Deduction or withholding of tax will be as per prevailing laws of Bangladesh.
- (i) *No responsibility to investigate:* The Trustee shall not have any responsibility for or have any duty to investigate except under any applicable laws or regulations:
  - (i) the execution, delivery, legality, validity, effectiveness, adequacy, genuineness, enforceability or admissibility in evidence of any Bond Document;
  - (ii) any recitals, statements, warranties, representations or covenants of any party to any Bond Document;
  - (iii) its ability to exercise the rights, trusts, powers, authorities or discretions purported to be conferred on it by any of the Bond Documents; or
  - (iv) the capacities, powers or credit standing of the Issuer or other party to any of the Bond Documents;
- (j) *Error of judgment:* The Trustee shall not be liable for any error of judgment made in good faith by any officer or employee of the Trustee assigned by the Trustee to administer its corporate trust matters;
- (k) *No responsibility for loss:* The Trustee shall not in any circumstances, except under any applicable laws or regulations:
  - (i) be liable to account to any Bondholder or any other person for anything except sums actually received by the Trustee which have not been distributed or paid to the persons entitled or at the time of payment believed by the Trustee to be entitled thereto, or
  - (ii) be liable to any Bondholder or any other person for any costs, charges, losses, damages, liabilities or expenses arising from or connected with any act, default, omission or misconduct of the Trustee, any Appointee or their respective officers, employees or agents in relation to the Bond Documents except to the extent that they shall have been finally judicially determined to have been caused by the Trustee's own gross negligence, wilful default or fraud.
- (l) *Force Majeure:* The Trustee shall not be liable for any failure or delay in the performance of its obligations under this Trust Deed or any other Bond Document because of circumstances beyond such Trustee's control, including, without limitation, acts of God, flood, war (whether declared or undeclared), terrorism, fire, riot, embargo, labour disputes, any laws, ordinances, regulations or the like which restrict or prohibit the performance of the obligations contemplated by this Trust Deed or any other Bond Document, and other causes beyond such Trustee's control whether or not of the same class or kind as specifically named above. However, the Trustee shall use commercially reasonable efforts consistent with accepted practice in its industry to resume performance as soon as practicable under the circumstances.
- (m) *Applicable Law:* Notwithstanding anything contained in this Trust Deed the Trustee shall have all such rights and powers granted to it under the applicable law including but is not limited to The Securities and Exchange Commission (Debt Securities) Rules 2021.
- (n) *Immunities:* The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Trust Deed shall extend to the Trustee's officers, directors and employees. Such immunities and protections and right to indemnification, together with





the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the defeasance or discharge of this Trust Deed and final payment of the Bonds but in any event will be subject to any gross negligence, wilful default or fraud of which the Trustee or its officers, directors or employees may be guilty in relation to their duties under this Trust Deed. The Issuer acknowledges that in any proceedings taken in relation to this Trust Deed, it will not be entitled to claim for itself or any of its asset's immunity from suit, execution, attachment or other legal process.

### 13.4 Trustee's Determination and Discretion

- 13.4.1** *Trustee's determination:* The Trustee may determine whether or not a default in the performance or observance by the Issuer of any obligation under the provisions of any Bond Document or contained in the Bonds is capable of remedy and/or materially prejudicial to the interests of the Bondholders and if the Trustee certifies that any such default is, in its opinion, not capable of remedy and/or materially prejudicial to the interests of the Bondholders, such certificate shall be conclusive and binding upon the Issuer and the Bondholders *provided however that* the Trustee may not exercise any powers conferred upon it by this Clause 13.4.1 unless the Trustee having given not less than 15 Business Days' notice of such proposed determination to the Bondholders in accordance with the Trust Deed, it has not, within 30 days of such notice being received by the Bondholders or a shorter period as may be agreed by the Bondholders in writing, been directed by an Extraordinary Resolution or Written Resolution instructing the Trustee as to the determination which shall be made;
- 13.4.2** *Determination of questions:* the Trustee as between itself and the Bondholders shall have full power to determine all the questions and doubts arising in relation to any of the provisions of this Trust Deed which in the opinion of the Trustee relates to matters and are bond specific matters ("**Bond Specific Matters**") and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Trustee, shall be conclusive and shall bind the Trustee and the Bondholders *provided however that* the Trustee may not exercise any powers conferred upon it by this Clause unless the Trustee having given not less than 15 Business Days' notice of such proposed determination to the Bondholders in accordance with the Trust Deed, it has not, within 30 days of such notice being received by the Bondholders or a shorter period as may be agreed by the Bondholders in writing, been directed by an Extraordinary Resolution or Written Resolution instructing the Trustee as to the determination which shall be made;
- 13.4.3** *Trustee's discretion:* the Trustee shall (save as expressly otherwise provided herein) as regards all the trusts, powers, authorities and discretions vested in it by this Trust Deed or by operation of law, have absolute discretion as to the exercise or non-exercise thereof and the Trustee shall not be responsible for any Liability that may result from the exercise or non-exercise thereof but whenever the Trustee is under the provisions of this Trust Deed bound to act at the request or direction of the Bondholders, the Trustee shall nevertheless not be so bound unless first indemnified and/or provided with security 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 *provided however that* the Trustee may not exercise any discretion conferred upon it by this Clause unless the Trustee having given not less than 15 Business Days' notice of such exercise of discretion to the Bondholders in accordance with the Trust Deed, it has not, within 30 days of such notice being received by the Bondholders or a shorter period as may be agreed by the Bondholders in writing, been directed by an Extraordinary Resolution or Written Resolution instructing the Trustee as to how such discretion shall be exercised;



- 13.4.4** *Trustee's consent:* any consent given by the Trustee for the purposes of this Trust Deed may be given on such terms and subject to such conditions (if any) as the Trustee may require;
- 13.4.5** *Application of Proceeds:* the Trustee shall not be responsible for the receipt or application by the Issuer of the Proceeds of the issue of the Bonds or the delivery of any Bond Certificate to the persons entitled to it;
- 13.4.6** *Delegation:* the Trustee may, with the prior consent in writing of the Issuer, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in it by this Trust Deed, act by responsible officers or a responsible officer for the time being of the Trustee and the Trustee may also whenever it thinks fit, whether by power of attorney or otherwise, delegate to any person or persons or fluctuating body of persons (whether being a joint trustee of this Trust Deed or not) all or any of the trusts, powers, authorities and discretions vested in it by this Trust Deed and any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate with the consent of the Trustee) as the Trustee may think fit in the interests of the Bondholders and, provided the Trustee shall have exercised reasonable care in the selection of any such Appointee and the Trustee shall not be bound to supervise the proceedings or acts of and shall not in any way or to any extent be responsible for any Liabilities incurred by reason of the misconduct, omission or default on the part of such delegate or sub-delegate;
- 13.4.7** *Agents:* Subject to the provisions of the Trust Act 1882, the Trustee may, in the conduct of the trusts of this Trust Deed, with the prior consent in writing of the Issuer, instead of acting personally, employ and pay an agent on any terms, whether or not a lawyer or other professional person, 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, as the case may (including the receipt and payment of money) and, *provided that* the Trustee shall have exercised reasonable care in the selection and appointment of any such agent(s), the Trustee shall not be responsible for any Liabilities incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person;
- 13.4.8** *Custodians and nominees:* the Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to such assets of the trust as the Trustee may determine, including for the purpose of depositing with a custodian this Trust Deed or any document relating to the trust created hereunder and, provided the Trustee shall have exercised reasonable care in the selection of any such Appointee, the Trustee shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person; and
- 13.4.9** *Confidential information:* the Trustee shall not (unless required by law or ordered so to do by a court of competent jurisdiction) be required to disclose to any Bondholder any confidential information (financial or otherwise) made available to the Trustee by the Issuer or any other person in connection with this Trust Deed and no Bondholder shall be entitled to take any action to obtain from the Trustee any such information. The Trustee shall forward to the Bondholders any non-confidential information made available to the Trustee by the Issuer in connection with this Trust Deed.



### 13.5 Financial matters

**13.5.1** *Professional charges:* any trustee being a banker, lawyer, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his partner or firm on matters arising in connection with the trusts of this Trust Deed and also his incurred charges in addition to disbursements for all other work and business done and all time spent by him or his partner or firm on matters arising in connection with this Trust Deed, including matters which might or should have been attended to in person by a trustee not being a banker, lawyer, broker or other professional person;

**13.5.2** *Expenditure by the Trustee:* nothing contained in this Trust Deed shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment (if approved by the Issuer) of such funds or adequate indemnity against, or security for, such risk or liability is not assured to it; and

**13.5.3** *Restriction on financial transactions with the Issuer:*

The Trustee and its directors and officers shall be precluded from making any contracts or entering into any transactions ("Other Business") with the Issuer which would place its fiduciary duties towards the Bondholders in conflict with its rights and obligations in such Other Business.

### 13.6 Trustee liable for gross negligence

None of the provisions of this Trust Deed shall in any case in which the Trustee has failed to show the degree of care and diligence required by it as trustee, having regard to the provisions of this Trust Deed conferring on the Trustee any powers, authorities or discretions, relieve or indemnify the Trustee against any liability which by virtue of any rule of law would otherwise attach to it in respect of any gross negligence, wilful default or fraud of which it may be guilty in relation to its duties under this Trust Deed.

### 13.7 Exercise of Discretion

**13.7.1** Notwithstanding anything in this Trust Deed to the contrary, the Trustee shall not be obliged to exercise or consider exercising any discretion or consider making or make any determination (including, without limitation, any determination as to whether any fact or circumstance or activity or thing is material or substantial or complies with some such similar quantitative standard) or to consider taking or take any action whatsoever in connection with or under or pursuant to the Bonds unless directed to do so by the holders of not less than  $66\frac{2}{3}$  percent in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution.

**13.7.2** The Trustee will not be responsible for any loss, expense, damage, claim, cost, charge or liability which may be suffered as a result of any exercise or non-exercise of a discretion or the making or failure to make any determination or the taking or failure to take any action by the Trustee, acting on the directions of the Bondholders as aforesaid or pending the provision of such a direction.

