

SEYLAN BANK PLC



AN INITIAL ISSUE OF THIRTY MILLION (30,000,000) UNSECURED SUBORDINATED REDEEMABLE DEBENTURES AT A PAR VALUE OF LKR 100/- WITH AN OPTION TO ISSUE UPTO A FURTHER TWENTY MILLION (20,000,000) OF SAID DEBENTURES IN THE EVENT OF AN OVERSUBSCRIPTION AT THE DISCRETION OF THE BANK AND IN SUCH EVENT, THE MAXIMUM ISSUE OF SAID DEBENTURES TOTALLING TO FIFTY MILLION (50,000,000).

**TO BE LISTED ON THE COLOMBO STOCK EXCHANGE
RATED "BBB+ (lka)" BY FITCH RATINGS LANKA LIMITED**

ISSUE OPENS ON 5TH JULY 2016

JOINT MANAGERS TO THE OFFERING



PLACEMENT AGENT

kenanga

The Colombo Stock Exchange (CSE) has taken reasonable care to ensure full and fair disclosure of information in this Prospectus. However, the CSE assumes no responsibility for the accuracy of the statements made, opinions expressed or reports included in the Prospectus. Moreover, the CSE does not regulate the pricing of Debentures which is decided solely by the Issuer.

PROSPECTUS

This Prospectus is dated 28th June 2016

Responsibility for the Content of the Prospectus

This Prospectus has been prepared from information provided by Seylan Bank PLC (hereinafter referred as the "SEYL", "Bank" or the "Issuer").

The Board of Directors of Seylan Bank PLC have seen and approved this Prospectus collectively and individually, accept full responsibility for the accuracy for the information given and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, the information contained herein is true and correct in all material respects and that there are no other material facts, the omission of which would make any statement herein misleading or inaccurate.

Where representations regarding the future performance of the Bank have been given in this Prospectus, such representations have been made after due and careful enquiry of the information available to the Bank and making assumptions that are considered to be reasonable at the present point in time in their best judgment.

The Bank accepts responsibility for the information contained in this Prospectus. While the Bank has taken reasonable care to ensure full and fair disclosure of pertinent information, it does not assume responsibility for any investment decisions made by the investors based on the information contained herein. In making such investment decisions, prospective investors are advised to read the Prospectus and rely on their own examination and assessment of the Bank and the terms of the Debentures issued including the risks associated.

REGISTRATION OF THE PROSPECTUS

A copy of the Prospectus has been delivered to the Registrar of Companies for registration in compliance with the provisions of section 40 of the Companies Act No. 7 of 2007. The following are the documents attached to the copy of the Prospectus delivered to the Registrar of Companies for registration pursuant to section 40(1) of the Companies Act.

- a) The written consent of the External Auditors and Reporting Accountants for the inclusion of their name in the Prospectus as External Auditors and Reporting Accountants to the Issue and to the Bank.
- b) The written consent of the Trustee to the Issue for the inclusion of their name in the Prospectus as Trustee to the Issue.
- c) Written consent of the Bankers to the Issue for the inclusion of their name in the Prospectus as Bankers to the Issue.
- d) The written consent of the Joint Managers to the Issue for the inclusion of their name in the Prospectus as Joint Managers to the Issue.
- e) The written consent of the Registrars to the Issue for the inclusion of the name in the Prospectus as Registrars to the Issue.

- f) The written consent of the Lawyers to the Issue for the inclusion of their name in the Prospectus as Lawyers to the Issue.
- g) The written consent of the Placement Agent to the Issue for the inclusion of the name in the Prospectus as placement Agent to the Issue.
- h) The declaration made and subscribed to, by each of the Directors of the Bank herein named as Director, jointly and severally confirming that each of them have read the provisions of the Companies Act and the CSE listing Rules relating to the Issue of the Prospectus and that those provisions have been complied with.

The said External Auditors and Reporting Accountants to the Issue and the Bank, Trustee to the Issue, Bankers to the Issue, Joint Managers to the Issue, Registrars to the Issue, Lawyers to the Issue and placement agent to the Issue have not, before the delivery of a copy of the Prospectus for registration with the Registrar General of Companies in Sri Lanka withdrawn such Consent.

This Issue as contemplated in this Prospectus is made in Sri Lanka and is subject to the exclusive jurisdiction of the courts of Sri Lanka.

The delivery of this Prospectus shall not under any circumstance constitute a representation or create any implication or suggestion that there has been no material change in the affairs of the Bank since the date of this Prospectus

If you are in any doubt regarding the contents of this document or if you require any clarification or advice in this regards, you should consult your Stock Broker, Bank Manager, Lawyer or any other Professional Advisor.

Representation

The Debentures are issued solely on the basis of the information contained and representations made in this Prospectus. No dealer, sales person, individual or any other outside party has been authorized to give any information or to make any representation in this connection with the Issue other than the information and representations contained in this Prospectus and if given or made such information or representations must not be relied upon as having been authorized by the Bank.

Investment Considerations

It is important that this Prospectus is read carefully prior to making an investment decision. For information concerning certain risk factors, which should be considered by prospective investors, see Section 5.10 "Risks factors associated with Debentures" of this Prospectus.

Forward looking Statements

Any Statements included in this Prospectus that are not statements of historical fact constitute "Forward Looking Statements". These can be identified by the use of forward looking terms such as "expect", "anticipate", "intend", "may", "plan to", "believe", "could" and similar terms or variations of such terms. However, these words are not the exclusive means of identifying forward Looking Statements. As such, all or any statements pertaining to expected financial position, business strategy, plans and prospects of the Bank are classified as forward looking Statements.

The risk and uncertainties that may cause the Bank's actual future results, performance or achievements to materially differ from that expected, expressed or implied by forward looking statements in this Prospectus, investors are advised not to place sole reliance on such statements.

ISSUE AT A GLANCE

Issuer	Seylan Bank PLC.
Instrument	Listed Unsecured Subordinated Redeemable Debentures
Listing	The Debentures will be listed on the Colombo Stock Exchange
Number of Debentures	An initial Issue of Thirty Million (30,000,000) Unsecured Subordinate Redeemable Debentures with an option to issue up to a further Twenty Million (20,000,000) of said Debentures, at the discretion of the Bank, in the event of an oversubscription of the initial Issue in order to issue up to a maximum of Fifty Million (50,000,000) Debentures.
Amount to be Raised	Sri Lanka Rupees Three Billion (LKR 3,000,000,000/-) with an option to issue up to a further Sri Lankan Rupees Two Billion (LKR 2,000,000,000/-) at the discretion of the Bank in the event of an oversubscription of the initial Issue in order to raise up to a maximum of Sri Lankan Rupees Five Billion (LKR 5,000,000,000).
Issuer Rating	A- (Ika / stable) by Fitch Ratings Lanka Limited
Issue Rating	BBB+ (Ika) by Fitch Ratings Lanka Limited
Issue Price/Par Value	LKR 100/-

Interest Rate

Type of Debentures	Interest rate (per annum)	AER	Redemption
Type A	Fixed coupon rate of 13.00% (Payable semi-annually)	13.42%	60 months (5 years)
Type B	Floating coupon rate of 6-month T-bill (gross) + 1.50% Payable semi-annually	N/A	60 months (5 years)
Type C	Fixed coupon rate of 13.75% Payable semi-annually.	14.22%	84 months (7 years)

Minimum Subscription **A minimum of One Hundred (100) Debentures (LKR 10,000/-) and in multiples of One Hundred (100) Debentures (LKR 10,000/-) thereafter.**

Method and payment of Principal & Interest	By cheque marked "Account Payee Only" or through an electronic fund transfer mechanism recognised by the banking system of Sri Lanka such as SLIPS & RTGS (arranged only at the expense of the investor) RTGS transfers however could be effected only for amounts over and above the maximum value that can be accommodated via SLIPS transfers (i.e. LKR 5,000,000/- as of the date of this Prospectus)
Interest Payment Date(s)	The dates on which the interest payment shall fall due in respect of the Debentures, being semi-annually at the expiration of every six (06) month period commencing from the Date of Allotment of the Debentures and thereafter until the Date of Redemption and includes the Date of Redemption. Interest would be paid within three (03) market days from each interest payment date (Excluding such interest payment date).
Issue Opening Date	5 th July 2016
Issue Closing Date	26 th July 2016 or such earlier date on which the initial Thirty Million (30,000,000) Debentures are fully subscribed or unless otherwise decided by the Bank to keep the Subscription List open until subscription of a further Twenty Million (20,000,000) Debentures or part thereof as may be decided by the Bank (refer section 5.2).
Date of Allotment	The Date on which the Debentures will be allotted by the Bank to the Applicants subscribing thereto.
Basis of Allotment	In the event of an oversubscription, the basis of allotment will be decided by the Board of Directors of the Bank within seven (7) Market Days from the date of closure.

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1 CORPORATE INFORMATION

The Issuer	Seylan Bank PLC
Legal Form	Seylan Bank PLC was incorporated on 28th August 1987 under the provisions of the Companies Act No. 17 of 1982 and was re-registered under the Companies Act No.7 of 2007 on 30th May 2007. Seylan Bank commenced its business operation as a licensed commercial bank regulated under the Banking Act No. 30 of 1988 (as amended) on 24th March 1988. It was listed on the Main Board of the Colombo Stock Exchange in January 1989.
Company Registration Number	PQ 9
Date of Incorporation	28th August 1987
Registered Address	Seylan Towers, 90, Galle Road, Colombo 03. Email: csy@seylan.lk Website: www.seylan.lk Tel: +94 11 2 456380/396/397, Fax: +94 11 2 452584
Board of Directors	Mr W M R S Dias – Non-executive Director/Chairman Mr I C Nanayakkara – Non-executive Director/Deputy Chairman Ms M C Pietersz – Independent Director/Senior Director Mr K P Ariyaratne – Director/Chief Executive Officer Rear Admiral B A J G Peiris – Independent Director Mr S P S Ranatunga – Independent Director Mr W D K Jayawardena – Non-executive Director Mr P L S K Perera – Independent Director Mr S V Corea – Non-executive Director
Board Secretary	Mrs N N Najumudeen Seylan Bank PLC Seylan Towers, 90, Galle Road Colombo 03 Tel: +94 11 011 2456397, Fax: +94 11 2452584
Auditors to the Bank	M/s KPMG, Chartered Accountants 32A Sir Mohamed Macan Markar Mawatha, Colombo 03 Tel: +94 11 0115 426426, Fax: +94 11 2 4458720

2 RELEVANT PARTIES TO THE ISSUE

Joint Managers to the Issue	People's Bank Investment Banking Unit. People's Bank Head office, 13th floor, No.75, Sir Chittampalam A Gardiner Mawatha, Colombo 02. Tel: +94 11 2 206795-6, Fax: +94 11 2 458842
	Capital Alliance Partners Limited Level 5, "Millennium House", 46/58, Navam Mawatha, Colombo 02. Tel: +94 11 2317777, Fax: +94 11 2317788 .
Placement Agent	Kenanga Investment Corporation Ltd 4th Floor, Landmark Building , No 385, Galle Road, Colombo 03. Tel: +94 11 0115 238441, Fax: +94 11 5 238442
Lawyers to the Issue	Legal Division - Seylan Bank PLC Level 14 "Seylan Towers", 90, Galle Road, Colombo 03. Tel : +94 11 2456450, +94 11 2456458 Fax : +94 11 2452572
Registrars to the Issue	SSP Corporate Services (Pvt) Ltd No 101, Inner Flower Road, Colombo 03. Tel :+94 11 2573894 ,+94 11 2576871, Fax: +94 11 2573609
Bankers to the Issue	Seylan Bank PLC Millennium Branch, "Seylan Towers" No.90, Galle Road, Colombo 03. Tel :+94 11 2456103, +94 11 2456135, Fax +94 11 2452506
Trustee to the Issue	Bank of Ceylon Bank of Ceylon Head Office, Bank Square, No 1, Bank of Ceylon Mawatha, Colombo 01. Tel: +94 11 2340890, Fax: +94 11 2340890
Auditors to the Issue	M/s KPMG, Chartered Accountants, 32A Sir Mohamed Macan Markar Mawatha, Colombo 03. Tel: +94 11 5426426, Fax: +94 11 2445872

3 LIST OF ABBREVIATIONS

AER	Annual Effective Rate
ATS	Automated Trading System of the Colombo Stock Exchange
BN/Bn	Billion
CBSL	Central Bank of Sri Lanka
CDS	Central Depository System (Private) Limited
CSE	Colombo Stock Exchange
KMP	Key Management Personnel
LKAS	Sri Lanka Accounting Standard
LKR/Rupees/Rs.	Sri Lankan Rupees
MN/Mn	Million
NIC	National Identity Card
POA	Power of Attorney
RTGS	Real Time Gross Settlements
SEC	The Securities and Exchange Commission of Sri Lanka
SIA	Securities Investment Account
SLFRS	Sri Lanka Financial Reporting Standard
SLIPS	Sri Lanka Inter Bank Payment System
SEYL/Issuer/Bank	Seylan Bank PLC