**13.7.3** A certificate delivered in compliance with this Trust Deed of two Authorised Signatories of the Issuer or other person duly authorised on their behalf as to the compliance by the Issuer with any of their respective obligations contained in the Conditions or this Trust Deed shall be conclusive and binding on the Issuer, the Trustee and the Bondholders save in the case of manifest error, but without prejudice to the provisions of Clause 13.7.4 below.



**13.7.4** The Trustee shall have no responsibility for requesting such certificates unless the Issuer has failed to deliver such certificates in accordance with Clause 13.3 (*Terms of Appointment*) or the Trustee is requested to do so by any Bondholder. The Trustee shall be entitled to rely on such certificates absolutely and shall not be obliged to enquire further as regards the circumstances then existing and whether they justify the provision and the content of such certificate and will not be responsible for any loss occasioned by so acting. The Trustee shall be entitled to rely on any such certificates as sufficient evidence by the Issuer of such compliance (or non-compliance) and will not be responsible for or for investigating any matter relating to the financial condition of or any other matter relating to the Issuer.

### **13.8 Events of Default**

The Events of Default for the purposes of the Bonds and the Trustee's rights, duties and obligations following such an Event of Default shall be as provided for in Clause 11.5 hereinabove.

### **13.9 Modification and Waiver**

The Trustee may agree, without the consent of the Bondholders, to (i) any modification (except as mentioned in Clause 20) to, or the waiver or authorisation of any breach or proposed breach of, any terms of the Trust Deed which is not, materially prejudicial to the interests of the Bondholders or (ii) any modification to the Bonds or the Trust Deed which, is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of law. All amendments or supplements or modifications to the terms of this Trust Deed or any of the other transaction documents can be made only in writing signed by the Issuer and the Trustee. Any such modification, waiver or authorisation will be binding on the Bondholders and, unless the Trustee agrees otherwise, any such modifications will be notified by the Trustee to the Bondholders as soon as practicable thereafter. However, no modification of the Features of the Bond mentioned in Clause 10.2 can be made without prior consent of the Bondholders unless required by law.

### **13.10 Interests of Bondholders**

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, authorisation, waiver or substitution) the Trustee shall have regard to the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer or the Trustee, any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders except to the extent provided for in Clause 11.4 (*Taxation*) and/or any undertakings given in addition thereto or in substitution therefore pursuant to the Trust Deed.

## **14. RIGHTS, DUTIES AND OBLIGATIONS OF THE ISSUER**

### **14.1 General Covenants by the Issuer**

**14.1.1** The Issuer hereby covenants unless otherwise required by law, the Bonds will be issued in registered and listed form.

**14.1.2** The Issuer covenants with the Trustee that it will comply with and perform and observe all the provisions of this Trust Deed and the other Transaction Documents which are expressed to be binding on it. The terms and conditions of the Bonds shall be binding on the Issuer, the Bondholders and the Trustee. The Trustee shall be entitled to enforce the obligations of the Issuer under the Bonds as if the same were set out and contained in this Trust Deed, which shall be read and construed as one document with the Bonds. The Trustee shall hold the benefit of this covenant to pay all sums due and payable but unpaid by the Issuer in respect of payments with respect to the Bonds upon trust for itself and the Bondholders.

**14.1.3** Covenant to comply with Rules and Guidelines of Bangladesh Bank, Bangladesh Securities & Exchange Commission, Trust Deed, conditions, Schedules and Subscription Agreement(s):



- (a) The Issuer hereby covenants with the Trustee to comply with, perform and observe the conditions of all Rules and Guidelines published by the Bangladesh Bank, Bangladesh Securities & Exchange Commission all those provisions of this Trust Deed, the Conditions, the Schedules, the Agency Agreement and the Subscription Agreement which are expressed to be binding on it and to perform and observe the same. The Bonds are subject to the provisions contained in this Trust Deed, the Conditions, the Schedules, Agency Agreement and the Subscription Agreement, all of which shall be binding upon the Issuer and the Bondholders and all persons claiming through or under them respectively. The Bondholders and all persons claiming under or through them respectively will also be entitled to the benefit of, and will be bound by, this Trust Deed and the other Bond Documents and will be deemed to have notice of all of the provisions of the Bond Documents.
- (b) The Issuer hereby confirms that it has obtained due approval from the Bangladesh Bank and the Bangladesh Securities and Exchange Commission for issuance of the Bonds.

**14.1.4** As long as any of the Bonds remains outstanding or any amount is outstanding to the Trustee or any Bondholder under any Bond Document, the Issuer undertakes to each of the Trustee and the Bondholders that it shall comply with the provisions of this Clause 14.1.4.

(a) **Change of Business**

The Issuer shall procure that no substantial change is made to the general nature of the business of the Issuer.

(b) **Arms' length transactions**

The Issuer shall not enter into any transaction, agreement or arrangement with any of its Affiliates other than on arm's length basis.

(c) **General Undertakings**

(i) Authorisations

The Issuer shall promptly:

- (1) obtain, comply with and do all that is necessary to maintain in full force and effect; and

as and when requested by the Trustee, supply to the Trustee certified copies of, any Authorisation required under any law or regulation of its jurisdiction of incorporation to enable it to perform its obligations under the Bond Documents to which it is a party (or any of them) and/or to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of any Bond Document to which it is a party.

(ii) Compliance with laws

The Issuer shall comply in all respects with all laws to which it is subject including, without limitation, the requirements and guidelines of the Bangladesh Bank

(iii) Insurance

The Issuer shall maintain insurances on and in relation to its business and assets with reputable underwriters or insurance companies against those risks and to the extent as is usual for companies carrying on the same or substantially similar business.



(iv) Corporate Governance

- (1) The Issuer shall ensure that it remains duly incorporated and validly existing under the laws of its jurisdiction of incorporation.
- (2) The Issuer shall ensure it shall at all times have the power and necessary Authorisations to own its assets and carry on its business as from time to time being conducted.
- (3) The Issuer shall maintain and preserve all of its assets, which may be necessary in the conduct of its business as conducted from time to time, in good working order and condition, ordinary wear and tear excepted.

(v) Taxation and claims

The Issuer shall duly and punctually follow the prevailing rules and regulations of taxation.

(vi) Maintenance of and access to books and records and inspection

The Issuer shall, maintain books and records (with respect to itself and its business) in the manner described in Clause 16.1 herein below in this Trust Deed.

(vii) Further assurance

The Issuer shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Trustee may reasonably specify (and in such form as the Trustee may reasonably require in favour of the Trustee or its nominee(s)) for the exercise of any rights powers and remedies of the Trustee (for and on behalf of any or all of the Trustee and/or the Bondholders) provided by or pursuant to the Bond Documents or by law on a best efforts basis and to the extent permitted by applicable laws.

(d) **Loans and Guarantee**

The Issuer shall not:

- (i) be a creditor in respect of any Financial Indebtedness, except for any loan in its ordinary course of business consistent with its current practice; and
- (ii) incur or allow to remain outstanding any guarantee in respect of any obligation (whether actual or contingent) of any person, or otherwise voluntarily assume any liability, whether actual or contingent, in respect of any obligation of any person, except for:
  - (1) any guarantee under any Bond Document;
  - (2) any guarantee in the ordinary course of business consistent with its current practice.

(e) **Undertakings to Comply with Bangladesh Bank and BSEC Authorisation and Rules and Guidelines**

It will at all times comply with the terms of the approval issued by Bangladesh Bank and BSEC including the Rules; and any other Guidelines issued by the Bangladesh Bank from time to time (including maintaining any required Bangladesh Bank rating).

(f) **Providing Information**

The Issuer shall provide such information and within such period of time identified in Clause 16.2, 16.3 and 16.4 herein below in this Trust Deed to the Bondholders and the Trustee.



## **14.2 Corporate Covenants by the Issuer:**

### **14.2.1 Conduct**

The Issuer shall all times carry on and conduct its affairs in a proper and efficient manner in compliance with any requirement of law from time to time in force in Bangladesh and in compliance with its and in compliance with its Memorandum and Articles of Association save where failure to do so would not constitute a Materials Adverse Effect.

### **14.2.2 Consents**

The Issuer shall obtain, comply with the terms of and do all that is necessary:

- (a) to maintain in full force and effect all authorisations, approvals, licences and consents necessary under any Law in connection with its business; and
- (b) to enable it lawfully to enter into and perform its obligations under this Trust Deed.

### **14.2.3 Authorised Signatories**

The Issuer shall deliver to the Trustee upon execution of this Deed and thereafter upon any change of the same, a list of Authorised Signatories of the Issuer together with a specimen signature of each Authorised Signatory.

### **14.2.4 Registered Office**

The Issuer shall maintain its registered office. In case of change of registered office, the Issuer will notify this to the Trustee.

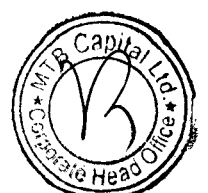
### **14.2.5 Financial Statements**

The Issuer shall prepare in respect of each financial years, financial statements and provide the same to the Trustee in such form and manner as described in Clause 16 herein below in this Trust Deed.

### **14.2.6 General Negative Covenants**

The Issuer shall not, save to the extent permitted by or contemplated by Applicable Law or with the prior written consent of the Trustee:

- (a) sell, convey, transfer, lease, assign or otherwise dispose of or agree or attempt or purport to sell, convey, transfer, lease or otherwise dispose of or use, invest or otherwise deal with any of its properties, assets or undertaking or grant any option or right to acquire the same which shall reasonably be expected to have a Material Adverse Effect.
- (b) grant, create or permit to exist any encumbrance over (including the grant of security or trust over or the occurrence of execution or diligence in respect of) its assets which shall reasonably be expected to have a Material Adverse Effect.
- (c) consolidate or merge with any other person;
- (d) permit the validity or effectiveness of the Transaction Documents to be impaired or to be amended, hypothecated, subordinated, terminated or discharged.



#### **14.2.7 Authorisations**

The Issuer must:

- (a) promptly obtain and maintain in full force and effect all governmental and regulatory consents, licences, material authorisations and approvals required for the conduct of its business; and
- (b) do all such things as are necessary to maintain its corporate status,
- (c) in each case where failure to do so would be reasonably expected to have a Material Adverse Effect.

#### **14.2.8 Compliance with Transaction Documents**

The Issuer shall at all times comply with and perform all its obligations under the Transaction Documents and the Bonds save where non-compliance would not lead to a Material Adverse Effect.

#### **14.2.9 Exercise Rights**

The Issuer shall preserve and/or exercise and/or enforce its rights under and pursuant to the Bonds and the Transaction Documents.

#### **14.2.10 Dealing with Trustee**

- (a) The Issuer shall upon reasonable notice, during normal business hours allow the Trustee and any persons appointed by the Trustee access to such books of account and other business records as relate to the assigned rights or the benefit of the assigned rights as the Trustee or any such persons may reasonably require.
- (b) So far as permitted by applicable law and subject to any binding confidentiality restrictions, the Issuer shall at all times give to the Trustee such information, opinions, certificates and other evidence as the trustee and any persons appointed by the Trustee shall reasonably require (and which it is reasonably practicable to produce) for the purposes of the discharge of the duties, trusts, powers, authorities and discretions vested in the Trustee by or pursuant to this Trust Deed or any other Transaction Document.

#### **14.2.11 Execution of Further Documents**

The Issuer shall, so far as permitted by applicable law and regulatory requirements, execute all such further documents and do all such further acted and things as the Trustee (acting reasonably) may consider to be necessary at the time to give effect to the terms of the relevant Transaction Documents.

#### **14.2.12 Notification of Event Default**

The Issuer shall deliver notice to the Trustee forthwith upon becoming aware of any Event of Default without waiting for the Trustee to take any further action.

#### **14.2.13 No Variation and Termination of Transaction Documents**

The Issuer shall not until the final Maturity Date, save to the extent permitted by the Transaction Documents or with the prior written consent of the Trustee:

- (a) terminate, repudiate, rescind or discharge any Transaction Documents.





- (b) vary, novate, amend, modify or waive any provision of any Transaction Document;
- (c) permit any person who has obligations under the Transaction Document to be released from such obligations other than in accordance with the terms of the applicable Transaction Document and any applicable requirement of law or regulatory direction.

#### **14.2.14 Filings**

The Issuer shall effect all required filings in respect of the Issuer and file, record or enrol each Transaction Document required to be filed, recorded or enrolled with any court or other authority in Bangladesh and ensure that such required filings and such other filings, recordings or enrolments are at all times maintained in accordance with any applicable requirement of law or regulatory direction.

#### **14.2.15 Payments**

The Issuer shall pay moneys payable by it to the Trustee under this Trust Deed without set off, counterclaim, deduction or withholding, unless otherwise compelled by law.

#### **14.2.16 Notices to Bondholders**

The Issuer shall send or procure to be sent (not less than three days prior to the date of publication) to the Trustee, for the Trustee's approval, one copy of each notice to be given to the Bondholders in accordance with this Trust Deed including but not limited to notices required under clause 11 and not publish such notice without such approval and, upon publication, send to the Trustee two copies of such notice.

#### **14.2.17 Notification of Non-Payment**

The Issuer shall use reasonable endeavours to procure that it notifies the Trustee forthwith in the event that it does not, on or before the due date for payment in respect of the Bonds of any Series receive unconditionally the full amount in the relevant currency of the monies payable on such due date;

#### **14.2.18 Notification of Late Payment**

The Issuer shall forthwith give notice to the Bondholders through the Trustee of payments of any sum due in respect of the Bonds, made after their due date to the Trustee.

#### **14.2.19 Non-Listing of Bonds in the Stock Exchanges**

The Bonds will be, subject to consent of Bangladesh Securities and Exchange Commission (BSEC), be listed as per rules and regulations by BSEC.

#### **14.2.20 Notification of Tax Deduction**

The Issuer shall promptly give notice to the Trustee:

- (a) if it is required by law to effect a deduction or withholding of Tax in respect of any payment due in respect of any Bonds.
- (b) and in such cases take such action as may be required by the Trustee acting reasonable in respect thereof.



### **14.3 Consolidation, Amalgamation or Merger**

The Issuer will not consolidate with, merge or amalgamate into or transfer its assets substantially as an entirety to any company or convey or transfer its properties and assets substantially as an entirety to any person (the consummation of any such event, a "**Merger**"), unless:

- 14.3.1** the company formed or incorporated by such Merger or the person that acquired such properties and assets shall expressly assume, by a supplemental trust deed, all obligations of the Issuer under the Trust Deed and the Bonds and the performance of every covenant and agreement applicable to it contained therein and to ensure that the holder of each Bond then outstanding will have the right to the new company.
  - 14.3.2** immediately after giving effect to any such Merger, no Default or Event of Default shall have occurred or be continuing or would result therefrom; and
  - 14.3.3** the company formed or incorporated by such Merger, or the person that acquired such properties and assets, shall expressly agree, among other things, to indemnify each holder of a Bond against any tax, assessment or governmental charge payable by withholding or deduction thereafter imposed on such holder solely as a consequence of such Merger with respect to the payment of principal and interest on the Bonds.
- 14.4** In the event of the passing of an Extraordinary Resolution in accordance with Clause 19, a modification, waiver or authorisation in accordance with Clause 20 the Issuer will procure that the Bondholders be notified in accordance with Clause 11.9.

### **15. RIGHTS AND OBLIGATIONS OF THE INVESTORS/BOND HOLDER**

- 15.1** Each Private Placement Subscriber shall enter into a separate Subscription Agreement with the Issuer and shall be bound by the terms and conditions contained in such Subscription Agreement containing in details the rights and obligations of such investors, and which shall be an integral part of this Trust Deed. Subscriber to the Public Offer shall be bound by the terms and conditions contained in Clause 10 and any other condition as specified by Bangladesh Securities and Exchange Commission or any other relevant competent authority.
- 15.2** The obligations of the Bondholders under the Subscription Agreement and other agreements with identical terms are several and the failure by a Bondholder(s) to perform its obligations under the Bond Documents shall not affect the obligations of the Issuer towards any other Bondholder(s) under other identical agreements nor shall any other Bondholder(s) be liable for the failure by such Bondholder(s) to perform its obligations under the Subscription Agreement or any other Bond Document.
- 15.3** The rights of the Bondholder are several and any debt or other obligation arising under the Subscription Agreement at any time from the Issuer to any other Bondholder(s) shall be a separate and independent debt. Each Bondholder will be entitled to protect and enforce its individual rights independently of any other Bondholder and it shall not be necessary for any other Bondholder(s) to be joined as an additional party in proceedings for such purpose.
- 15.4** The Bondholders shall hold meetings with such power and scope and in the manner provided for in Clause 19 herein below in this Trust Deed.
- 15.5 Undertaking to Issue**

The Issuer will, subject to and in accordance with the provisions of the Subscription Agreement, on the Closing Date, duly execute and deliver to the Bondholder a Bond



Certificate attached with the Conditions, representing the allocation amount of Bonds subscribed.

### 15.6 Undertaking to Subscribe

The Bondholders will, subject to and in accordance with the provisions of the Subscription Agreement, on the Closing Date, subscribe and pay the aggregate purchase price for the allocation, in Bangladesh Taka for same day value to such account as the Issuer designates.

### 15.7 Investor Representations

The Bondholder(s) will comply with all applicable laws and regulations of Bangladesh and each other jurisdiction in which it offers, sells or delivers Bonds or has in its possession or distributes any offering material, in all cases at its own expense.

### 15.8 Indemnity

The Issuer shall fully indemnify the Bondholder(s) from and against any expense, loss, damage or liability which any of them may incur as per provisions of this trust deed in connection with the enforcement, protection or preservation of any right or claim of the Bondholders under the Transaction Documents.

### 15.9 Closing

#### 15.9.1 Subscription and Closing

- (a) Subject to the condition's precedent contained in the Subscription Agreement, the closing of the issue of the Bonds shall take place on the Closing Date.
- (b) *Investor Representation Letter*: On the date indicated in the Subscription Agreement, the Bondholders will execute and deliver a letter addressed to the Issuer in the form attached as per Compliance Certificate.
- (c) *Payment of net issue Proceeds*: On each Closing Date, of the Bondholders shall pay the purchase price of Bonds to the Issuer in Bangladesh Taka in the manner provided for in the Subscription Agreement.
- (d) Bond Certificates:
  - (i) *Registration*: On each Closing Date, the Issuer shall procure that the principal amount of Bonds subscribed for by the Bondholders for which payment has been received in accordance with the Subscription Agreement and are registered in name of the Bondholders (with a notation on the Register and on each Bond Certificate identifying the Issue Date of such Bond Certificate).
  - (ii) *Issue*: On the Closing Date, the Issuer shall duly execute and deliver the Bond Certificates to the Trustee for authentication. Promptly following the Closing Date, the Issuer will deliver to each Bondholder Bond Certificates, duly authenticated by the Trustee and representing such Investor's entire holding of Bonds.

### 15.10 Termination

The Bondholders may give a termination notice to the Issuer at any time on or prior to the Closing Date if:

- 15.10.1 *Breach of obligation*: the Issuer fails to perform any of its obligations under the Subscription Agreement;



**15.10.2** *Failure of condition precedent*: any of the condition's precedent is not satisfied or waived by the Bondholders on the Closing Date; or

**15.10.3** *Force majeure*: since the date of the Subscription Agreement there has been (i) any material outbreak or escalation of hostilities involving Bangladesh or declaration by Bangladesh of a national emergency or war or other calamity or crisis or (ii) a material adverse change in economic, political or financial conditions or currency exchange rates or exchange controls in Bangladesh or international market, of such magnitude and severity in its effect on the financial markets as to make it impracticable or inadvisable to proceed with the offer, sale, distribution or delivery of the Bonds

### **15.11 Consequences**

Upon the giving of a termination notice under Clause 15.10 (*Termination*) and subject to the Subscription Agreement:

**15.11.1** *Discharge of Issuer*: The Issuer shall be discharged from performance of its obligations under the Subscription Agreement except for the liability of the Issuer in relation to expenses related to the Bonds and except for any liability arising before or in relation to such termination; and

**15.11.2** *Discharge of Bondholder*: such Bondholder shall be discharged from performance of their respective obligations under the Subscription Agreement.