4 GLOSSARY OF TERMS RELATED TO THE ISSUE

Applicant(s)	Any person(s) who submits an Application Form under this Prospectus
Application Form / Application	The Application Form that constitutes part of this Prospectus through which an Applicant may apply for the Debentures
Closing Date	26 th of July 2016 or such earlier date on which the initial Thirty Million (30,000,000) Debentures are fully subscribed or unless otherwise decided by the Bank to keep the Subscription List open until subscription of a further Twenty Million (20,000,000) Debentures or part thereof as may be decided by the Bank (refer section 5.2).
Date of Allotment	The date on which the Debentures will be allotted by the Bank to the Applicants subscribing thereto.
Date of Redemption	The date on which the Redemption/Maturity of the Debentures will take place as referred to in section 5.7 of this Prospectus.
Debentures	Listed Unsecured Subordinate Redeemable Debentures issued in terms of this Prospectus.
Debenture Holder(s)	Any person who is for the time being the holder of the Debentures and includes his/her respective successors in title.
Par Value	LKR 100/- per Debenture
Interest Payment Date(s)	The dates on which the interest payment shall fall due in respect of the Debentures, being semi-annually at the expiration of every six (06) month period commencing from the Date of Allotment of the Debentures and thereafter until the Date of Redemption and includes the Date of Redemption. Interest would be paid within three (03) market days from each interest payment date (Excluding such interest payment date)
Interest Period	The six (6) month period from the date immediately succeeding a particular Interest Payment Date and ending on the next Interest Payment Date (inclusive of the said commencement date and end date) and shall include with respect to the first Interest Period the period commencing from the Date of Allotment and ending on the first Interest Payment Date (inclusive of the said commencement date and end date) and with respect to the final Interest Period the period from the date immediately succeeding the last Interest Payment Date before the Date of Redemption and ending on the date immediately preceding the Date of Redemption (inclusive of the aforementioned commencement date and end date).
Issue	The offer of Debentures pursuant to this Prospectus
Issue price	LKR 100/- per each Debenture

Market Day	Any day on which trading takes place at the CSE
Principal Sum	The product of the number of Debentures allotted and Par Value
Prospectus	This Prospectus dated 28 th June 2016 issued by Seylan Bank PLC.
Redemption	Repayment of the Principal Sum accrued and unpaid interest (if any) with regard to a Debenture Holder by the Bank.
Trust Deed	Trust Deed executed between Seylan Bank PLC and Bank of Ceylon on 13 th June 2016.
Entitlement Date	Market Day immediately preceding the respective Interest Payment Date or Date of Redemption on which a Debenture Holder would need to be recorded as being a Debenture Holder on the list of Debenture Holders provided by the CDS to the Bank in order to qualify for the payment of any interest or any redemption proceeds.
Non- Resident(s)	Foreign Institutional investors, corporate bodies incorporated outside Sri Lanka, individuals resident outside Sri Lanka and Sri Lankans resident outside Sri Lanka.
Subordinate	The claims of the Debenture Holders shall in the event of winding up of Seylan Bank PLC, rank after all the claims of the Secured and Unsecured Creditors of Seylan Bank PLC and any preferential claims under any statutes governing Seylan Bank PLC but in priority to and over the claims and rights of the shareholders of Seylan Bank PLC.

5 INFORMATION RELATING TO THE ISSUE

5.1 INVITATION TO SUBSCRIBE

The Board of Directors of Seylan Bank PLC by Resolution passed on 19th April 2016 resolved to borrow a sum of LKR Three Billion (LKR 3,000,000,000/-) with an option to raise further LKR Two Billion (LKR 2,000,000,000/-) at the discretion of the Bank, in the event of an oversubscription of the initial Issue of LKR 3,000,000,000/- and in such event the total funds raised would be a maximum of LKR Five Billion (LKR 5,000,000,000/-), from the public by the issue of Unsecured Subordinated Redeemable Debentures at an issue price of LKR 100/- per Debenture and for tenures of five years (05) and seven (7) years at the option of the investors subscribing for same.

Seylan Bank PLC invites applications for Debentures which shall rank equal and pari passu to each other and differ only with respect to the rate of interest, type of interest and the tenure offered. Three (03) different options are offered to the investors to choose from as morefully described in section 5.4 of this Prospectus.

It is the intention of the Bank to list the Debentures on the Colombo Stock Exchange. The CSE has given its approval in-principle for the listing of the Debentures on the CSE.

5.2 SUBSCRIPTION LIST

Subject to the provisions contained below, the subscription list for the Debentures will be open at 9.30 am on 5th July 2016 and shall remain open for fourteen (14) Market Days until closure at 4.30 pm on 26th July 2016.

However in the event of an oversubscription of the Thirty Million (30,000,000) Debentures, the subscription list will close at 4.30 pm on the same day on which it is fully subscribed with a notification to the CSE, unless otherwise decided by the Bank to keep the subscription list open until subscription of a further Twenty Million (20,000,000) Debentures or part thereof as may be decided by the Bank. In the event the Bank decides to close the subscription list upon part of the second tranche being subscribed, such decision will be notified to the CSE and subscription list will be closed the day after.

Application may be made forthwith in the manner set out under the Procedure for Application in section 6.0 of this Prospectus and will be accepted at any one of the collection points set out in Annexure III of this Prospectus.

5.3 OBJECTIVES OF THE ISSUE

- To utilise the funds raised to finance expansion by increasing the lending portfolio of the Bank within 12 months from the date of the allotment.
- To further strengthen the funding mix of the Bank.
- To minimize the interest rate risk and the gap exposure in the Bank's asset/liability portfolio and to reduce maturity gaps in the Bank's Balance Sheet.
- To further improve the Capital Adequacy of the Bank's Balance Sheet, by strengthening its Tier II Capital subject to Central Bank of Sri Lanka's approval as mentioned below. Such increase in the Tier II capital will enable the Bank to significantly expand its lending portfolio in conformity with the Central Bank of Sri Lanka's Capital Requirements.

Present Capital Adequacy Ratio (CAR) of the Bank and effect of proposed Debenture Issue as at 31st March 2016 is as follows:

(Figures in Rupees Millions)

	Without proposed Debentures as at 31st March 2016	In the event of successful allotment of Debentures of Rs. 3 Billion	In the event of successful allotment of Debentures of Rs. 5 Billion
Tier II Capital	23,233.78	26,233.78	28,233.78
Tier II – Minimum 10% Requirement	11.43%	12.91%	13.89%

Whilst the Central Bank of Sri Lanka (CBSL) has been informed of the proposed Issue of unsecured subordinated redeemable Debentures of Rs. 3 Bn extendable upto Rs.5 Bn, the Bank will seek approval from the CBSL to include the Debentures under Tier II Capital soon after the Debentures are duly allotted.

Bank undertakes to disclose the progress of the utilization of proceeds in all of their future interim and annual financial statements, until funds are fully utilized for the respective objectives stated in the prospectus.

Risk relating to the objectives of the Debenture Issue;

As the primary objective of the Bank is to carry on the business of lending or advancing of money, the business of lending to customers whether they are related parties or not, are recurrent transactions carried out in the ordinary and usual course of business of the Bank. Nevertheless, the Bank has an internal threshold on exposure to related parties against its regulatory capital and therefore the exposure will be limited to such threshold limit.

Since the proposed Debenture Issue is to raise up to Rs. 5 Billion and as there is a demand for credit there is no specific risk factor that may lead to non-achievement of the objective of the Issue. However, if the Bank is unable to lend these funds within the 12 months from the date of allotment due to subdued credit growth, the funds that would be raised would be invested in Government Securities at zero default risk.

5.4 INTEREST ON THE DEBENTURES

The Debentures consist of three interest options for the investors to choose from and they rank equal and pari passu to each other, except in respect of the rate and type of interest and the tenure offered.

Options	Description
Type A	A Fixed coupon rate of 13.00% per annum (AER 13.42%) payable semi annually from the Date of Allotment until maturity in 5 years.
Type B	A Floating Coupon Rate of 6-months Treasury bill rate (gross) + 150 basis points (1.5%) per annum, payable semi annually from the Date of Allotment until maturity in 5 years.
Type C	A Fixed coupon rate of 13.75% per annum (AER 14.22%) payable semi annually from the Date of Allotment until maturity in 7 years.

The interest calculation will be based upon the actual number of days (irrespective of the holidays) in each interest payment period (Actual / Actual) and will be paid not later than Three (03) Market days from each Interest Payment Date.

Payment of the interest on the Debenture will be made after deducting any taxes and charges thereon (if any) in Sri Lankan Rupees as per the applicable law prevalent at the time of interest payment to the Debenture Holders.

In order to accommodate the Debenture interest cycles in the Automated Trading System (ATS) of the CSE, the Debenture Holders to whom interest shall be paid shall be those holding Debentures in the CDS as of the Entitlement Date.

5.5 PAYMENT OF PRINCIPAL AND INTEREST

The Bank will redeem the Debentures on the Date of Redemption as specified in Section 5.7 and the interest payments will be made as specified in Section 5.4.

The payment of Principal Sum and Interest will be made either by cheque/s marked "Account Payee Only" dispatched to the address provided by the Debenture Holders to the CDS/Board Secretaries or Registrars where the Debentures Holders are registered in the Bank register (where applicable) at the risk of the Debenture Holders or through an electronic fund transfer mechanism recognised by the banking system of Sri Lanka such as SLIPS and RTGS in the event accurate bank account details are provided. RTGS transfers however could be effected only for amounts over and above the maximum value that can be accommodated via SLIPS transfers (i.e. LKR 5,000,000/- as of the date of this Prospectus)

However, in the event such payment is over the maximum amount that can be accommodated through electronic fund transfer mechanism recognised by the banking system of Sri Lanka or if the Debenture Holder has not provided to the CDS accurate and correct details of his/her bank account for the payment of Principal Sum and Interest, such payment to the Debenture Holder will be made by way of a cheque and sent by post at the risk of the Debenture Holder.

The payment of Principal Sum and Interest will be made in Sri Lanka Rupees in favour of the Debenture Holders as of the Entitlement Date. In the case of joint Debenture

Holders, the payment of Principal Sum and Interest will be made to the one whose name stands first in the register of Debenture Holders.

5.6 WITHHOLDING TAX

As per the Section 9 (o) of the Inland Revenue Act No. 10 of 2006 as amended by Section 4 of the Inland Revenue (Amendment) Act No. 18 of 2013 with effect from April 1, 2013 Interest income on Debentures listed after 1st January 2013 is exempted from Income Tax (including Withholding Tax). However different tax amendment could be brought in by the future amendments to the same Act.

5.7 REDEMPTION

The Debentures are redeemable at maturity on the expiry of the respective tenures of five (05) years and seven (07) years from the Date of Allotment in accordance with the provisions contained in the Trust Deed.

Where the Company seeks to redeem any Type of Debentures prior to the Date of Redemption, such early redemption shall only be permitted with the prior written approval from the Director of Bank Supervision of the Central Bank of Sri Lanka and the approval of the Debenture Holders of such Type of Debentures representing three fourths ($\frac{3}{4}$) of the nominal value of such Type of Debentures.

The Debenture holders shall not have any right or option to call for redemption of the Debentures before the Date of Redemption of such Debentures, except in the circumstances where the Debentures have become immediately payable in terms of Clause 10 (Events of Default) of the Trust Deed. The following constitutes "Events of Default" in terms of Clause 10 of the Trust Deed:

1. The Debentures shall become immediately payable if the Company defaults on the payment of the principal sum or any interest due on the whole or any part of the Debentures in accordance with the provisions contained in These Presents.
2. The Debentures shall become immediately payable at the option of the Trustee on the occurrence of any of the following events:
 - (a) If the Issuer defaults on the payment of the principal sum or any interest due on the whole or any part of the Debentures in accordance with the provisions contained in these presents.
 - (b) If the Debentures cease to be listed in the CSE at any time between the time of listing and the Date of Redemption, due to any default on the part of the Issuer.
 - (c) If the Issuer stops or threatens to stop payment of its debts or ceases to carry on its business, which may lead to the winding up of the Issuer.
 - (d) If any liquidation, bankruptcy, insolvency, receivership or similar action or proceeding is commenced against the Issuer or an order shall be made or an effective resolution shall be passed for the winding up of the Issuer.

- (e) If the Issuer does not submit a certificate to the Trustee as set out in Clause 9 (c), Clause 9 (e) or Clause 9 (h).
If the Issuer commits a breach of any of the other covenants or provisions herein contained and on its part to be observed and performed provided however that the Trustee shall give the Issuer up to thirty (30) days' notice before declaring such breach to be an event of default.
- (g) Where any other indebtedness of the Issuer becomes due and payable prior to its stated maturity or where security created for any other indebtedness becomes enforceable.
- (h) Where there is revocation, withholding or modification of a license, authorization or approval that impairs or prejudices the Issuer's ability to comply with the terms and conditions of the Debentures or the provisions of the Trust Deed or any other document relating to the issue, offer or invitation in respect of the Debentures.
- (i) Where any mortgage, charge, pledge, lien or other encumbrance present or future is created or assumed by the Issuer contrary to the terms or conditions of the Debentures and the provisions of the Trust Deed.

On the Date of Redemption of the Debentures, the Company shall in accordance with the provisions contained in the Trust Deed pay to the Debenture Holders not later than three (03) market days from such date, the principal sum of the Debentures which ought to be redeemed and interest (if any) remaining unpaid up to the date immediately preceding the Date of Redemption of the Debentures.

If the Date of Redemption falls on a day which is not a Market Day, then the Date of Redemption shall be the immediately succeeding Market Day and interest shall be paid up to the date immediately preceding such Market Day (inclusive of all intervening non-Market Days).

5.8 TRUSTEES TO THE OFFERING

Bank of Ceylon has been appointed as the Trustee to this Debenture Issue. The Bank and the Trustee have executed a Trust Deed. In the application form for subscription of Debentures the applicants are required to irrevocably authorize the Trustee, subject to any overriding clauses in the Trust Deed to act as their agent in entering in to such deeds, writing and instruments with the Bank and to act as Trustee for the benefit of and interest of the Debenture Holders on the terms and conditions contained in the said Trust Deed.

The rights and the obligations of the Trustee are set out in the Trust Deed and the Debentures will be subject to the terms and conditions incorporated in the said Trust Deed. There is no conflict of interest arising between the Trustee or its Board of Directors and the Bank.

5.9 RIGHTS OF THE DEBENTURE HOLDERS

- a) Debenture Holders are entitled to the following rights:
 - Receive principal on the date of maturity / redemption, and interest on the Debenture as per section 5.5 and 5.7 of this Prospectus and the provisions contained in the Trust Deed.
 - Ranking above the ordinary shareholders in the event of liquidation.
 - To call a Debenture holders meeting, receive notice and attend the meetings of Debenture Holders in accordance with the provisions contained in the Trust Deed.

- Receiving a copy of the annual report of the Bank within 5 months from the financial year end.
 - The other rights of the Debenture Holders are set out in the Trust Deed.
- b) Debenture Holders are not entitled for the following
- Attending and voting at the meetings of holders of shares and other Debentures issued by the Bank.
 - Sharing in the profit of the Bank
 - Participating in any surplus in the event of liquidation

When making payment of the principal sum and interest on the Debentures, the Bank shall always act on the information furnished by the CDS and it shall be the responsibility / obligation of each Debenture Holder to update keep all information in respect of such Debenture Holder in the CDS. Each Debenture Holder shall absolve the Bank, CDS and CSE from any responsibility or liability in respect of any error or absence of necessary changes initiated by the Debenture Holders in the information recorded with the CDS.

5.10 INSPECTION OF DOCUMENTS

Certified copies of the Articles of Association of the Bank, the Audited financial statements of the Bank for the last five years ending 31st December, 2011, 2012, 2013, 2014 and 2015, Rating Report, Trust Deed and all other documents pertaining to the Bank to which references are made in this Prospectus could be inspected by the public during normal business hours at the Registered Office of Seylan Bank PLC from the date hereof, until the date of maturity of the Debentures issued.

In terms of Rule 3.3.11 (b) of the CSE Listing Rules; the Prospectus, Articles of Association of the Bank and the Trust Deed are also hosted in the Bank's website, www.seylan.lk, and the CSE website, www.cse.lk, from the date of opening of the subscription list until the Date of Redemption of the Debentures.

5.11 RISK FACTORS ASSOCIATED WITH DEBENTURES

Subscribers to the Debentures will be exposed to the following risks:

(It is vital to note however that these risks are not unique to Debentures issued by Seylan Bank PLC and apply generally to any fixed income security, fixed deposit or any other term or money deposit)

(a) Interest Rate Risk

The price of a typical Debenture will change in the opposite direction to a change in the market interest rates assuming all other factors are equal. "Market Interest Rate" refers to interest rate expected by the investors for investments with similar maturity and risk profile. As market interest rates rise, price of the Debentures may fall and as market interest rates fall, the price of the Debenture may rise. If an investor sells a Debenture prior to maturity when market interest rate is higher than on these Debenture interest rates, the investor may incur a capital loss. Similarly, if an investor sells a Debenture prior to maturity when market interest rate is lower than on the debenture interest rate, then the investor may receive a capital gain. This uncertainty is known as "interest rate risk".

(b) Reinvestment Risk

The Bank shall pay interest on the Debentures semi-annually. The investor may decide to reinvest this interest payment and earn interest on interest. Depending on the prevailing market interest rates, the Debenture Holder may be able to reinvest the paid interest at a higher or lower interest rate than that is offered by these Debentures. This uncertainty is known as "reinvestment risk".

(c) Default Risk

Default risk also known as credit risk, refers to the risk that the Issuer of a Debenture may default, i.e. the Issuer will be unable to pay interest and principal when due. It is advisable for prospective Seylan Bank PLC Debenture investors to take into account past earnings and asset growth performance of the Bank as reflected in the Balance Sheet of the Bank, its Risk Management Policies and the skills and experience of the Directors (Refer Section 8) and Senior Management Team when forming an opinion on Default Risk. Further the rights of Debenture Holders in the event of a default are more fully explained in the Trust Deed.

(d) Liquidity Risk

Liquidity risk depends on the ease with which Debentures can be sold after the initial placement. As the Debentures will be listed on the CSE, investors will be able to trade the instrument in the secondary market and convert to cash mitigating liquidity risk. However transaction price or bid-ask spread will be dependent upon the marketability, demand, supply and other macro factors such as market interest rates.

(e) Duration Risk

Duration is a measure of the price sensitivity of fixed income investments to a change in interest rates based on the time to maturity of principal and coupon payments. The higher the duration, the greater the price volatility or duration risk, while a lower duration risk carries a lower risk.

(f) Call Risk

Call risk refers to the risk that the Issuer will retire all or a part of the principal value of the Debentures before maturity. The risk to investor is in that the timing of the call is not known and the investor will be faced with a re-investment risk in the event the call is made at a time when the market interest rates have declined.

Since these Debentures shall not be redeemed by the Bank prior to maturity for any reason whatsoever except due to unforeseen circumstances beyond the control of the Bank this risks is minimized.

5.12 BENEFITS OF INVESTING IN THE DEBENTURES

- An attractive interest income throughout the investment period.
- Opportunity to realize capital gain according to interest rate fluctuations in the financial markets.
- Capacity to exit from the investment at any time, after the Debentures are listed on the CSE
- Can be used as collateral to obtain credit facilities from banks and financial institution.
- As per the Section 9 (o) of the Inland Revenue Act No. 10 of 2006 as amended by Section 4 of the Inland Revenue (Amendment) Act No. 18 of 2013 with effect from

April 1, 2013 Interest income on Debentures listed after 1st January 2013 is exempted from Income Tax (including Withholding Tax).

5.13 TRANSFER OF DEBENTURES

- (a) These Debentures shall be freely transferable as long as the Debentures are listed in the CSE and the registration of such transfer shall not be subject to any restriction, save and except to the extent required for compliance with statutory requirements.
- (b) Subject to provisions contained in the Trust Deed, the Bank may register without assuming any liability any transfer of Debentures, which are in accordance with the statutory requirements, rules and regulations in force for the time being as laid down by the CSE, SEC and the CDS.
- (c) In the case of the death of a Debenture Holder,
 - The survivor where the deceased was a joint holder; and
 - The executors or administrators of the deceased (or where the administration of the estate of the deceased is in law not compulsory, the heirs of the deceased) where such Debenture Holder was the sole or only surviving holder; shall be the only persons recognised by the Issuer as having any title to his/her Debentures.
- (d) Any person becoming entitled to any Debenture in consequence of bankruptcy or winding up of any Debenture Holder, upon producing proper evidence that such Debenture Holder sustains the character in respect of which such Debenture Holder proposes to act or such Debenture Holder's title as the Board of Directors of the Bank thinks sufficient, may at the discretion of the Board be substituted and accordingly registered as a Debenture Holder in respect of such Debentures subject to the applicable laws, rules and regulations of the Bank , CDS , CSE and SEC.
- (e) No change of ownership in contravention of the above conditions will be recognised by the Bank.

5.14 LISTING

An application has been made to the CSE for permission to obtain a listing for the Debentures and the CSE has granted its approval in principle for the same. It is the intention of the Bank to list the Debentures on the Colombo Stock Exchange upon the allotment thereof.

The CSE however, assumes no responsibility for the correctness of the statements made or opinions expresses or reports included in this Prospectus. Admission to the official listing is not to be taken as an indication of the merits of the Seylan Bank PLC or of its Debentures.

5.15 RATING OF THE DEBENTURES

Fitch Ratings Lanka Limited has assigned a National Long Term Rating of BBB+ (Ika) to these Debentures. A copy of the Rating report issued by Fitch Ratings Lanka Limited is set out in Annexure I.

5.16 COST OF THE ISSUE

The Directors estimate that the total cost of the Issue including the Listing fees, Trustee fees, Brokerage, Printing, Marketing, Stamp duties, Joint Managers and Registrars fees and other costs connected with the Issue will be approximately LKR 25 Million and will be funded by Seylan Bank PLC.

5.17 BROKERAGE & FEES

Brokerage at the rate of 0.15% of the nominal value of the Debentures will be paid in respect of the number of Debentures allotted on applications bearing the original stamp of any bank operating in Sri Lanka or a member/ trading member of the CSE or People's Bank Investment Banking Unit, Capital Alliance Partners Limited or any agent appointed by the Bank involved in marketing of the Issue.

5.18 UNDERWRITING

The Debenture Issue is not underwritten.

In the event the Issue is not fully subscribed, the subscribers shall be allotted in full and funds will be utilized to meet the objectives of the Issue stipulated in Section 5.3 of the Prospectus.

Furthermore, the copies of the Prospectus and Application Form will be made available free of charge from the collection points as set out in Annexure III from seven market (07) days prior to the date of opening of the subscription list.

6 PROCEDURE FOR APPLICATION

6.1 ELIGIBLE APPLICANTS

Applications are invited for the subscription of Debentures from the following categories of applications:

- (a) Citizens of Sri Lanka who are resident in Sri Lanka and above 18 years of age.
- (b) Companies, corporations or institutions incorporated or established within Sri Lanka and who are authorized to invest in Debentures.
- (c) Approved unit trusts licensed by SEC.
- (d) Approved provident funds and contributory pension schemes registered/incorporated/established in Sri Lanka and authorized to invest in Debentures. In the case of approved provident funds and approved contributory pension schemes, the Application should be in the name of the trustee/board of management
- (e) Regional and country funds approved by SEC and authorized to invest in Debentures.
- (f) Non-Residents: foreign institutional investors including country funds, regional funds or mutual funds, corporate bodies incorporated outside Sri Lanka, citizens of foreign states whether resident in Sri Lanka or outside Sri Lanka and Sri Lankans resident outside Sri Lanka.

Applications will not be accepted from individuals under the age of eighteen (18) years, or in the names of sole proprietorships, unincorporated trusts or non-corporate bodies.

“Sri Lankan Residents Outside Sri Lanka” will have the same meaning as in the notice published under the Exchange Control Act in Gazette No. 15007 dated 21st April 1972.

When permitting Non-residents to invest in the Debentures, the Bank will comply with the relevant Exchange Control Regulations including the conditions stipulated in the notice under the Exchange Control Act with regard to the Issue and transfer of Debentures of companies incorporated in Sri Lanka to foreign investors as published in the Government Gazette (Extraordinary) No. 1681/11 on 22nd November 2010, Government Gazette (Extraordinary) No. 1733/19 on 22nd November 2011, and Government Gazette (Extraordinary) No 1864/39 on 28th May 2014.