### **15.12 Interests of the Bondholders**

The interests of the Bondholders shall be protected and preserved by the Trustee in the manner described in Clause 13.10 hereinabove in this Trust Deed.

## **16. ACCOUNTS AND AUDIT**

### **16.1 Maintenance of and access to books and records and inspection**

**16.1.1** The Issuer shall, maintain books and records (with respect to itself and its business) in good order.

**16.1.2** The Issuer shall ensure that the representatives, agents and/or advisers of the Trustee shall be allowed, subject to confidentiality obligations under applicable law, to have access to the assets, books, records and premises (including access to view any physical assets which are the subject of any Security Interest) and to inspect the same during normal business hours (at the expense of the Issuer) upon reasonable notice.

**16.1.3** The Issuer shall ensure that its officers shall, upon reasonable notice, be available to discuss in good faith the affairs of the Issuer with the Trustee and/or its representatives, agents and/or advisers.

### **16.2 Financial Statements**

**16.2.1** The Issuer shall cause to be prepared in respect of each of its financial years, financial statements in such form as will comply with the requirements for the time being of the laws of Bangladesh.

**16.2.2** The Issuer shall supply to the Trustee two copies of its audited financial statements, and related auditors' opinion within a mutually agreed time frame.



### 16.3 Providing Information to Bondholders

The Issuer shall supply to the Bondholders the statements and documents, except those published in the website of the Issuer as per local regulations, as follows on requisition by the Bondholders (with a copy to the Trustee) if it does not contradict with the laws of Bangladesh:

16.3.1 all documents dispatched by the Issuer to its shareholders;

16.3.2 annual audited financial statements/Annual Report.

### 16.4 Providing Information to Trustee

16.4.1 The Issuer shall supply to the Trustee for the benefit of the Bondholders after the end of each financial year its audited balance sheet a Compliance Certificate;

16.4.2 The Issuer shall provide to the Trustee (a) within 10 days of any request by the Trustee and (b) at the time of the despatch to the Bondholders of its accounts pursuant to this Trust Deed, the Compliance Certificate, signed by two Authorised Signatories of the Issuer certifying that up to a specified date not earlier than seven days prior to the date of such certificate (the "**Certification Date**") the Issuer has complied with its obligations under the Bonds and the Trust Deed (or, if such is not the case, giving details of the circumstances of such non-compliance) and that as at such date there did not exist nor had there existed at any time prior thereto since the Certified Date in respect of the previous such certificate (or, in the case of the first such certificate, since the Issue Date) any Event of Default or a potential Event of Default or other matter which would affect the Issuer's ability to perform its obligations under the Bonds and the Trust Deed or (if such is not the case) specifying the same.

## 17. TERM AND TERMINATION OF THE DEED OF TRUST

This Trust Deed shall be effective from the date of its execution and shall remain valid for a term being the entirety of the period of the Bonds pursuant to the Transaction Documents. The Trust Deed shall stand terminated upon completion of the obligations of the Issuer and subject to revocation by the Settlor pursuant to Clause 6.2 hereinabove in this Trust Deed.

## 18. RETIREMENT AND SUBSTITUTION OF THE TRUSTEE AND APPOINTMENT OF NEW TRUSTEE

### 18.1 Appointment and Removal of Trustees

The power of appointing new trustees of this Trust Deed shall be vested in the Issuer but no person shall be appointed who shall not previously have been approved by an Extraordinary Resolution. Any appointment of a new trustee hereof shall as soon as practicable thereafter be notified by the Issuer to the Bondholders. Subject to Clause 18.7 below and prior approval from the BSEC, the Bondholders shall together have the power, exercisable by Extraordinary Resolution, to remove any trustee or trustees for the time being hereof. The removal of any trustee shall not become effective unless there remains a trustee (being a financial institution that provides trust services) hereof in office after such removal. Trustee shall not be removed unless there is material breach by the Trustee and which is not rectified within 30 days' notice period.

### 18.2 Co-trustees

Notwithstanding the provisions of Clause 18.1 (*Appointment and Removal of Trustees*), but subject to Clause 18.7 below, the Trustee may, with the prior consent of the BSEC, the Issuer and the Bondholders, appoint any person established or resident in any jurisdiction (whether a trust corporation or not) to act either as a separate trustee or as a co-trustee jointly with the Trustee:



**18.2.1** if the Trustee considers such appointment to be in the interests of the Bondholders;

or

**18.2.2** for the purposes of conforming to any legal requirements, restrictions or conditions in any jurisdiction in which any particular act or acts are to be performed; or

**18.2.3** for the purposes of obtaining a judgment in any jurisdiction or the enforcement in any jurisdiction either of a judgment already obtained or of this Trust Deed.

### **18.3 Attorneys**

The Issuer hereby irrevocably appoints the Trustee to be its attorney in its name and on its behalf to execute any such instrument of appointment. Such a person shall (subject always to the provisions of this Trust Deed) have such trusts, powers, authorities and discretions (not exceeding those conferred on the Trustee by this Trust Deed) and such duties and obligations as shall be conferred on such person or imposed by the instrument of appointment. The Trustee shall have power in like manner to remove any such person. Such remuneration as the Trustee may pay to any such person, together with any applicable costs, charges and expenses incurred by it in performing its function as such separate trustee or co-trustee, shall for the purposes of this Trust Deed be treated as costs, charges and expenses incurred by the Trustee.

### **18.4 Retirement of Trustee**

Subject to Clause 18.7 below and any conditions as may be imposed by the BSEC, any Trustee for the time being of this Trust Deed may retire at any time upon giving not less than two months' notice in writing to the Issuer without assigning any reason therefore and without being responsible for any costs occasioned by such retirement. The retirement of any Trustee shall not become effective unless a successor trustee (being a financial institution that provides trust services) shall have been duly appointed. The Issuer hereby covenants that in such event of the Trustee giving notice under this Clause or being removed by Extraordinary Resolution it shall use all reasonable endeavours to procure a successor trustee (being a financial institution that provides trust services) to be appointed, and if the Issuer has not procured the appointment of a new trustee within 30 days of the expiry of the notice referred to in this Clause 18.4, the Trustee shall be entitled to procure forthwith a successor trustee.

### **18.5 Powers additional**

The powers conferred by this Trust Deed upon the Trustee shall be in addition to any powers which may from time to time be vested in it by general law or as a Bondholder.

### **18.6 Merger**

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Clause, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In such case the Trustee will notify the Issuer and Bondholders in writing immediately after decision of the Board of the Trustee.

### **18.7 Accession Required**

Any new trustee or co-trustee appointed under this Trust Deed shall enter into any other documentation for, and on behalf of Bondholders and execute any supplemental documentation and do any such other acts or things as it determines necessary in its



reasonable discretion to effect its engagement as a new trustee or co-trustee or any modifications to this Trust Deed.

### 18.8 BSEC approval required

Notwithstanding anything to the contrary in this Clause 18, no trustee or co-trustee hereunder may be appointed or removed, and no trustee or co-trustee hereunder may retire without the prior written approval of the BSEC.

## 19. MEETING OF HOLDERS OF THE BOND WITH POWER, SCOPE AND QUORUM OF THE MEETING

### 19.1 Definitions

In this Trust Deed, the following expressions have the following meanings:

**"Bond Specific Matter"** means, any matter that will affect the rights and interest of the Bondholders including redemption, and early redemption;

**"Chairman"** means, in relation to any Meeting, the individual who takes the chair in accordance with Clause 19.7 (*Chairman*);

**"Extraordinary Resolution"** means a resolution of Bondholders passed at a Meeting duly convened and held in accordance with this Schedule by a majority of not less than  $66\frac{2}{3}$  percent of the aggregate principal amount of the outstanding Bonds;

**"Meeting"** means a meeting of Bondholders (whether originally convened or resumed following an adjournment) held in relation to any Bond Specific Matter;

**"Proxy"** means, in relation to any Meeting, a person appointed to vote under a Voting Instruction other than:

- (a) any such person whose appointment has been revoked and in relation to whom the Issuer has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such Meeting; and
- (b) any such person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the Meeting when it is resumed;

**"Reserved Matter"** means other than by exercise of Issuer's Coupon Discretion and/or exercise of Loss Absorption features, any proposal:

- (a) to reduce or cancel the amounts payable on any date in respect of the Bonds;
- (b) to effect the exchange, conversion or substitution of the Bonds of such series for, or the conversion of the Bonds of such series into shares, bonds, or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed; or
- (c) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution with respect to any Bond Specific Matters or to sign a Written Resolution or otherwise required in respect of any matter that is expressed under any Bond Document as requiring the consent or instructions of the Holders of at least  $66\frac{2}{3}$  per cent. in aggregate outstanding principal amount of the Bonds;



**"Voter"** means, in relation to any Meeting, a Proxy or (subject to Clause 19.4 (*Meeting Record Date*)) a Bondholder; *provided, however*, that (subject to Clause 19.4 (*Meeting Record Date*)) any Bondholder which has appointed a Proxy under a Voting Instruction shall not be a "Voter" except to the extent that such appointment has been revoked and the Issuer notified in writing of such revocation at least 48 hours before the time fixed for such Meeting.