6.2 HOW TO APPLY

- (a) Applications must be made on the Application Forms issued with this Prospectus. Applications are also permitted on photocopies of the Application Forms issued with the Prospectus. Applicants using photocopies are requested to inspect the Prospectus, which is available for inspection and also issued free of charge at the Registered Office of the Bank and the Collection Points listed in Annexure III. Prospectus and Application Forms could also be downloaded from the website of the Bank (www.seylan.lk) or from the web site of the CSE (www.cse.lk). **Applications that do not strictly conform to such instructions and the other instructions set out below or which are illegible may be rejected.**

- (b) Applications should be made for a minimum subscription value of Sri Lanka Rupees Ten Thousand (LKR 10,000) of One Hundred (100) Debentures each of any one type or all types mentioned above. Applications exceeding One Hundred (100) Debentures should be in multiples of One Hundred (100) Debentures (LKR 10,000). Applications for less than One Hundred (100) Debentures or for a number, which is not in multiples of One Hundred (100) Debentures, will be rejected.
- (c) Joint applications may be made. However, an applicant of a joint application will not be eligible to send a separate application individually or jointly with another party. Only one application should be made for the benefit of any person or corporate body. The interest cheques will be drawn in favour of the principal applicant as given in the Application Form.
- (d) In the case of corporate applicants, **the common seal of the company** should be affixed and attested if required by the Articles of Association or such other constitutional documents of such applicants or as per the statutes governing them. In case of approved provident funds, trust funds and approved contributory pension schemes, the applications should be in the name of the Trustees / Board of Management.
- (e) **A Sri Lankan citizen must state his / her National Identity Card (NIC) number on the Debenture Application Form. The Passport number can be given only when the NIC number is not available. In the case of a corporate entity, the Company registration number must be given. A foreign citizen must state his / her passport number in the space provided.**

In the event the name, address or NIC number/passport number/company number of the Applicant mentioned in the Application Form differ from the name, address or NIC number/ passport number/company number as per the CDS records, the name, address or NIC number/ passport number/company number as per the CDS records will prevail and be considered as the name, address or NIC number/passport number/company number of such Applicant. Therefore, Applicants are advised to ensure that the name, address or NIC number/passport number/ company number mentioned in the Application Form tally with the name, address or NIC number/ passport number/company number given in the CDS account as mentioned in the Application Form.

- (f) The Application Forms may be signed by someone on behalf of the applicant(s) provided that such person holds the Power of Attorney (POA) of the applicant(s). A copy of such POA certified by a Notary Public as "True Copy" should be attached with the Application Form. **Original of the POA should not be attached.**
- (g) Applicants who wish to apply through their Margin Trading Account should submit the application in the name of the "Margin Provider / Applicants Name" signed by the margin provider. A copy of the margin Trading Agreement should be attached with the Application Form. Please note that the margin provider can apply under its own name and such Applications will not be construed as multiple Applications. Photo copy of the Margin Trading Agreement must be submitted along with the Application.
- (h) As per the Directive of the SEC made under Circular No. 08/2010, dated 22 November 2010 and Circular No. 13/2010 issued by the CDS dated 30th November 2010, all Debentures allotted must be directly uploaded to the CDS accounts. **As such, all applicants should indicate their CDS account number in the Application Form.**

Applicants who do not have a CDS account are advised to open a CDS account prior to submitting the Application, in order to facilitate the uploading of allotted Debentures to their CDS account. A CDS account can be opened through any Member/ Trading Member of the CSE or through a Custodian Bank. (Annexure IV)

Please note that upon the allotment of Debentures under this issue the allotted Debentures would be credited to the applicant's CDS account indicated. **Please note that Debenture certificates shall not be issued. Applications which do not carry the CDS account number, which is not opened at the time of the closure of the subscription list or which indicate an incorrect / inaccurate CDS account number shall be rejected, and no allotment will be made.**

It should be noted that in the event the applicant's CDS Account number is correctly stated in the Application Form, all correspondence with such applicant will be sent to the address given to the CDS by such applicant.

Further in the event the name or the address of the applicant mentioned in the Application Form differ from the name or address given to the CDS by such applicant in respect of the CDS Account mentioned in the Application Form, the name and the address given to the CDS by such applicant in respect of the CDS Account mentioned in the Application Form will be considered as the name and address of such applicant.

- (i) Foreign Investors and Non-Resident Investors may be affected by the laws of the jurisdiction of their residence. It is the responsibility of such investors to comply with the laws relevant to their country of residence and the Laws of Sri Lanka, when making an application for subscription of the Debentures.
- (j) Application Forms properly filled in accordance with the instructions thereof together with the remittance (cheque, SLIPS, bank draft, RTGS or bank guarantee as the case may be) for the full amount payable on application should be enclosed in an envelope marked "**Seylan Bank PLC – Debenture Issue 2016**" on the top left hand corner in capital letters and dispatched by post or delivered by hand to the Registrars to the Issue at the following address:

SSP Corporate Services (Pvt) Limited
No. 101, Inner Flower Road, Colombo 3
Tel: +94(011) 2573894

In the alternative, Application Forms could also be handed over to any of the Collection Points set out in Annexure III.

- (k) Applications sent by post or delivered to any places mentioned in Annexure III (Collection Points) **should reach the office of the Registrars to the Issue at least by 4.30 p.m. on the following working day upon the closure of the subscription list.** Applications received after the said period will be rejected even though they have been delivered to any of the Collection Points prior to the Closing Date or carry a post mark dated prior to the Closing Date.

6.3 MODE OF PAYMENT

- (a) Payment for the total value of Debentures applied for should be made separately in respect of each Application either by cheque/s, bank draft/s, bank guarantee drawn upon any licensed commercial bank operating in Sri Lanka, SLIPS or RTGS transfer directed through any licensed commercial bank operating in Sri Lanka.
- (b) Payments for Applications for values above and inclusive of Sri Lankan Rupees One Hundred Million (LKR 100,000,000/-) should be supported by either,
- Multiple bank drafts drawn upon any licensed commercial bank operating in Sri Lanka, each of which should be for a value less than LKR 100,000,000/- or
 - Bank guarantee issued by a licensed commercial bank operating in Sri Lanka, or
 - RTGS transfer with value on the date of submission of application or opening of the Issue whichever is later, or

Multiple bank drafts/cheques, bank guarantees or RTGS transfers will not be accepted for Applications valued below Sri Lankan Rupees One Hundred Million (LKR 100,000,000/-)

- (c) Cheques or Bank Drafts should be drawn upon any commercial bank in Sri Lanka and crossed "**Account Payee Only**" and made payable to "**Seylan Bank PLC – Debenture Issue 2016**".
- (d) In case of bank guarantees, such bank guarantees should be in a manner acceptable to the Bank, issued by any licensed commercial bank in Sri Lanka, payable on demand to "**Seylan Bank PLC**" and be valid up to minimum of 14 days from the closing date of Issue. It is advisable that the applicants discuss with their respective bankers the matters with regard to the issuance of bank guarantees and all charges involved. All expenses with regard to such bank guarantees should be borne by the applicants.
- (e) In case of RTGS transfers (only for application values above and inclusive of Sri Lankan Rupees One Hundred Million (LKR 100,000,000/-), such transfers should be made to the credit of "**Seylan Bank PLC**" bearing the **account number 0860-33480022-001 at Seylan Bank, Millennium Branch** with value on the date of submission of Application or opening of the Issue whichever is later.
- (f) The applicant should obtain a confirmation from the applicant's bank, to the effect that arrangements have been made to transfer funds for the total value of Debentures applied for, to the credit of "**Seylan Bank PLC – Debenture Issue 2016**" bearing the account number 0860-33480022-001 at Seylan Bank PLC, Millennium Branch with value on the date of submission of application or opening of the Issue whichever is later (i.e. the funds to be made available to the above account on date of submission of Application or opening of the Issue whichever is later) and should be attached with the Application.

- (g) For RTGS transfers above and inclusive of Sri Lanka Rupees One Hundred Million (LKR 100,000,000/-), the applicants are entitled to an interest at 3.50% p.a. from the date of transfer up to the date of Allotment. For such RTGS transfers, entire interest earned by investing such money (on actual/actual basis) will be paid from the date of such transfer up to the Date of Allotment. However, no interest will be paid if the RTGS transfers are not affected before the end of the Closing Date. Furthermore, even if such RTGS transfers are affected prior to the Issue opening date, no interest will be paid for the period prior to the Issue opening date.
- (h) Payments for the Debentures by Non- residents should be made only out of funds received as inward remittances or available to the credit of "**Securities Investment Account" (SIA)** maintained with any licensed commercial bank in Sri Lanka in accordance with directions given by the Controller of Exchange in that regard to the licensed commercial banks. An endorsement by way of a letter by the commercial bank in Sri Lanka in which the applicant maintains the SIA, should be attached to the application form to the effect that such payment through bank draft/ bank guarantee/ RTGS has been made out of the funds available in SIA.
- (i) Non-Residents should have obtained necessary internal approvals as provided by their internal approval procedures at the time of applying for the Debentures and may be affected by the laws of the jurisdiction of their residence.

If the Non-Resident Applicants wish to apply for the Debentures, it is their responsibility to comply with the laws relevant to the jurisdiction of their residence and of Sri Lanka.

Application Forms properly filled in accordance with the instructions thereof together with the remittance for the full amount payable on Application should be enclosed in an envelope marked "SEYLAN BANK PLC – DEBENTURE ISSUE 2016" on the top left hand corner in capital letters and dispatched by post or courier or delivered by hand to the Registrars to the Issue or collection points mentioned in Annexure III.

Applications sent by post or courier or delivered to any collection point set out in Annexure III should reach the office of the Registrars to the Issue, SSP Corporate Services (Pvt) Ltd, No 101, Inner Flower Road Colombo 03 at least by 4.30 p.m. on the following Market day immediately upon the Closing Date.

Applications received after the said period will be rejected even though they have been delivered to any of the said collection points prior to the Closing Date or carry a postmark dated prior to the Closing Date. Applications delivered by hand to the Registrars to the Issue after the Closing Date of the Issue will also be rejected.

All cheques or bank drafts or bank guarantees received in respect of Applications will not be banked or called on until the Market Day after the Closure Date of the subscription list, in terms of the CSE Listing Rules.

6.4 REJECTION OF APPLICATIONS

- (a) Application Forms and the accompanying remittance mode (Cheque / Bank Draft / Bank Guarantee/RTGS) which are illegible or incomplete in any way and / or are not in accordance with the terms, conditions and instructions set out in this Prospectus will be rejected at the sole discretion of the Bank.
- (b) Applications from individuals under the age of eighteen (18) years or in the names of Sole Proprietorships, Partnerships or Unincorporated Trusts will also be rejected.
- (c) An Applicant of a Joint Application will not be eligible to submit another application either individually or jointly under the available Debenture category. Only one Application should be made by any person or entity under the available Debenture category. Multiple Applications will be rejected.
- (d) Applications which do not carry a valid CDS account number at the time of the closure of the subscription list or which indicate an incorrect / inaccurate CDS account number shall be rejected, and no allotment will be made. Application Forms stating third party CDS account numbers, instead of their own CDS account numbers, except in the case of Margin Trading Accounts, will also be rejected.
- (e) Any Application Form which does not state the NIC, Passport or Company Registration number, as the case may be, will be rejected.
- (f) In the event that cheques are not realized within two (2) Market Days from the closure of the subscription list and realized after such date the monies will be refunded and no allotment of Debentures will be made. Cheques must be honoured on first presentation for the Application to be valid. In the event Cheques are dishonoured / returned on first presentation, the Application will be rejected.
- (g) Applications delivered by hand to the Registrars to the Issue, or to any place / institution discussed in Annexure III (Collection Points) after the subscription list is closed will be rejected. Application received by post or courier after 4.30 pm on the Market day immediately following the closing date, will also be rejected even if they carry a post mark dated prior to the Closing date.
- (h) Applications delivered to any place / institution discussed in Annexure III (Collection Points) should also reach the office of the Registrars to the Issue at least by 4.30 pm on the following market day immediately upon the closure of the Subscription List. Applications received after the said duration will be rejected even though they have been delivered to any of the Collection Points prior to the Closing Date or carry a post mark dated prior to the Closing Date.

6.5 BASIS OF ALLOTMENT

The basis of Allotment will be decided by the Board of Directors of Seylan Bank PLC before the expiry of Seven (07) Market Days from the closure of the Issue and will be announced to the CSE.

Further, the Board reserves the right to allocate up to 75% of the Issue value on a preferential basis, to investor/(s) of strategic importance with whom they might partner with in future endeavours. These benefits could be such as being able to tap into a non-conventional investor base, being able to build confidence among other investors due to the investment decision of strategic investors and being able to get the Issue subscribed with the larger quantum pledged.

The successful applicants will be informed of the allotment within Ten (10) Market Days from the closure of the Subscription List.

The Board of Directors of the Bank reserves the right to refuse any Application or to accept any Application or part only, without assigning any reason therefore.

6.6 ACCEPTANCE & REFUNDS

Where an Application is not accepted, subsequent to the cheque being realized, the applicant's money in full or where an Application is accepted only a part, the balance of the applicant's money will be refunded.

Refunds due on Applications fully or partially accepted will be paid within ten (10) Market Days excluding the date of closure of the Subscription List. Applicants will be entitled to receive interest at the rate of last quoted Average Weighted Prime Lending Rate (AWPLR) published by the Central Bank of Sri Lanka plus 5% for the delayed period on any refunds not made within this period.

If the Applicant has provided accurate and complete details of his bank account in the Application Form, the Bankers to the Issue will make refund payments applicable up to and inclusive of Sri Lankan Rupees Five Million (LKR 5,000,000/-) to the bank account specified by the applicant, through SLIPS.

In the event of refunds over Rupees Five Million (LKR 5,000,000/-), refunds will be made via RTGS. In the event where the applicant has not provided accurate and correct details of the bank account in the Application Form, the Bank will make such refund payments to the applicant by way of cheque and sent by post at the risk of the applicant.

Refunds sent through post will be made by crossed cheques and sent by register post to the registered address. In the case of a Joint Application, a "crossed cheque" will be drawn in favour of the applicant whose name appears first in the Application Form.

Applicants can obtain details on bank and branch codes required for providing instructions on SLIP transfers at the following website;

[http://www.lankaclear.com/product service/3-guidelines](http://www.lankaclear.com/product%20service/3-guidelines)

6.7 CDS LODGEMENTS AND TRADING OF DEBENTURES

- (a) If the Applicant's CDS Account number is correctly stated in the Application Form the Debentures allotted will be directly uploaded to the CDS account stated in the Application Form before the expiry of **eighteen (18) market days**, from the date of closure of the subscription list. A written confirmation in this regard will be sent to the Applicant within **two (02) market days** of crediting the CDS account, by ordinary post to the registered address of such Applicant.
- (b) The Bank shall submit to the CSE a 'Declaration' as set out in the Listing Rules of the CSE on the Market Day immediately following the day on which the investors' CDS Accounts are credited with the Debentures and trading of the Debentures will commence on or before the third (03rd) Market Day upon receipt of the declaration by the CSE.

7 SEYLAN BANK PLC

7.1 CORPORATE BACKGROUND

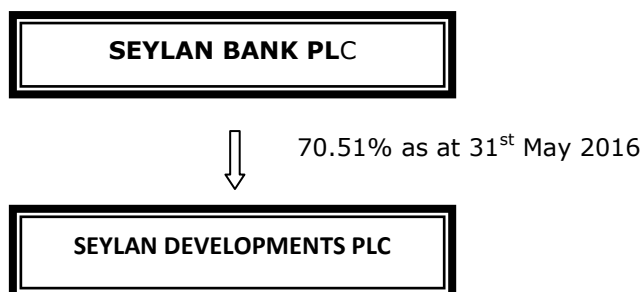
Seylan Bank PLC is a commercial bank regulated by the Central Bank of Sri Lanka and was incorporated on 28th August 1987. It commenced business on 24th March 1988.

The Bank offers banking products and services ranging from savings accounts, current accounts, foreign currency services, deposits and investments, Seylan cards, loan facilities, leasing, E-commerce and personal financial planning services. Apart from the above, the Bank offers private banking, trade finance, remittances, offshore banking, and pawning services.

Seylan Banks' network comprises of 166 Branches, 193 ATMs and 100 Student Savings Centres and has overseas presence in many countries including Lebanon, Oman, Saudi Arabia and the United Arab Emirates. They undertake remittance business on behalf of Sri Lankan expatriates in these countries while promoting the bank's other products to them. From the inception, the Bank presented itself as a flexible, customer-friendly alternative, delivering the promise of its motto - 'The Bank with a Heart'.

Seylan Bank owns 70.51% stake in Seylan Developments PLC, a quoted subsidiary formed in 1992 for the purpose of constructing the head office building of the Bank and presently is involved in property development/management.

7.2 GROUP STRUCTURE



7.3 STATED CAPITAL AND SHARES IN ISSUE

Stated capital and the shares in issue as at 31st May 2016 are as follows:

Stated Capital	-	LKR. 10,529,724,017/-
Shares Issued	-	175,977,401 Ordinary voting shares 168,983,009 Ordinary non-voting shares

The public holding of the Bank as at 31st May 2016 is as follows:

	Percentage	No. of Shareholders
Ordinary Voting Shares	54.27%	9,357
Ordinary Non-Voting Shares	55.96%	6,938

7.4 MAJOR SHAREHOLDING

Top twenty (20) Ordinary voting shareholders of the bank as at 31st May 2016 are as follows:

Name of the Ordinary Voting shareholder	Shareholding	%
1. Sri Lanka Insurance Corporation Ltd [includes Sri Lanka Insurance Corporation Ltd -General Fund - 17,597,739 and Sri Lanka Insurance Corporation Ltd - (Life Fund) - 8,798,869]	26,396,608	15.00
2. Brown & Company PLC A/C No. 1	24,416,750	13.87
3. Employees Provident Fund	17,346,996	9.86
4. LOLC Investments Ltd	16,808,502	9.55
5. National Development Bank PLC A/C No. 02	15,353,784	8.73
6. Bank of Ceylon No.1 Account	13,198,305	7.50
7. BNYM SA/NV-Frontier Market Opportunities Master FD,L.P.	4,094,638	2.33
8. Employees Trust Fund Board	3,175,139	1.81
9. Seyfest (Private) Limited	3,017,940	1.71
10. Mr R S Captain	2,885,885	1.64
11. Sesot (Private) Limited	2,279,042	1.30
12. Seybest (Private) Limited	2,165,435	1.23
13. Seyshop (Private) Limited	2,165,435	1.23
14. Esots (Private) Limited	2,148,132	1.22
15. Lanka Century Investments PLC	2,079,160	1.18
16. Capital Development and Investment Company PLC A/C No.02	1,782,428	1.01
17. HSBC Intl Nom Ltd-SSBT-Russell Institutional Funds Public Limited Company	1,653,100	0.94
18. AIA Insurance Lanka PLC A/C No.07	1,615,904	0.92
19. N P Capital Ltd	1,503,505	0.85
20. BNYM SA/NV-Frontier Market Select Fund II L.P.	1,444,960	0.82

Related party relationships of the Ordinary voting shareholders of the Bank as at 31st May 2016.

Shareholders (voting)	Relationship/% of equity capital held	Common Directors /KMPs
Sri Lanka Insurance Corporation Ltd (SLIC)	15%	Directors, Mr W M R S Dias and Mr S V Corea are nominated to the Board by SLIC
Brown & Company PLC A/C No. 1	13.87%	<u>Common Directors</u> Mr I C Nanayakkara Mr W D K Jayawardena
LOLC Investments Ltd	9.55% 100% subsidiary of Lanka ORIX Leasing PLC (LOLC)	<u>Common Directors of Lanka ORIX Leasing Company PLC</u> Mr I C Nanayakkara (held 12.6% equity capital of LOLC) Mr W D K Jayawardena
Seyfest (Private) Limited	1.71% Employee Share Ownership Trust Company of the Bank and the Bank is the Settlor Company.	<u>Common Directors</u> Mr K P Ariyaratne <u>Common KMPs of the Bank who are Directors of this company</u> Mr R J Jayasekera (Chief Financial Officer) Mr A M Jayantha Amarasinghe (Deputy General Manager/Head – Human Resources) Mrs K G Hatch (Assistant General Manager/Head – Legal)
Sesot (Private) Limited	1.30% Employee Share Ownership Trust Company of the Bank and the Bank is the Settlor Company.	<u>Common Directors</u> Mr K P Ariyaratne <u>Common KMPs of the Bank who are Directors of this company</u> Mr R J Jayasekera (Chief Financial Officer) Mr A M Jayantha Amarasinghe (Deputy General Manager/Head – Human Resources) Mrs K G Hatch (Assistant General Manager/Head – Legal)
Seybest (Private) Limited	1.23% Employee Share Ownership Trust Company of the Bank and the Bank is the Settlor Company.	<u>Common Directors</u> Mr K P Ariyaratne <u>Common KMPs of the Bank who are Directors of this company</u> Mr R J Jayasekera (Chief Financial Officer) Mr A M Jayantha Amarasinghe (Deputy General Manager/Head – Human Resources) Mrs K G Hatch (Assistant General Manager/Head – Legal)
Seyshop (Private) Limited	1.23% Employee Share Ownership Trust Company of the Bank and the Bank is the Settlor Company.	<u>Common Directors</u> Mr K P Ariyaratne <u>Common KMPs of the Bank who are Directors of this company</u> Mr R J Jayasekera (Chief Financial Officer) Mr A M Jayantha Amarasinghe (Deputy General Manager/Head – Human Resources) Mrs K G Hatch (Assistant General Manager/Head – Legal)
Esots (Private) Limited	1.22% Employee Share Ownership Trust Company of the Bank and the Bank is the Settlor Company.	<u>Common Directors</u> Mr K P Ariyaratne <u>Common KMPs of the Bank who are Directors of this company</u> Mr R J Jayasekera (Chief Financial Officer) Mr A M Jayantha Amarasinghe (Deputy General Manager/Head – Human Resources) Mrs K G Hatch (Assistant General Manager/Head – Legal)

Top twenty (20) Ordinary Non-voting shareholders of the bank as at 31st May 2016 are as follows:

Name of the Ordinary Non-Voting shareholder	Shareholding	%
1. Lanka ORIX Leasing Company PLC	74,238,665	43.93
2. Employees' Provident Fund	9,013,489	5.33
3. Commercial Bank of Ceylon PLC/Dunamis Capital PLC	3,818,755	2.26
4. Mr E Thavagnanasooriyam & Mr E Thavagnanasundaram	2,649,968	1.57
5. Akbar Brothers (Pvt) Ltd A/C No.1	2,592,640	1.53
6. Pershing LLC S/A Averbach Grauson & Co.	2,302,722	1.36
7. Deutsche Bank AG As Trustees for JB Vantage Value Equity Fund	1,943,307	1.15
8. Merrill J Fernando & Sons (Pvt) Limited	1,877,057	1.11
9. Dr S Yaddehige	1,828,600	1.08
10. Mr N Balasingam	1,762,693	1.04
11. Lanka ORIX Information Technology Services Ltd	1,471,587	0.87
12. J B Cocoshell (Pvt) Ltd	1,458,385	0.86
13. Deutsche Bank AG – National Equity Fund	1,253,265	0.74
14. Commercial Bank of Ceylon PLC/ARC Capital (Pvt) Ltd	1,216,280	0.72
15. Deutsche Bank AG As Trustees for Namal Acuity Value Fund	1,150,000	0.68
16. HSBC International Nominees Ltd – SSBT – Deutsche Bank AG Singapore A/C 01	858,581	0.51
17. Mr M J Fernando	850,000	0.50
18. Mr R Gautam	804,000	0.48
19. Mr E Thavagnanasooriyam	783,683	0.46
20. Miss. S. Durga	770,808	0.46

Related party relationships of the Ordinary non-voting shareholders of the Bank as at 31st May 2016.

Shareholders (non-voting)	Relationship	Common Directors /KMPs
Lanka ORIX Leasing Company PLC (LOLC)	43.93% 100% holding parent company of LOLC Investments Ltd which held 9.55% of the equity capital of the Bank	<u>Common Directors</u> Mr I C Nanayakkara (held 12.6% equity capital of LOLC) Mr W D K Jayawardena
Lanka ORIX Information Technology Services Ltd	0.87% Subsidiary of Lanka ORIX Leasing Co. PLC (LOLC)	<u>Common Directors of Lanka ORIX Leasing Company PLC</u> Mr I C Nanayakkara (held 12.6% equity capital of LOLC) Mr W D K Jayawardena

Shareholder approval is not required in order to proceed with the Debenture Issue as the Board of Directors is vested with the powers in this regard in accordance with Article 4 of the Articles of Association of the Company.