**"Voting Instruction"** means, in relation to any Meeting, a document issued by the Trustee:

- (a) certifying that each Holder of certain specified Bonds (each a **"Relevant Bond"**) or a duly authorised person on its behalf has instructed the Issuer that the votes attributable to each Relevant Bond held by it are to be cast in a particular way on each resolution to be put to the Meeting; and during the period of 48 hours before the time fixed for the Meeting, such instructions may not be amended or revoked;
- (b) listing the total principal amount of the Relevant Bonds, distinguishing for each resolution between those in respect of which instructions have been given to vote for, or against, the resolution; and
- (c) authorising a named individual or individuals to vote in respect of the Relevant Bonds in accordance with such instructions;

**"Written Resolution"** means a resolution in writing signed by or on behalf of holders of not less than Majority Bondholders who for the time being are entitled to receive notice of a Meeting in accordance with the provisions of this Clause, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders;

**"24 hours"** means a period of 24 hours including all or part of a day (disregarding for this purpose the day upon which such Meeting is to be held) upon which banks are open for business in both the place where the relevant Meeting is to be held and in each of the places where the Issuer have their Specified Offices and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid; and

**"48 hours"** means 2 consecutive periods of 24 hours.

## 19.2 Meetings

The Trust Deed contains provisions for convening meetings of Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Bonds or the provisions of the Trust Deed. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing over 66⅔ per cent. in principal amount of the Bonds for the time being outstanding or, at any adjourned such meeting being or representing Bondholders, whatever the principal amount of the Bonds so held or represented unless the business of such meeting includes consideration of proposals relating inter alia to a Reserved Matter, in which case the quorum for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 75 per cent., or at any adjourned such meeting not less than 33 per cent., in principal amount of the Bonds for the time being outstanding. An Extraordinary Resolution passed at any meeting of Bondholders will be binding on all Bondholders, whether or not they are present at the meeting. The Trust Deed provides that a written resolution signed by or on behalf of the holders of not less than 75 per cent. of the aggregate principal amount of Bonds outstanding shall be as valid and effective as a duly passed Extraordinary Resolution.





### 19.3 Issue of Voting Instructions

The Holder of a Bond may require the Trustee to issue a Voting Instruction by delivering to the Trustee written instructions not later than 48 hours before the time fixed for the relevant Meeting.

### 19.4 Meeting Record date

The Issuer may fix a record date for the purposes of any Meeting or any resumption thereof following its adjournment for want of a quorum provided that such record date is not more than 15 days prior to the time fixed for such Meeting or (as the case may be) its resumption. The person in whose name a Bond is registered in the Register at close of business on the record date shall be deemed to be the Holder of such Bond for the purposes of such Meeting, notwithstanding any subsequent transfer of such Bond or entries in the Register.

### 19.5 Convening of Meeting

The Issuer or the Trustee may convene a Meeting at any time, and the Trustee shall be obliged to do so upon the request in writing of one or more Bondholders of a series holding not less than one tenth of the aggregate principal amount of the outstanding Bonds of such series. Every Meeting shall be held on a date, and at a time and place, approved by the Trustee and Issuer.

### 19.6 Notice

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the relevant Meeting is to be held) specifying the date, time and place of the Meeting shall be given to the Bondholders and the Issuer where the Meeting is convened by the Trustee or, where the Meeting is convened by the Issuer, the Trustee. The notice shall set out the full text of any resolutions to be proposed.

### 19.7 Chairman

An individual (who may, but need not, be a Bondholder) nominated in writing by the Trustee may take the chair at any Meeting but, if no such nomination is made or if the individual nominated is not present within 15 minutes after the time fixed for the Meeting, those present shall elect one of themselves to take the chair failing which, the Issuer may appoint a Chairman. The Chairman of an adjourned Meeting need not be the same person as was the Chairman of the original Meeting.

### 19.8 Quorum

The quorum at any Meeting shall be more than 50 percent of the Voters representing or holding not less than the Relevant Fraction of the aggregate principal amount of the outstanding Bonds.

### 19.9 Adjournment for want of quorum

If within 15 minutes after the time fixed for any Meeting a quorum is not present, then:

- (a) in the case of a Meeting requested by Bondholders, it shall be dissolved; and
- (b) in the case of any other Meeting (unless the Issuer and the Trustee otherwise agree), it shall be adjourned for such period (which shall be not less than 13 days and not more than 42 days) and to such place as the Chairman determines (with the approval of the Trustee); *provided, however, that* the Meeting shall be dissolved if the Trustee in its sole and absolute discretion so decides.



### 19.10 Adjourned Meeting

The Chairman may, with the consent of, and shall if directed by, any Meeting adjourn such Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place.

### 19.11 Notice following adjournment

Clause 19.6 (*Notice*) shall apply to any Meeting which is to be resumed after adjournment for want of a quorum save that:

- (a) 10 days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and
- (b) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

It shall not be necessary to give notice of the resumption of a Meeting which has been adjourned for any other reason.

### 19.12 Participation

The following may attend and speak at a Meeting:

19.12.1 Voters;

19.12.2 representatives of the Issuer and the Trustee;

19.12.3 the financial advisers of the Issuer and the Trustee;

19.12.4 the legal counsel to the Issuer and the Trustee and such advisers; and

19.12.5 any other person approved by the Trustee and Issuer.

### 19.13 Voting Rights

Neither the Issuer nor any of its Affiliates shall be entitled to vote in respect of the Bonds beneficially owned by or on behalf of them, but this shall not prevent any proxy or any representative from being a director, officer or representative of, or otherwise connected with the Issuer or any of its Affiliates.

### 19.14 Poll

A demand for a poll shall be valid if it is made by the Chairman, the Issuer, the Trustee or one or more Voters representing or holding not less than one fiftieth of the aggregate principal amount of the outstanding Bonds. The poll may be taken immediately or after such adjournment as the Chairman directs, but any poll demanded on the election of the Chairman or on any question of adjournment shall be taken at the Meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business as the Chairman directs.

### 19.15 Votes

Every Voter shall have one vote in respect of each BDT 10,000,000 in aggregate face amount of the outstanding Bond(s) represented or held by him.

Unless the terms of any Voting Instruction state otherwise, a Voter shall not be obliged to exercise all the votes to which he is entitled or to cast all the votes which he exercises in the same way. In the case of a voting tie the Chairman shall have a casting vote.



### 19.16 Validity of Votes by Proxies

Any vote by a Proxy in accordance with the relevant Voting Instruction shall be valid even if such Voting or any instruction pursuant to which it was given has been amended or revoked, provided that the Issuer has not been notified in writing of such amendment or revocation by the time which is 24 hours before the time fixed for the relevant Meeting. Unless revoked, any appointment of a Proxy under a Voting Instruction in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment; *provided, however, that* no such appointment of a Proxy in relation to a Meeting originally convened which has been adjourned for want of a quorum shall remain in force in relation to such Meeting when it is resumed. Any person appointed to vote at such a Meeting must be reappointed under a Voting Instruction to vote at the Meeting when it is resumed.

### 19.17 Powers

A Meeting shall have power (exercisable only by Extraordinary Resolution), without prejudice to any other powers conferred on it or any other person:

19.17.1 to approve any Reserved Matter;

19.17.2 to approve any proposal by the Issuer for any modification, abrogation, variation or compromise of the Bonds or any provisions of any Bond Document or any arrangement in respect of the obligations of the Issuer under or in respect of the Bonds or any Bond Document;

19.17.3 to approve the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Bonds;

19.17.4 to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of the Bond Documents or any act or omission which might otherwise constitute a Default or Event of Default under the Bonds;

19.17.5 to remove any Trustee, or to approve the appointment of a new Trustee in accordance with the provisions of Clause 18.1 (*Appointment and Removal of Trustees*);

19.17.6 to authorise the Trustee (subject to its being indemnified and/or secured to its satisfaction) or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;

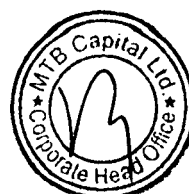
19.17.7 to give any other authorisation or approval which under any Bond Document is required to be given by Extraordinary Resolution; and

19.17.8 to appoint any persons as a committee to represent the interests of the Bondholders and to confer upon such committee any powers which the Bondholders could themselves exercise by Extraordinary Resolution.

For the avoidance of doubt, the aforementioned powers apply only in respect of Bond Specific Matters.

### 19.18 Extraordinary Resolution as to any Bond Specific Matter binds all Holders

An Extraordinary Resolution as to any Bond Specific Matter shall be binding upon all Bondholders, whether or not present at such Meeting, and each of the Bondholders shall be bound to give effect to it accordingly. Notice of the result of every vote on an Extraordinary Resolution shall be given to the Bondholders (with a copy to the Issuer and the Trustee) within 14 days of the conclusion of the Meeting.



### 19.19 Minutes

Minutes of all resolutions and proceedings at each Meeting shall be made. The Chairman shall sign the minutes, which shall be *prima facie* evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such Meeting in respect of the proceedings of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

### 19.20 Further regulations

Subject to all other provisions contained in this Trust Deed, the Trustee may without the consent of the Issuer or the Bondholders prescribe such further regulations regarding the holding of Meetings and attendance and voting at them as the Trustee may in its sole discretion determine.

## 20. AMENDMENT PROVISIONS OF THE TRUST DEED

### 20.1 Waiver

The Trustee may, with consent from Issuer without any consent or sanction of the Bondholders and without prejudice to its rights in respect of any subsequent breach, condition, event or act, from time to time and at any time, but only if and in so far as in its opinion it may be proper to make provided that the Trustee is of the opinion that the interests of the Bondholders shall not be materially prejudiced thereby, authorise or waive any breach or proposed breach of any of the covenants or provisions contained in this Trust Deed, the Bonds or determine that any Default or Event of Default shall not be treated as such for the purposes of this Trust Deed; any such authorisation, waiver or determination shall be binding on the Bondholders and the Trustee shall cause such authorisation, waiver or determination to be notified to the Bondholders as soon as practicable thereafter, *provided however* that the Trustee may not exercise any powers conferred upon it by this Clause 20.1 unless, having given not less than 15 Business Days' notice of such authorisation, waiver or determination to the Bondholders in accordance with the Trust Deed, it has not, within 30 days of such notice being received by the Bondholders or a shorter period as may be agreed by the Bondholders in writing, been directed by an Extraordinary Resolution or of a request in writing made by the holders of not less than 66<sup>2</sup>/<sub>3</sub> percent of the Aggregate Outstanding Principal Amount of Bonds then outstanding against making such authorisation, waiver or determination.

### 20.2 Modifications

The Trustee may with consent from Issuer from time to time and at any time without any consent or sanction of the Bondholders concur with the Issuer in making (a) any modification to this Trust Deed and the Bonds which, , may be proper to make provided that such modification would not be materially prejudicial to the interests of the Bondholders or (b) any modification to this Trust Deed, the Bonds which, is of a formal, minor or technical nature or made to correct an error, defect or inconsistency, to conform the terms between any provision in the Trust Deed which does not constitute a Bond Specific Matter or to comply with mandatory provisions of law. Further upon obtaining approval from BSEC the Trustee and the Issuer may agree to make modifications to this Trust Deed and the Bonds depending on the feedback from the prospective bondholders. Any such modification shall be binding on the Bondholders and the Trustee shall cause such modification to be notified to the Bondholders as soon as practicable thereafter, *provided however* that the Trustee shall not exercise any powers conferred upon it by this Clause unless, having given not less than 15 Business Days' notice of such modification to the Bondholders in accordance with the Trust Deed, it has not, within 30 days of such notice being received by the Bondholders or a shorter period as may be agreed by the Bondholders in writing, been directed by an Extraordinary Resolution or of a request in writing made by the holders of not less than 66<sup>2</sup>/<sub>3</sub> percent of the aggregate principal amount of Bonds then outstanding against making such



modification. In such circumstances, the Trustee shall have no liability to any Bondholder or any other person for agreeing to such modification. The Trustee may, without the consent of the Bondholders, execute any documentation and do any such other acts or things as it determines necessary in its reasonable discretion, to effect any modifications to the Conditions and the Trust Deed to comply with any modifications made to the Trust Deed from time to time.

**20.3 Majority Bondholders**

For the purposes of any modifications, waivers, determinations or authorisations that are not Bond Specific Matters, the term "**Majority Bondholders**" shall mean the holders of at least 66<sup>2</sup>/<sub>3</sub> percent of the aggregate principal amount of Bonds then outstanding (excluding any amounts held by the Issuer or an Affiliate).

For the purposes of any modifications, waivers, determinations or authorisations that are Bond Specific Matters, the parties will determine such matters in accordance with Clause 13.9 (*Modification and Waiver*) and 19.2 (*Meetings*).

**21. SEVERABILITY**

In case any provision in or obligation under this Trust Deed shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

**22. COUNTERPARTS**

This Trust Deed may be executed in any number of counterparts, each of which shall be deemed an original.

**23. APPROVAL CONDITIONS**

This agreement is subject to the approval of the regulating authorities including the Bangladesh Securities and Exchange Commission ("BSEC") including any conditions provided therein.

**IN WITNESS WHEREOF** this Trust Deed has been executed as a deed by the duly authorised representatives of the parties hereto and is intended to be and is hereby delivered on the date first before written.



## SCHEDULE 1

### PART A

#### TERMS AND CONDITIONS OF THE BONDS

**THE FOLLOWING TERMS AND CONDITIONS OF THE BONDS HAVE BEEN  
EXTRACTED AND REPEATED FROM THE TRUST DEED, AND ARE SUBJECT TO  
THE DETAILED PROVISIONS OF THE TRUST DEED.**

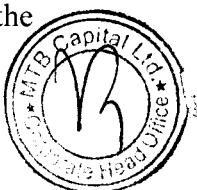
THIS OBLIGATION IS NOT A DEPOSIT AND IS NOT INSURED BY ANY DEPOSIT INSURANCE SCHEME. THIS OBLIGATION IS SUBORDINATED TO CLAIMS OF DEPOSITORS AND OTHER CREDITORS, IS UNSECURED, AND IS INELIGIBLE AS COLLATERAL FOR A LOAN BY AB BANK LIMITED.

*The following, subject to amendment and save for the paragraphs in italics, are the Terms and Conditions of the Bonds:*

AB Bank Limited (the “**Issuer**”) was authorised by its Board of Directors on [insert] Board Meeting for the issue of the **Bonds** for the purpose of Issuance of AB Bank Limited Perpetual Bond of BDT.6,000,000,000.00. The Bonds are constituted by the trust deed ((as amended or supplemented from time to time) the “**Trust Deed**”) to be dated on or about made between the Issuer and **MTB Capital Limited** as trustee for the holders of the Bonds (the “**Trustee**”, which term shall, where the context so permits, include all other persons or companies for the time being acting as trustee or trustees under the Trust Deed) and are subject to the agency agreement to be dated on or about (as amended and/or supplemented from time to time, the “**Agency Agreement**”) between the Trustee, and **AB Investment Limited** as paying agent (together with its successors, the “**Paying Agent**”) and, together with the Paying Agent, the “**Agents**”) relating to the Bonds. The statements in these terms and conditions of the Bonds (these “**Conditions**”) contain summaries of, and are subject to, the detailed provisions of the Trust Deed. Unless otherwise defined in these Conditions, terms used in these Conditions have the meaning specified in the Trust Deed. Copies of the Trust Deed and the Agency Agreement are available for inspection during usual business hours at the principal office for the time being of the Trustee (presently at [insert]), Bangladesh, and at the registered office of the Trustee. The Bondholders are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them.

#### 1. Status

- B. The Bonds constitute direct, unsecured, subordinated securities of the Issuer and rank pari passu without any preference among themselves. The right to payments in respect of the Bonds is conditional upon the Issuer being solvent at the time of payment by the Issuer and in that payments shall be due and payable in respect of the Bonds and still be solvent immediately thereafter. Further the indebtedness of the Issuer to the Bondholders shall be subordinate and junior in right of payment to its obligations to its depositors, its obligations under bankers’ acceptances and letters of credit, and its obligations to its other creditors, including its obligations to the Bangladesh Bank, Deposit Insurance Trust Fund (DITF) and Tier II capital. In the event of any insolvency, receivership, conservatorship, reorganization, readjustment of debt or similar proceedings or any liquidation or winding up of or relating to the Issuer, whether voluntary or involuntary, all such obligations shall be entitled to be paid in full before any payment shall be made on account of on the Bonds. In the event of any such proceedings, after payment in full of all sums owing on such prior obligations, the



Bondholder, unless relevant Bonds have been converted due to exercise of Loss Absorption feature will rank senior to the issued share capital and perpetual non-cumulative preference shares, if any, whether currently outstanding or issued at any time in the future of the Issuer, together with any obligations of the Issuer ranking on a parity with the Bond, shall be entitled to be paid from the remaining assets of the Issuer the principal amount of the Bonds, and accrued but unpaid interest before any payment or other distribution, whether in cash, property, or otherwise, shall be made on account of any issued share capital and perpetual non-cumulative preference shares, if any, whether currently outstanding or issued at any time in the future or any obligations of the Issuer ranking junior to the Bonds. Nothing herein shall impair the obligation of the Issuer, which is absolute and unconditional, to pay the sums on the Bonds according to its terms.

- C. No Bondholders may exercise, claim or plead any right of set-off, counter-claim, deduction, withholding or retention in respect of any amount owed to it by the Issuer arising under or in connection with the Perpetual Bonds, and no Bondholders shall set-off, deduct, withhold or retain any amount owing by it to the Issuer against any amount owing to it by the Issuer under the Perpetual Bonds. Each Bondholder, by his acceptance of the Perpetual Bonds, shall be deemed to have waived all such rights of set-off, counter-claim, deduction, withholding or retention to the fullest extent permitted by law. If at any time any Bondholders receives payment or benefit of any sum in respect of the Perpetual Bonds as a result of the exercise or carrying into effect of any such set-off, counterclaim, deduction, withholding or retention (whether or not such exercise or carrying into effect is mandatory under applicable law), the payment of such sum or receipt of such benefit shall, to the fullest extent permitted by law, be deemed void for all purposes and such Bondholders, by acceptance of any Perpetual Bonds, shall agree as a separate and independent obligation that any such sum or benefit so received shall be paid or returned by such Bondholders to the Issuer upon demand by the Issuer or, in the event of the winding-up of the Issuer, the liquidator of the Issuer, whether or not such payment or receipt shall have been deemed void hereunder. Any sum so paid or returned shall then be treated for purposes of the Issuer's obligations as if it had not been paid by the Issuer, and its original payment or the original benefit previously received by the relevant Bondholders as a result of any such set-off, counterclaim, deduction, withholding or retention shall be deemed not to have discharged any of the obligations of the Issuer under the Perpetual Bonds
- D. Save as provided in Clause 16.3 (*Providing Information to Bondholders*) of the Trust Deed, the Bondholders shall not be entitled to any of the rights and privileges available to the shareholders of the Issuer including, the right to receive notices of or to attend and vote at general meetings or to receive annual reports of the Issuer. If, however, any resolution affecting the rights attached to the Bonds is placed before the members of the Issuer, such resolution will first be placed before the Bondholders for their authorization.

## 2. Form, Denomination and Title

### (A) *Form and Denomination*

<b>Facility Size</b>	BDT 6,000,000,000
<b>No. of Bonds to be Issued</b>	6,000,000
<b>Face Value Per Lot</b>	BDT 1,000
<b>Bonds per lot/ Minimum Subscription</b>	1

The Bonds will be issued by the Issuer in the name of the Bondholders at the Issue Price. A demat bond will be issued to each Bondholder in respect of its registered holding of all or each series of Bonds. Each Bond and each Bond Certificate will be numbered serially with an identifying number which will be recorded on the relevant Bond Certificate and in the register of Bondholders (the “**Register**”), the Issuer and a copy of which will be kept



by the Registrar. The Issuer may, without the consent of the Bondholders of a Series, create and issue other Series of Bonds with the same terms and conditions as the Bonds (except for the Issue Date and the Redemption Date).

**(B) Title**

Title to the Bonds passes only by transfer and registration in the records of CDBL. The holder of any Bond will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it) and no person will be liable for so treating the holder. In these Conditions “Bondholder” and (in relation to a Bond) “holder” means the person

**3. Transfers of Bonds**

**(A) Register**

The Issuer will cause a duplicate of the records of CDBL to be kept at its registered office on which shall be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers of the Bonds. On the Issue Date, each Bondholder shall be entitled to receive his/her bonds in dematerialized form in their BO account.