7.5 DEBT SERVICING DETAILS OF THE BANK

The details of the Debenture interest payments made during the past three years are given below:

Description	2013	2014	2015	As at 31st March 2016
	LKR '000'	LKR '000'	LKR '000'	LKR '000'
Gross Interest due on Debentures	461,568	366,605	784,688	184,822
Debenture interest paid on or before due date	461,568	366,605	784,688	184,822
Debenture interest paid after due date	-	-	-	-
Debenture interest not paid as of to date	-	-	-	-

7.6 LITIGATION, DISPUTES AND CONTINGENT LIABILITIES

Contingent Liabilities of the bank as at 31st May 2016 are as follows:

Description	LKR ' 000'
Acceptances	9,616,257
Standby Letters of Credit	61,651
Guarantees	19,899,609
Documentary Credit	4,666,394
Bills for Collection	2,220,943
Forward Exchange Contracts (Net)	(12,711)

In the normal course of business, the Bank is involved in various types of litigation with borrowers or others who have asserted or threatened claims/counter claims against the Bank.

Based on the available information and current status of the cases, the Bank is not in a position to quantify the potential financial impact if any, as at the balance sheet date. However, we are of the opinion that the outcome of any action will not have a material effect on the financial position of the bank.”

7.7 PARTICULARS OF DEBT AND LOAN CAPITAL

The outstanding borrowings of the Bank as at 31st March 2016 are as follows:

Description	LKR '000'
Due to Banks	
Call Money Borrowing	19,147,578
Refinance Borrowing	513,564
Borrowings from Local Banks	1,408
Borrowings from Foreign Banks	816,574
Total	20,479,124
Other Borrowings	
Refinance Borrowing - other institutions	17,939

The Bank does not have long term borrowings, other than debentures.

7.8 OTHER DEBT SECURITIES

Details of the Listed Debentures in issue as at 31st May 2016 are as follows:

Debenture Issue	Ranking	Amount (LKR)	Interest Rate	Maturity
2013 Debenture Issue				
SEYB/BC/21/02/18A 15.5	Subordinate	1,090,910,000	15.50%	21/02/2018
SEYB/BC/21/02/18B 15	Subordinate	843,020,000	15.00%	21/02/2018
SEYB/BC/21/02/18C 14.5	Subordinate	66,070,000	14.50%	21/02/2018
		2,000,000,000		
2014 Debenture Issue				
SEYB/BD/22/12/18-C2276 - 8	Senior	462,280,000	8.00%	22/12/2018
SEYB/BD/22/12/19-C2278 - 8.6	Senior	1,866,520,000	8.60%	22/12/2019
EYB/BD/22/12/19-C2279 - 8.35	Senior	30,000	8.35%	22/12/2019
SEYB/BD/22/12/20-C2277 - 8.6	Senior	2,505,520,000	8.60%	22/12/2020
SEYB/BD/22/12/20-C2280 - 8.75	Senior	300,520,000	8.75%	22/12/2020
		5,134,870,000		
Total		7,134,870,000		
Adjustments as per LKAS / SLFRS				
Add : Interest Payable		274,239,000		
Less: Elimination of Debentures (capital + interest) held by the subsidiary which is booked under group balances payable		(155,651,000)		
Balance as per LKAS/SLFRS		7,253,458,000		

Seylan Bank PLC has complied with the main objectives stated in the Prospectus' of its Debentures issues allotted in 2013 and 2014 which are listed in the Colombo Stock Exchange. There was no deviation from the objectives for which the Debentures were issued.

Objectives of the 2013 Debenture Issue (Rated Subordinated Redeemable Listed Debentures) of Rs.2,000,000,000/-

- To increase the capital base and the Bank's total capital adequacy ratio
- To match the Asset Liability mis-match
- Minimise the Interest Rate Risk and gap exposure in the Bank's asset/liability portfolio

Objectives of the 2014 Debenture Issue (Rated Senior Redeemable Listed Debentures) of Rs.5,134,870,000/-

- To match the Asset Liability mis-match
- To further strengthen the funding mix of the Bank

There are no outstanding Debt Securities convertible to equity as at 31st March 2016.

7.9 KEY FINANCIAL RATIOS

Description	31- Dec-2010	31-Dec-2011	31-Dec-2012	31- Dec-2013	31-Dec-2014	31- Dec-2015	31- Mar-2016
Interest Cover (times)	4.09	3.16	9.72	8.48	13.68	8.36	6.26
Debt to Equity (times)	0.33	0.16	0.06	0.15	0.32	0.29	0.32
Capital Adequacy Ratio (%)	12.07	14.57	14.37	15.75	14.73	12.87	11.43
Statutory Liquid Assets Ratio (%)							
- Domestic Banking Operations	25.07	21.51	21.51	26.74	27.60	27.56	21.92
- Foreign Currency Banking Operations	29.39	25.48	23.06	25.93	21.86	21.51	21.58

1 Interest Cover (times)

$\frac{\text{Profit before Debenture Interest \& Tax}}{\text{Debenture Interest}}$

2 Debt to Equity (times)

$\frac{\text{Debenture (Long Term Debt)}}{\text{Equity}}$

3 Capital Adequacy Ratio (%)

Total Capital Adequacy Ratio as per CBSL Directions

$\frac{\text{Total Capital (Tier I \& Tier II)}}{\text{Total Risk Weighted Assets}}$

4 Statutory Liquid Assets Ratio (%)

- Domestic Banking Operations
- Foreign Currency Banking Operations

$\frac{\text{Statutory Liquid Assets as per the CBSL Directions/ Banking Act}}{\text{Total Liability Base as per CBSL Directions}}$

7.10 RELATED PARTY TRANSACTION REVIEW COMMITTEE

The Board Governance and Compliance Committee was established on 19th June 2014 with the main objective of functioning as a "Related Party Transactions Review Committee" with its scope and responsibilities complying with the requirements of Section 9 of the Listing Rules of the Colombo Stock Exchange and assisting the Board of Directors in adopting appropriate governance standards.

Members of the Board Governance and Compliance Committee are as follows:

Mr. P L S K Perera	(Independent Director/Chairman of the Committee)
Rear Admiral B A J G Peiris	(Independent Director)
Ms. M Coralie Pietersz	(Independent Director)
Mr. W M R S Dias	(Non-executive Director)
Mr. S V Corea	(Non-executive Director)

The Chief Executive Officer, the Compliance Officer and other members of the Senior Management attend the meeting on invitation.

7.11 EMPLOYEES' SHARE OWNING TRUST COMPANIES

Six share owning trust companies were established in the years 1995, 1999 and 2000 which have acquired shares of the Bank from time to time at the market prices prevailed at that time. The Bank was the Settlor of the trusts and the purchase of the shares were fully funded by the Bank. These six trust companies currently hold a total of 12,752,994 shares of the Bank's Ordinary (Voting) Shares.

These shares are the subject matter of Court actions as mentioned below, where the contention of the Bank and the Trust Companies is that the shares which are held in the Trust Companies are not being held for the benefit of employees and consequently the shares need to be sold and the proceeds thereof credited to the Bank. The Companies will not be able to dispose of or transfer these shares until the final determination of the Court actions as there are Interim injunctions which have been issued by the District Court preventing each of the above trust companies from transferring the shares held.

- District Court Cases – Actions instituted by six former employees where interim injunctions were issued against the Trust Companies from selling the shares held. These actions will be called on 28th of July 2016 to see if there is any settlement possible between the parties and to fix a date for hearing.
- Leave to Appeal Cases – Cases instituted by the Bank as well as the Trust Companies appealing against the above mentioned injunctions issued against them and seeking cancellation/revocation of the interim injunctions. These appeals will be mentioned again on 6th of December 2016.

Therefore, the Bank has not been able to comply with Section 5.6.10 of the Listing Rules of the CSE until final determination of the said court actions.

8 BOARD OF DIRECTORS

Name	Position
Mr W M R S Dias	Chairman/Non-Executive Director
Mr Ishara C Nanayakkara	Deputy Chairman/Non-Executive Director
Ms M Coralie Pietersz	Independent Director / Senior Director
Mr. Kapila P Ariyaratne	Director/Chief Executive Officer
Rear Admiral B Ananda J G Peiris	Independent Director
Mr Samantha P S Ranatunga	Independent Director
Mr W D Kapila Jayawardena	Non Executive Director
Mr P L S Kumar Perera	Independent Director
Mr S Viran Corea	Non-Executive Director

9 SENIOR MANAGEMENT

Details of the Senior Management personnel of the Bank are as follows:

Name	Designation
Mr S T Nanayakkara	Senior Deputy General Manager, Retail Banking
Mr N R Tillekeratne	Senior Deputy General Manager, Operations
Mr T H D C E De Silva	Deputy General Manager, Branches
Mr J A D J C Nanayakkara	Deputy General Manager, Risk Management Unit/Chief Risk Officer
Mr D W Pereira	Deputy General Manager, Consumer Finance Unit
Mr K D W Rohana	Deputy General Manager, Branch Credit
Mr T S Wijeyesekera	Deputy General Manager, Marketing and Personal Banking
Mr R J Jayasekara	Deputy General Manager/Chief Financial Officer
Mr H C J Goonewardene	Deputy General Manager, Information Technology
Mr S Palihawadana	Deputy General Manager, Treasury
Mr N Farouk	Deputy General Manager, Corporate Banking
Mr J Amarasinghe	Deputy General Manager, Human Resources
Mr P Hennayake	Deputy General Manager, Project Finance
Mrs Y E Udurawane	Assistant General Manager - Consumer Affairs Unit
Ms M T R Weerakkody	Assistant General Manager, Operations
Mr G E A Wanigaratne	Assistant General Manager, Information Technology
Mr K S C Perera	Assistant General Manager/Chief Dealer
Mrs P C Dodanwela	Assistant General Manager, Finance
Mr K L W K Karunaratne	Assistant General Manager, Supplies
Mr R M K K B Rathnayaka	Assistant General Manager, Premises
Mrs K G Hatch	Assistant General Manager, Legal
Mr L A S Fernando	Assistant General Manager, Risk Management Unit

10 STATUTORY DECLARATIONS

10.1 STATUTORY DECLARATION BY THE DIRECTORS

We, the undersigned who are named herein as Board of Directors of Seylan Bank PLC hereby declare and confirm that we have read the provisions of CSE Listing Rules and of the Companies Act No. 7 of 2007 and any amendments thereto relating to the Issue of the Prospectus and those provisions have been complied with.

"This Prospectus has been seen and approved by the Directors of the Seylan Bank PLC and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that provisions of the CSE Listing Rules and of the Companies Act No. 07 of 2007 and any amendments to it from time to time have been complied with and after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading or inaccurate. Where representations regarding the future performance of the Seylan Bank PLC have been given in the Prospectus, such representations have been made after due and careful enquiry of the information available to the Seylan Bank PLC and making assumptions that are considered to be reasonable at the present point in time in the best judgment of the directors.

The parties to the Issue have submitted declarations to the Bank declaring that they have complied with all regulatory requirements applicable to such parties, and that such parties have no conflict of interest with the Bank.

An application has been made to the Colombo Stock Exchange for permission to deal in and for a listing of Debentures issued by Seylan Bank PLC and those Debentures which are the subject of this Issue. Such permission will be granted when Debentures are listed in the Colombo Stock Exchange. The Colombo Stock Exchange assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports included in this Prospectus. Listing on the Colombo Exchange is not to be taken as an indication of the merits of Seylan Bank PLC or the Debenture Issue."

Signed at Colombo on this 28th day of June 2016.

Name of Director	Designation	Signature
Mr W M R S Dias	Non-executive Director/Chairman	Sgd
Mr I C Nanayakkara	Non-executive Director/Deputy Chairman	Sgd
Ms M C Pietersz	Independent Director/Senior Director	Sgd
Mr K P Ariyaratne	Director/Chief Executive Officer	Sgd
Rear Admiral B A J G Peiris	Independent Director	Sgd
Mr S P S Ranatunga	Independent Director	Sgd
Mr W D K Jayawardena	Non-executive Director	Sgd
Mr P L S K Perera	Independent Director	Sgd
Mr S V Corea	Non-executive Director	Sgd

10.2 DECLARATION BY THE JOINT MANAGERS TO THE ISSUE

We, People's Bank - Investment Banking Unit of People's Bank Head Office, 13th Floor, No. 75, Sir Chittampalam A Gardiner Mawatha, Colombo 02, who are named in the Prospectus as the Joint Managers to the Issue hereby declare and confirm that to the best of our knowledge and belief based on the information provided to us by the Bank, the Prospectus constitutes full and true disclosure of all material facts about the Issue and Seylan Bank PLC whose Debentures are being listed.

The Common seal of People's Bank was affixed on April 28, 2016, at Colombo in the presence of Director and Secretary to the Board of People's Bank.

(Sgd.)

Secretary to the Board of Directors

(Sgd.)

Director

We, Capital Alliance Partners Limited, of Level 5, Millennium House, 46/58, Navam Mawatha, Colombo 02 being Joint Managers to the Issue of Seylan Bank PLC, hereby declare and confirm to the best of our knowledge and belief that the Prospectus constitutes full and true disclosure of all material facts about the Issue and about Seylan Bank PLC, whose Debentures are being listed.