**(B) Transfer**

A Bond may be transferred subject to the detailed regulation concerning transfer of Bonds stipulated by the CDBL from time to time. A copy of the current regulations will be mailed (free of charge) by the Issuer to any Bondholder upon request. No transfer of a Bond will be valid unless and until entered in the records of CDBL.

**Trading or listing with the stock exchange**

Trading and settlement regulations of the stock exchange shall apply in respect of trading and settlement of the bonds.

**(C) Registration and delivery of Bond Certificates**

The bond certificates will be in demat form and will be registered through CDBL, no physical registration and delivery of bond certificates will be required.

**(D) Formalities Free of Charge**

The transfer of a Bond will be effected without charge by or on behalf of the Issuer.

**(E) Closed Periods**

No Bondholders may require transfers to be registered:

- (i) in the case of a payment as a result of an Event of Default, during the period from the later of (i) 15(fifteen) Business Days prior to the due date of such payment and (ii) the date on which the Trustee provides a notice pursuant to Condition E (*Events of Default*) to and including the due date for such payment; or
- (ii) on the due date for any payment in respect of such Bond.

**(F) Regulations concerning transfers and registration**

All transfers of Bonds and entries in the Register are subject to the detailed regulations concerning the transfer of Bonds scheduled to the Agency Agreement. The regulations may only be changed by the Issuer with the prior written approval of the Trustee and the





Registrar. A copy of the current regulations will be mailed by the Registrar to any Bondholder who requests in writing a copy of such regulations.

#### **4. Covenants**

As long as any of the Bonds remains outstanding or any amount is outstanding to the Trustee or any Bondholder under any Bond Document, the Issuer undertakes to each of the Trustee and the Bondholders that it shall comply with the provisions of this Condition

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##### **(A) *Change of Business***

The Issuer shall procure that no substantial change is made to the general nature of the business of the Issuer.

##### **(B) *Arms' length transactions***

The Issuer shall not enter into any transaction, agreement or arrangement with any of its Affiliates other than on arm's length basis.

##### **(C) *General Undertakings***

###### **(i) Authorisations**

The Issuer shall promptly:

- (a) obtain, comply with and do all that is necessary to maintain in full force and effect; and

as and when requested by the Trustee, supply to the Trustee certified copies of, any Authorisation required under any law or regulation of its jurisdiction of incorporation to enable it to perform its obligations under the Bond Documents to which it is a party (or any of them) and/or to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of any Bond Document to which it is a party.

###### **(ii) Compliance with laws**

The Issuer shall comply in all respects with the Rules and all laws to which it is subject including, without limitation, the requirements and guidelines of the Bangladesh Bank.

###### **(iii) Insurance**

The Issuer shall maintain insurances on and in relation to its business and assets with reputable underwriters or insurance companies against those risks and to the extent as is usual for companies carrying on the same or substantially similar business.

###### **(iv) Corporate Governance**

- (1) The Issuer shall ensure that it remains duly incorporated and validly existing under the laws of its jurisdiction of incorporation.



- (2) The Issuer shall ensure it shall at all times have the power and necessary Authorisations to own its assets and carry on its business as from time to time being conducted.
  - (3) The Issuer shall maintain and preserve all of its assets, which may be necessary in the conduct of its business as conducted from time to time, in good working order and condition, ordinary wear and tear excepted.
- (v) Taxation and claims
- The Issuer shall duly and punctually will follow the prevailing rules and regulations of taxation.
- (vi) Maintenance of and access to books and records and inspection
- (1) The Issuer shall, maintain books and records (with respect to itself and its business) in good order.
  - (2) The Issuer shall ensure that its officers shall, upon reasonable notice, be available to discuss in good faith the affairs of the Issuer with the Trustee and/or its representatives, agents and/or advisers.
- (vii) Further assurance

The Issuer shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Trustee may reasonably specify (and in such form as the Trustee may reasonably require in favour of the Trustee or its nominee(s)) for the exercise of any rights powers and remedies of the Trustee (for and on behalf of any or all of the Trustee and/or the Bondholders) provided by or pursuant to the Bond Documents or by law on a best efforts basis and to the extent permitted by applicable laws.

**(D) *Undertakings to Comply with Bangladesh Bank and BSEC Authorisation and Rules and Guidelines***

It will at all times comply with the terms of the approval/consent issued by Bangladesh Bank and Bangladesh Securities and Exchange Commission including the Rules and any other Guidelines issued by the Bangladesh Bank from time to time including maintaining any required Bangladesh Bank rating.

**(E) *Undertakings to Provide Information***

- (i) It shall supply to the Trustee for the benefit of the Bondholders after the end of each financial year its audited balance sheet a Compliance Certificate;
- (ii) The Issuer shall provide to the Trustee (a) within 10 days of any request by the Trustee and (b) at the time of the despatch to the Bondholders of its accounts pursuant to these Conditions, the Compliance Certificate, signed by two Authorised Signatories (as defined in the Trust Deed) of the Issuer certifying that up to a specified date not earlier than seven days prior to the date of such certificate (the "**Certification Date**") the Issuer has complied with its obligations under the Bonds and the Trust Deed (or, if such is not the case, giving details of the circumstances of such non-compliance) and that as at such date there did not exist nor had there existed at any time prior thereto since the Certified Date in respect of the previous such certificate (or, in the case of the first such certificate, since the Issue Date) any Event of Default or Potential Event of Default or other matter which would affect the Issuer's ability to perform its obligations under the Bonds and the Trust Deed or (if such is not the case) specifying the same.



## 5. Payments

### Payment of Coupon

- (a) The Issuer hereby covenants that from (and including) the Issue Date up to (but excluding) the date of exercise of Call Option as per Clause 10.2 (*features of the bond*), the Issuer will pay to the Bondholders coupon on each Perpetual Bond at the Coupon Rate, provided however that all payment of Coupon Rate shall be subject to having distributable profit after making payments to creditors senior to the Bondholders and Coupon Rate shall be, subject to exercise of Issuer's Coupon Discretion and/or the Coupon Ceiling, proportionately adjusted based on such available distributable profits of the Issuer; provided further that obligation of the Issuer for making payment of coupon shall be subject to loss absorption obligation of the Bondholders as per Clause 10.2 (*features of the bond*).
- (b) The first coupon payment shall be made on the date falling six (6) months (182 days) after the Issue Date. The first coupon payment shall be calculated for the period commencing from the Issue Date up to the aforesaid date of first coupon payment (inclusive of the date of commencement, but excluding the date of expiry). Thereafter, coupon calculated for each subsequent six (6) months (182 days) period (inclusive of the date of commencement, but excluding the date of expiry) shall be payable semi-annually in arrears. The date of expiry of each six (6) months (182 days) period commencing from the Issue Date shall be known as the "Coupon Payment Date". If any Coupon Payment Date would otherwise fall on a day which is not a Business Day, the date on which payment shall be made shall be next Business Day. A holder of a Bond shall not be entitled to any payment in respect of any delay in payment resulting from the due date for a payment not being a Business Day. All coupon payments shall be calculated based on the outstanding nominal value of the Perpetual Bonds as at the day immediately preceding the Coupon Payment Date.
- (c) Trustee will notify the amount of the coupon payment to the Issuer 21 (twenty-one) days prior to any Coupon Payment Date.
- (d) Every payment by the Issuer to the Bondholders in respect of the coupon shall be in satisfaction *pro tanto* of the covenant by the Issuer contained in this Condition and the obligations and liabilities of the Issuer with regard to that coupon payment.

## 6. Taxation

The Issuer shall duly and punctually follow the prevailing rules and regulation of taxation.

## 7. Events of Default

- (a) The occurrence of the following event shall constitute an Event of Default: -
  - (i) Breach of Common Equity Holders' Dividend Stopper Clause;
  - (ii) Subject to exercise of Issuer's Coupon Discretion, Trigger Point Consideration being met, and/or exercise of Loss Absorption feature, the Issuer defaults in the payment of any money owing in respect of the Perpetual Bonds when the same shall become due and payable in accordance with these presents and such default continues for at least seven (7) Business Days



- (iii) Breach of any covenant, warranty or other provision of the Trust Deed otherwise as provided in the preceding paragraphs of this Clause and such default continues for at least thirty (30) Business Days.
- (b) Upon the occurrence of: an Event of Default described in Condition 7(a), subject to the terms of this Trust Deed, the Trustee may, in addition to rights under Condition 8, institute proceedings for winding up of the Issuer.
- (c) For the avoidance of doubt:
  - i. the occurrence of an Event of Default shall not prejudice the subordination provided in Condition 1 (A) hereof; and
  - ii. save as provided in Condition 7(a), the Trustee or any Bondholder shall not be entitled to accelerate any payment under the Perpetual Bonds as a result of any default by the Issuer in the performance or observance of any covenant, condition or provision contained in the Perpetual Bonds or the Trust Deed or any of the Issue Documents.

## 8. Enforcement

- a. Proceeding
  - i. The Trustee, subject to Condition 5 and Condition 8(a)(i) , shall enforce all payment obligations under the Perpetual Bonds for the amount due and payable under the Perpetual Bonds and damages where applicable in accordance with arbitration under clause 4 of this Trust Deed.
  - ii. The Trustee shall follow the procedure laid down in rule 12 of the Rule (or any successor provision) to call for a meeting of the Bondholders and shall be bound by the written decision of the holders of not less than 75%. in principal amount of the Bonds then outstanding. However, if no written instructions is received in accordance with this clause within thirty days after mailing of the notice in accordance with Rule 12, the Trustee shall proceed to take any step to enforce the rights of the Bondholders against the Issuer in accordance with Conditions 11.6.1; provided however that at all times Trustee shall only proceed with enforcement if it has been fully indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all costs (including legal costs on a solicitor and client basis), charges, damages and expenses which it may incur by so doing.
  - iii. Only the Trustee may pursue the rights and remedies available under Condition 8(a)(ii) and 7(b) hereof to enforce the rights of the Bondholders against the Issuer and no Bondholder shall be entitled to pursue such remedies against the Issuer unless the Trustee, having become bound to do so in accordance with the terms of this Trust Deed, fails to do so after the expiry of fourteen (14) days from the date of the Trustee having become bound to do so.