Signed by two directors of Capital Alliance Partners Limited, being duly authorised thereto, at Colombo on 22 June, 2016.

(Sgd.)

Director

(Sgd.)

Director

11 FINANCIAL INFORMATION

The following financial information of Seylan Bank PLC is available on the website of CSE (www.CSE.lk) and the website of the bank (www.seylan.lk).

- **Audited financial statements of the Bank for the year ended 31 December 2015.**
- **Quarterly Financial Statements as of 31st March 2016.**
- **Summarized financial statements for the five year preceding the date of the application (i.e for the financial years ending 31 December, 2010 - 2015) the Accountant's Report stating the accounting policies adopted by the Entity certified by the auditors.**

ANNEXURE – I CREDIT RATING REPORT

6/21/2016

Press Release

Fitch Ratings

Fitch Ratings

Fitch Assigns Seylan Bank's Subordinated Debt Final 'BBB+(Ika)'

Fitch Ratings-Colombo-20 June 2016: Fitch Ratings has assigned Seylan Bank PLC's (A-(Ika)/Stable) Basel II-compliant subordinated debenture issue of up to LKR5bn a final National Long-Term Rating of 'BBB+(Ika)'.

The final rating is the same as the expected rating assigned on 6 May 2016 as detailed in the press release, Fitch Rates Seylan Bank's Subordinated Debt 'BBB+(Ika)(EXP)' (<https://www.fitchratings.com/site/pressrelease?id=1004079>), and follows the receipt of documents conforming to information already received.

The debentures will have tenors of five and seven years and carry fixed and floating coupons. The debentures are to be listed on the Colombo Stock Exchange.

KEY RATING DRIVERS

The issue is rated one notch below Seylan Bank's National Long-Term Rating to reflect the subordination to senior unsecured creditors.

RATING SENSITIVITIES

The rating on the proposed debentures will move in tandem with Seylan Bank's National Long-Term Rating.

Contact:

Primary Analyst
Nadika Ranasinghe, CFA
Vice President
+941 1254 1900
Fitch Ratings Lanka Ltd.
15-04, East Tower, World Trade Center
Colombo 1, Sri Lanka

Secondary Analyst

Rukshana Thalagodapitiya, CFA
Vice President
+941 1254 1900

Committee Chairperson

Sabine Bauer
Senior Director
+852 2263 9966

Date of Relevant Rating Committee: 7 July 2015

Media Relations: Bindu Menon, Mumbai, Tel: +91 22 4000 1727, Email: bindu.menon@fitchratings.com.

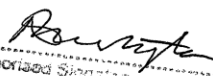
Additional information is available on www.fitchratings.com

<https://www.fitchratings.com/site/pressrelease?id=1007768>

Fitch Ratings Lanka Limited

#15-04 East Tower, World Trade Centre, Colombo 1, Sri Lanka. T + 94 11 2541900 F + 94 11 2541903 www.fitchratings.lk

FITCH RATINGS LANKA LTD. 1/2


Authorized Signatory

Note to editors: Fitch's National ratings provide a relative measure of creditworthiness for rated entities in countries with relatively low international sovereign ratings and where there is demand for such ratings. The best risk within a country is rated 'AAA' and other credits are rated only relative to this risk. National ratings are designed for use mainly by local investors in local markets and are signified by the addition of an identifier for the country concerned, such as 'AAA(lka)' for National ratings in Sri Lanka. Specific letter grades are not therefore internationally comparable.

Applicable Criteria

Exposure Draft: Global Bank Rating Criteria (pub. 14 Apr 2016)

(https://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=878147&cft=0)

Additional Disclosures

Solicitation Status (https://www.fitchratings.com/gws/en/disclosure/solicitation?pr_id=1007768)

Endorsement Policy (<https://www.fitchratings.com/jsp/creditdesk/PolicyRegulation.faces?context=2&detail=31>)

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FITCH RATINGS LANKA LTD.
Ravi Raj
Authorized Signatory

ANNEXURE – II BRANCH NETWORK

	Name of the Branch	Address	Email Address	Tel 1	Fax
1	Akkaraipatthu	Zakir City, Pothuvil Road, Akkaraipatthu.	akkaraipattu.bmq@seylan.lk	067 - 22 79 781	067 - 22 79 783
2	Akuressa	No.119,Deniyaya Road,Akuressa.	akuressa.bmq@seylan.lk	041 - 22 84 951	041 - 22 89 450
3	Ambalangoda	No. 24A, Galle Road, Ambalangoda.	ambalangoda.bmq@seylan.lk	091 - 22 58 010	091 - 22 58 011
4	Ambalantota	154, Tissa Road, Ambalantota	ambalantota.bmq@seylan.lk	047 - 22 25 482	047 - 22 25 484
5	Ampara	129,D.S.Senanayaka Street, Ampara	ampara.bmq@seylan.lk	063 - 22 24 897	063 - 22 24 897
6	Anuradapura	No.250,Maitthreepala Senanayake Mw,Anuradapura	anuradhapura.bmq@seylan.lk	025 - 22 24 649	025 - 22 23 116
7	Aralaganwila	No.14/82,Kolongas Junction,Aralaganwila.	aralaganwila.bmq@seylan.lk	027 - 22 57 274	027 - 22 57 273
8	Athurugiriya	No 111/2, Borella Road, Athurugiriya.	athurugiriya.bmq@seylan.lk	011 - 27 62 849	011 - 2762 867
9	Attidiya	No. 214,Main Road , Attidiya, Dehiwala	attidiya.bmq@seylan.lk	011 - 27 29 696	011 - 27 22 967
10	Awissawella	No. 71, Rathnapura Road, Avissawella	awissawella.bmq@seylan.lk	036 - 22 22 007	036 - 22 22 009
11	Badulla	No. 10, Cocowatta Road, Badulla	badulla.bmq@seylan.lk	055 - 22 22 073	055 - 22 22 884
12	Baduraliya	No 92, Ratnapura Rd, Baduraliya.	baduraliya.bmq@seylan.lk	034 - 22 46 716	034 - 22 46 733
13	Balangoda	123, Barns Ratwattay, Balangoda	balangoda.bmq@seylan.lk	045 - 22 87 107	045 - 22 87 344
14	Bambalapitiya	122.124,Galle Road,Colombo 04.	bambalapitiya.bmq@seylan.lk	011 - 25 06 295	011 - 25 06 291
15	Bandaragama	No, 17A, Horana Rd, Bandaragama	bandaragama.bmq@seylan.lk	038 - 22 90 706	038 - 22 91 125
16	Bandarawela	No. 240, Badulla Rd, Bandarawela	bandarawela.bmq@seylan.lk	057 - 22 23 144	057 - 22 22 964
17	Battaramulla	No.119A, Pannipitiya Road, Battaramulla	battaramulla.bmq@seylan.lk	011 - 28 76 102	011 - 28 76 104
18	Batticaloa	No. 06, Lloyds Av, Batticaloa	batticaloa.bmq@seylan.lk	065 - 22 24 419	065 - 22 24 353
19	Beliatte	NO.73, Tangalle Rd, Beliatte.	beliatta.bmq@seylan.lk	047 - 22 43 619	047 - 22 43 619
20	Beruwala	No 82, Galle Rd, Beruwala	beruwala.bmq@seylan.lk	034 - 22 79 887	034 - 22 79 888
21	Bogawantalawa	No 79, Main Street, Bogawantalawa	bogawantalawa.bmq@seylan.lk	052 - 22 67 576	052 - 22 67 576
22	Boralessgamuwa	No 24 Kesbewa Rd, Boralessgamuwa	boralessgamuwa.bmq@seylan.lk	011 - 25 17 548	011 - 25 09 526
23	Borella	No 1119, Maradana Rd, Borella	borella.bmq@seylan.lk	011 - 26 78 190	011 - 26 81 194
24	Bowatta	No.476/2,Kurunegala Road,Bowatta,Bingiriya.	bowatta.bmq@seylan.lk	032 - 22 45 771	032 - 22 45 772
25	Chankanai	Mallakkam Junction,Main St,Chankanai	chankani.bmq@seylan.lk	021 - 22 50 025	021 - 22 50 025
26	Chavakachcheri	No.179,181,183, & 185 Kandy Road,Chavakachcheri.	chavakachcheri.bmq@seylan.lk	021 - 22 70 525	021 - 22 70 527
27	Chenkalady	Main Street,Chenkalady.	chenkalady.bmq@seylan.lk	065 - 22 41 522	065 - 22 41 511
28	Chilaw	No 46, Kurunegala Rd, chilaw	chilaw.bmq@seylan.lk	032 - 22 22 121	032 - 22 23 279
29	Cinnamon Gardens	No 4, Baptist Chappel Rd, Colombo 07.	cinnamongardens.bmq@seylan.lk	011 - 26 94 966	112 - 68 37 25
30	Colombo Fort Branch	No 69, Janadhipathi Mw, Colombo 01	colombofort.bmq@seylan.lk	011 - 24 45 840	011 - 24 47 990
31	Colombo Gold Centre	Shop No.47 & 51,Colombo Gold Centre,Central Super Market,Pettah.	colombogoldcentre.bmq@seylan.lk	011 - 23 39 840	011 - 23 39 842
32	Wellawatta	No 30, Galle Rd, Colombo 06	wellawatte.bmq@seylan.lk	011 - 25 93 405	011 - 25 93 406
33	Dam Street	No 203, Dam Street, Colombo 11	damstreet.bmq@seylan.lk	011 - 23 90 980	011 - 23 47 138
34	Dambulla	No 601, Anuradhapura Rd, Dambulla.	dambulla.bmq@seylan.lk	066 - 22 83 022	066 - 22 83 023
35	Dankotuwa	No 20, Negombo Road, Dankotuwa	dankotuwa.bmq@seylan.lk	031 - 22 65 535	031 - 22 65 538
36	Deal Place	No. 02, Deal Place, Colombo 03	dealplace.bmq@seylan.lk	011 - 25 75 746	011 - 25 75 719
37	Dehiattakandiya	No 83/84, Main Street, Dehiattakandiya	dehiattakandiya.bmq@seylan.lk	027 - 22 50 034	027 - 22 50 268
38	Dehiwala	No 166D, Galle Rd, Dehiwala	dehiwela.bmq@seylan.lk	011 - 27 26 395	011 - 27 39 128