### b. Application of Moneys

All moneys received by the Trustee in respect of the Bonds or amounts payable under the Trust Deed will be held by the Trustee on trust to apply them (subject to the terms of the Trust Deed):

- (a) first, in payment or satisfaction of the costs, charges, expenses and liabilities incurred by, or other amounts owing to, the Trustee in relation to the preparation and execution of the Trust Deed (including remuneration of the



Trustee) agreed between the Trustee and the Issuer but not paid by the Issuer;

- (b) secondly, in payment of any amounts due and owing by the Issuer to any Agent under the Agency Agreement;
- (c) thirdly, in or towards payment paripassu and rateably of all amounts remaining due and unpaid in respect of the Bonds; and
- (d) fourthly, the balance (if any) in payment to the Issuer for itself.

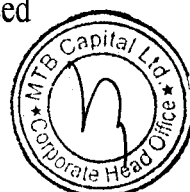
## 9. Meetings of Bondholders, Modification and Waiver

### a. Meetings

Clause 19 of the Trust Deed contains provisions for convening meetings of Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Bonds or the provisions of the Trust Deed. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing over  $66\frac{2}{3}$  per cent. in principal amount of the Bonds for the time being outstanding or, at any adjourned such meeting being or representing Bondholders whatever the principal amount of the Bonds so held or represented unless the business of such meeting includes consideration of proposals, inter alia to a Reserve Matter, in which case the necessary quorum for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 75 per cent., or at any adjourned such meeting not less than 33 per cent., in principal amount of the Bonds for the time being outstanding. An Extraordinary Resolution passed at any meeting of Bondholders will be binding on all Bondholders, whether or not they are present at the meeting. The Trust Deed provides that a written resolution signed by or on behalf of the holders of not less than 75 per cent of the aggregate principal amount of Bonds outstanding shall be as valid and effective as a duly passed Extraordinary Resolution.

### b. Modification

The Trustee may, with the consent of Issuer from time to time and at any time without any consent or sanction of the Bondholders concur with the Issuer in making (a) any modification to this Trust Deed and the Bonds which, , may be proper to make provided that such modification would not be materially prejudicial to the interests of the Bondholders or (b) any modification to this Trust Deed, the Bonds which, is of a formal, minor or technical nature or made to correct an error, defect or inconsistency, to conform the terms between any provision in the Trust Deed which does not constitute a Bond Specific Matter or to comply with mandatory provisions of law. However, no modification of the Features of the Bond mentioned in Clause 10.2 of the Trust Deed can be made without prior consent of the Bondholders unless required by law. Further upon obtaining approval from BSEC the Trustee and the Issuer may agree to make modifications to this Trust Deed and the Bonds depending on the feedback from the prospective bondholders. Any such modification shall be binding on the Bondholders and the Trustee shall cause such modification to be notified to the Bondholders as soon as practicable thereafter, *provided however* that the Trustee shall not exercise any powers conferred upon it by this Clause unless, having given not less than 15 Business Days' notice of such modification to the Bondholders in accordance with the Trust Deed, it has not, within 30 days of such notice being received by the Bondholders or a shorter period as may be agreed by the Bondholders in writing, been directed by an Extraordinary Resolution or of a request in writing made by the holders of not less than  $66\frac{2}{3}$  percent of the aggregate principal amount of Bonds then outstanding against making such modification. In such circumstances, the Trustee shall have no liability to any Bondholder or any other person for agreeing to such modification. The Trustee may, without the consent of the Bondholders, execute any documentation and do any such other acts or things as it determines necessary in its reasonable discretion, to effect any modifications to the Conditions and the Trust Deed to comply with any modifications made to the Trust Deed from time to time.



c. Waiver

The Trustee may, with the consent of Issuer without any consent or sanction of the Bondholders and without prejudice to its rights in respect of any subsequent breach, condition, event or act, from time to time and at any time, but only if and in so far as in its opinion it may be proper to make provided that the Trustee is of the opinion that the interests of the Bondholders shall not be materially prejudiced thereby, authorise or waive any breach or proposed breach of any of the covenants or provisions contained in this Trust Deed, the Bonds or determine that any Default or Event of Default shall not be treated as such for the purposes of this Trust Deed; any such authorisation, waiver or determination shall be binding on the Bondholders and the Trustee shall cause such authorisation, waiver or determination to be notified to the Bondholders as soon as practicable thereafter, *provided however* that the Trustee may not exercise any powers conferred upon it by this Clause 20.1 of the Trust Deed unless, having given not less than 15 Business Days' notice of such authorisation, waiver or determination to the Bondholders in accordance with the Trust Deed, it has not, within 30 days of such notice being received by the Bondholders or a shorter period as may be agreed by the Bondholders in writing, been directed by an Extraordinary Resolution or of a request in writing made by the holders of not less than 66<sup>2</sup>/<sub>3</sub> percent of the Aggregate Outstanding Principal Amount of Bonds then outstanding against making such authorisation, waiver or determination.

## 10. Replacement of Certificates

As the bond certificates will be issued in demat format, there will be no replacement of certificates.

## 11. Notices

### Addresses for notices

All notices and other communications hereunder shall be made in writing (by letter or fax) and shall be sent as follows:

1. *Issuer:* If to the Issuer, to it at:

Address: **AB Bank Limited**  
The Skymark  
18, Gulshan Avenue  
Dhaka-1215, Bangladesh  
Phone: +88-09678555000

Attention: **Mr. Tarique Afzal**  
President & Managing Director

2. *Trustee:* If to the Trustee, to it at:

Address: **MTB Capital Limited**  
Corporate Office:  
Chandrashila Suvastu Tower (2nd Floor)  
69/1, Panthapath, Dhaka 1205  
Phone: +88 02 9641159

Attention: **Khairul Bashar Abu Taher Mohammed**  
Chief Executive Officer



3. *Paying Agent:*  
Address: **AB Investments Limited**  
WW Tower  
68, Motijheel C/A  
Phone: +88-02-7120590

Attention: **Sheikh Ashraful Haque**  
Chief Executive Officer

or, in any case, to such other address or fax number or for the attention of such other person or department as the addressee has by prior notice to the sender specified for the purpose, in writing.

## 12. Indemnification

The Issuer shall fully indemnify the Bondholder(s) from and against any expense, loss, damage or liability which any of them may incur in connection with the enforcement, protection or preservation of any right or claim of the Bondholders under the Transaction Documents.

## 13. Governing Law

- I. The Bonds and the Trust Deed are governed by and shall be construed in accordance with laws of Bangladesh.
- II. Any dispute arising from or in connection with the Trust Deed or the Conditions (including a dispute relating to non-contractual obligations arising from or in connection with this Trust Deed and/or these Conditions, or a dispute regarding the existence, validity or termination of the Conditions and/or the Trust Deed or the consequences of their nullity) (the "Dispute") between the Issuer and the Trustee or between Issuer and the Bondholders or between Trustee and the Bondholders shall be settled by arbitration in accordance with the provisions of the Arbitration Act 2001. Each party shall appoint its arbitrator and the arbitrators shall appoint chairman of the arbitral tribunal. Venue of arbitration shall be at Dhaka. Unless otherwise decided by the arbitral tribunal, each party to an arbitration proceeding shall bear their respective costs of arbitration.

## 14. Inconsistency

In the event of any inconsistency between the provisions of any Bond Document and the Rules, the latter shall prevail.



## SCHEDULE 2

### FORM OF COMPLIANCE CERTIFICATE

To: MTB Capital Limited, as Trustee

From: AB Bank Limited

Dated: [.....]

We refer to the Trust Deed. This is a Compliance Certificate.

[We confirm that as at *[relevant date]*:

- (a) no Default or Event of Default has occurred or is continuing (or if a Default or Event of Default has occurred or is continuing, specifying its nature and the steps, if any, being taken to remedy it) and;
- (b) the Issuer has complied with its obligations under these Conditions [or, if such is not the case, give details of the circumstances of such non-compliance]

We confirm that no Default is outstanding as at [insert relevant testing date] or, if it is, the details of the Default and the remedial action proposed or being taken are as follows:

Signed: .....

*Managing Director*

For and on behalf of

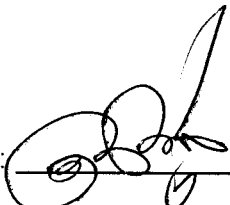
AB Bank Limited



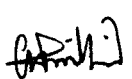



Execution

<b>FOR AND ON BEHALF OF AB BANK LIMITED</b>	<b>FOR AND ON BEHALF OF MTB CAPITAL LIMITED</b>
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By:   
Authorised Signatory


Name: **Tarique Afzal**  
**President & Managing Director**  
Title: **AB Bank Limited**  
**Corporate Office, Dhaka.**


Witness:  
By:   
Name: **K. M. Mchluddin Ahmed**  
**Chief Financial Officer**  
Title: **AB Bank Limited**  
**Corporate Office, Dhaka.**

Witness:  
By:   
Name: **Ihsanul Arefin, FCA**  
**Senior Vice President**  
**Department of Accounts & Finance**  
Title: **AB Bank Limited**  
**Corporate Office, Dhaka.**

By:   
Authorised Signatory

Name: **Khairul Bashar A. T. Mohammed**  
**Chief Executive Officer**  
**MTB Capital Ltd.**  
Title: **Head Office, Dhaka.**

Witness:  
By:   
Name: **Md. Nasimul Islam**  
**Manager, Issue Management & Corporate Advisory**  
Title: **MTB Capital Limited**  
**Head Office, Bangla Motor, Dhaka-1000**

Witness:  
By:   
Name: **G. M. Fazle Rabbi**  
**Assistant Officer**  
**MTB Capital Limited**  
Title: **Head Office, Bangla Motor, Dhaka.**