39	Dummalasuriya	No 128, Main Street, Dummalasuriya	dummalasooriya.bmq@seylan.lk	032 - 22 42 221	032 - 22 42 224
40	Embilipitiya	New Town Rd, Embilipitiya	embilipitiya.bmq@seylan.lk	047 - 22 30 340	047 - 22 30 342
41	Eppawala	No.114/B,Talawa Road,Eppawala.	eppawala.bmq@seylan.lk	025 - 22 49 923	025 - 22 49 922
42	Galenbidunuwewa	Kahatagasdigiliya Road,Galenbidunuwewa.	galenbidunuwewa.bmq@seylan.lk	025 - 22 58 778	025 - 22 58 777
43	Galle	No34,1st cross Street,, Talbot Town, Galle.	galle.bmq@seylan.lk	091 - 22 32 242	091 - 22 34 642
44	Gampaha	No 01J, Baudhaloka Mw, Gampaha	gampaha.bmq@seylan.lk	033 - 22 22 618	033 - 22 22 934
45	Gampola	No 44, Kandy Rd, Gampola	gampola.bmq@seylan.lk	081 - 23 52 741	081 - 23 52 740
46	Ganemulla	No 4/2,Kirindiwita Rd, Ganemulla	ganemulla.bmq@seylan.lk	033 - 22 60 230	033 - 22 60 737
47	Godagama	No.157/A,High Level Road,Godagama	godagama.bmq@seylan.lk	011 - 28 95 741	011 - 28 95 743
48	Gothatuwa (Kotikawatte)	No 31,Gothatuwa New Town , Angoda.	gothatuwa.bmq@seylan.lk	011 - 24 10 985	011 - 24 10 986
49	Grandpass	No 401, Prince Of wales Av, Colombo 14	grandpass.bmq@seylan.lk	011 - 23 31 726	011 - 23 47 774 / 011 - 24 40 117
50	Hambantota	No. 57A, Tissa Road, Hambantota.	hambantota.bmq@seylan.lk	047 - 22 20 507	047 - 22 20 519
51	Hasalaka	No, 95,96, Co-operative Society Building, Kandy Rd,Hasalaka	hasalaka.bmq@seylan.lk	055 - 22 58 325	055 - 22 58 234
52	Hatton	No.42, Dunbar Rd, Hatton.	hatton.bmq@seylan.lk	051 - 22 22 234	051 - 22 22 682
53	Havelock Town	No 164,166, Havelock Rd, Colombo 05	havelocktown.bmq@seylan.lk	011 - 25 96 550	011 - 25 97 498
54	Hikkaduwa	No.271,Galle Road,Hikkaduwa	hikkaduwa.bmq@seylan.lk	091 - 22 76 964	091 - 22 76 966
55	Hingurakgoda	No 13,14, Airport Rd, Hingurakgoda	hingurakgoda.bmq@seylan.lk	027 - 22 46 242	027 - 22 46 043
56	Homagama	No 94, High Level Rd, Homagama	homagama.bmq@seylan.lk	011 - 28 55 065	011 - 28 55 066
57	Horana	160/1/1, Rathnapura Rd, Horana	horana.bmq@seylan.lk	034 - 22 61 176	034 - 22 63 518
58	Ingiriya	No 23/1,Central Building, Padukka Rd, Ingiriya.	ingiriya.bmq@seylan.lk	034 - 22 69 754	034 - 22 69 900
59	Ja-ela	No 165 2/1,Colombo Rd, Ja-Ela	jaela.bmq@seylan.lk	011 - 22 37 421	011 - 22 37 416
60	Jaffna	No. 560-562, Hospital Rd, Jaffna	jaffna.bmq@seylan.lk	021 - 22 23 755	021 - 22 23 047
61	Kadawatha	No 28/B, Ganemulla Rd, Kadawatha	kadawatha.bmq@seylan.lk	011 - 29 25 594	011 - 29 25 596
62	Kaduruwela	No 824A,Main Street,Kaduruwela	kaduruwela.bmq@seylan.lk	027 - 22 25 319	027 - 22 25 321
63	Kalawanchikudy	No.225,Main Street,Kaluwanchikudi.	kalawanchikudy.bmq@seylan.lk	065 - 22 51 536	065 - 22 51 535
64	Kalmunai	No.159,Batticaloa Road,Kalmunai.	kalmunai.bmq@seylan.lk	067 - 22 25 841	067 - 22 25 843
65	Kalpitiya	No.73,Main Street,Kalpitiya.	kalpitiya.bmq@seylan.lk	032 - 22 60 012	032 - 22 60 803
66	Kalubowila	No 32,S De S jayasinghe MW, Kalubowila, Dehiwala	kalubowila.bmq@seylan.lk	011 - 28 22 944	011 - 28 22 870
67	Kalutara	No 338, Main street, Kalutara	kalutara.bmq@seylan.lk	034 - 22 25 035	034 - 22 23 033
68	Kamburupitiya	No. 05, Akuressa Road, Kamburupitiya	kamburupitiya.bmq@seylan.lk	041 - 22 92 555	041 - 22 93 555
69	Kandy	No 63, Kings Street Kandy	kandy.bmq@seylan.lk	081 - 22 33 763	22 32 322 - 22 34 805
70	Kantale	189, Agrabodhi Mw, Kanthale	kantale.bmq@seylan.lk	026 - 22 34 478	026 - 22 34 479
71	Katharagama	No.01,New Town,Kataragama.	katharagama.bmq@seylan.lk	047 - 22 36 247	047 - 22 36 248
72	Kattankudy	No 230, Main Street , Kattankudy	kattankudy.bmq@seylan.lk	065 - 22 46 625	065 - 22 46 696
73	Katugastota	No.81,Kurunegala Road, Katugasthota	katugastota.bmq@seylan.lk	081 - 24 98 778	081 - 22 12 871
74	Katunayaka	No 32,Dhammaloka Mw,Averiyawatte,Katunayake.	katunayake.bmq@seylan.lk	011 - 22 52 566	011 - 22 52 567
75	Katuneriya	No . 99/1,Chillaw Road.,Katuneriya.	katuneriya.bmq@seylan.lk	031 - 22 57 765	031 - 22 53 '149
76	Kegalle	No 112, Colombo Rd, Kegalle.	kegalle.bmq@seylan.lk	035 - 22 22 007	035 - 22 22 006
77	Kekirawa	No 06, Yakkala Rd, Kekirawa.	kekirawa.bmq@seylan.lk	025 - 22 64 590	025 - 22 64 592
78	Kelaniya	No.32,Kandy Road, Dalugama,Kelaniya	kelaniya.bmq@seylan.lk	011 - 29 87 321	011 - 29 87 323
79	Kilinochchi	No 77,79, Kandy Rd, Killinochchi.	kilinochchi.bmq@seylan.lk	021 - 22 85 310	021 - 22 85 311

80	Kiribathgoda	No 173,Kandy Rd, Kiribathgoda	kiribathgoda.bmq@seylan.lk	011 - 29 08 113	011 - 29 12 379
81	Kirindiwela	No 89, Gampaha Rd, Kirindiwela.	kirindiwela.bmq@seylan.lk	033 - 22 69 709	033 - 22 69 709
82	Kirulapone	280 B, High Level Road, Colombo 06.	kirulapone.bmq@seylan.lk	011 - 28 29 054	011 - 27 68 432
83	Kochchikade	No 66, Chilaw Rd, Kochchikade	kochchikade.bmq@seylan.lk	031 - 22 77 661	031 - 22 77 341
84	Koggala	09, Export Processing Zone Koggala Habaraduwa.	koggala.bmq@seylan.lk	091 - 22 83 390	091 - 22 83 389
85	Kollupitiya	No 428, R.a.De Mel Mw, Colombo 03	kollupitiya.bmq@seylan.lk	011 - 25 64 080	011 - 25 77 913 / 011 - 25 76 9'14
86	Kotahena	No 310,George R De Silva Mw, Colombo 13	kotahena.bmq@seylan.lk	011 - 24 47 041	011 - 23 99 660
87	Kotiyakumbura	No 05, Main street, Kotiyakumbura.	kotiyakumbura.bmq@seylan.lk	035 - 22 89 035	035 - 22 89 067
88	Kottawa	No 34,Nawsiri Building , High Level Rd, Kottawa	kottawa.bmq@seylan.lk	011 - 28 42 682	011 - 28 51 292
89	Kuliyapitiya	No 137, Hettipola Rd, Kuliyapitiya	kuliyapitiya.bmq@seylan.lk	037 - 22 81 450	037 - 22 81 451
90	Kurunegala	No 64, Colombo Rd, Kurunegala	kurunegala.bmq@seylan.lk	037 - 22 23 575	037 - 22 24 277
91	Maharagama	No 134 B, High Level Rd, Maharagama	maharagama.bmq@seylan.lk	011 - 28 41 997	011 - 28 50 649
92	Mahiyanganaya	13, Kandy Road-South,Mahiyanganaya	mahiyanganaya.bmq@seylan.lk	055 - 22 58 112	055 - 22 58 1'14
93	Malabe	No 11,Athurugiriya Rd , Malabe	malabe.bmq@seylan.lk	011 - 25 61 415	011 - 25 61 4'14
94	Manampitiya	No.9/B Main Street, Manampitiya	manampitiya.bmq@seylan.lk	060 - 22 79 171	027 - 22 24 455
95	Manipay	No 103,Jaffna Rd, Manipay.	manipay.bmq@seylan.lk	021 - 22 55 526	021 - 22 55 527
96	Mannar	No 54, Main Street ,Ward No.5, Mannar	mannar.bmq@seylan.lk	023 - 22 23 241	023 - 22 23 243
97	Maradagahamula	No 150, Divulapitiya Rd, Maradagahamula	maradagahamula.bmq@seylan.lk	031 - 22 46 377	031 - 22 46 378
98	Maradana	No 250, Sri Sangaraja Mw, colombo 10	maradana.bmq@seylan.lk	011 - 23 34 185	011 - 24 73 280 / 011 - 24 78 161
99	Matale	No 166-168, Main Street, Matale	matale.bmq@seylan.lk	066 - 22 32 934	066 - 22 32 935
100	Matara	No.58,Esplanade Road,Matara	matara.bmq@seylan.lk	041 - 22 21 181	041 - 22 23 064
101	Matugama	No.121,Agalawatta Road, Matugama.	mathugama.bmq@seylan.lk	034 - 22 47 544	034 - 22 47 091
102	Mawanella	No 1/3,New Kandy Rd, Mawanella.	mawanella.bmq@seylan.lk	035 - 22 46 007	035 - 22 46 989
103	Mawathagama	No 69/A,Kurunegala Rd, Mawathagama	mawathagama.bmq@seylan.lk	037 - 22 98 666	037 - 22 96 336
104	Medawachchiya	82/C,Jaffna Rd, Medawachchiya.	medawachchiya.bmq@seylan.lk	025 - 22 45 383	025 - 22 45 384
105	Meegoda	Meegoda Economic Centre Complex,Old Rd, Meegoda	meegoda.bmq@seylan.lk	011 - 28 30 820	011 - 28 30 820
106	Millenium Branch	Seylan Towers,No 90, Galle Rd, Colombo 03	millennium.bmq@seylan.lk	011 - 24 56 145	011 - 24 52 501
107	Minuwangoda	No 40, Cargills Building, Colombo Road, Minuwangoda.	minuwangoda.bmq@seylan.lk	011 - 22 99 004	011 - 22 99 005
108	Mirigama	No 70/1, Giriulla Rd, Mirigama.	mirigama.bmq@seylan.lk	033 - 22 73 001	033 - 22 73 000
109	Moneragala	94/3, New bus stand, Moneragala	monaragala.bmq@seylan.lk	055 - 22 76 212	055 - 22 76 164
110	Moratumulla	No.242 (330 & 330/1),De soysa Road,Moratumulla,Moratuwa.	moratumulla.bmq@seylan.lk	011 - 26 52 084	011 - 26 52 085
111	Moratuwa	No. 433, Galle Road, Rawathawatte, Moratuwa.	moratuwa.bmq@seylan.lk	011 - 26 56 902	011 - 26 56 901
112	Mount Lavinia	No 198, Galle Rd Ratmalana.	mountlavinia.bmq@seylan.lk	011 - 27 38 272	011 - 27 23 271
113	Mullativu	P W D Road,Mullativu	mullativu.bmq@seylan.lk	021 - 22 90 065	021 - 22 90 067
114	Narammala	150, Kurunegala Road, Narammala	narammala.bmq@seylan.lk	037 - 22 48 764	037 - 22 48 745
115	Nawala	No 48/A, Narahenpita Rd, Nawala	nawala.bmq@seylan.lk	011 - 28 06 727	011 - 28 05 779
116	Nawalapitiya	No 02, Baily Rd. Nawalapitiya	nawalapitiya.bmq@seylan.lk	054 - 22 22 056	054 - 22 23 832
117	Negombo	No 141, Rajapakse Braodway, Negombo	negambo.bmq@seylan.lk	031 - 22 24 302	031 - 22 24 335
118	Nelliyady	No 149,Point Pedro Rd, Nelliady.	nelliyady.bmq@seylan.lk	021 - 32 05 961	021 - 22 64 966
119	Nittambuwa	NO 195/1, Colombo Rd Nittambuwa.	nittambuwa.bmq@seylan.lk	033 - 22 95 270	033 - 22 96 650

120	Nochiyagama	No.411,Puttalam Road,Nochiyagama.	nochiyagama.bmq@seylan.lk	025 - 22 57 220	025 - 22 57 324
121	Nugegoda	211, High Level Rd, Nugegoda.	nugegoda.bmq@seylan.lk	011 - 28 15 094	011 - 28 11 182
122	Nuwara Eliya	No 48, Park Rd, Nuwara Eliya.	nuwaraeliya.bmq@seylan.lk	052 - 22 23 026	052 - 22 23 002
123	Old Moor Street	No. 315-317, Old Moor Street, Colombo 12	oldmoorstreet.bmq@seylan.lk	011 - 24 21 483	011 - 23 31 774
124	Padaviya	"Vidushi Building" Bandaranayake Junction,Padaviya.	padaviya.bmq@seylan.lk	025 - 22 53 003	025 - 22 53 016
125	Pallekele	Kandy Industrial Park,BOI,Pallekele	pallekele.bmq@seylan.lk	081 - 24 23 958	081 - 24 23 135
126	Panadura	No 372, Galle Rd, Panadura	panadura.bmq@seylan.lk	038 - 22 33 172	038 - 22 35 304
127	Pannala	No 22, Negombo Rd., Pannala	pannala.bmq@seylan.lk	037 - 22 45 532	037 - 22 45 536
128	Pelmadulla	No 17, Galwatta Rd, Pelmadulla	pelmadulla.bmq@seylan.lk	045 - 22 75 625	045 - 22 75 527
129	Pettah	No 96, Main Street,Colombo 11	pettah.bmq@seylan.lk	011 - 23 37 823	011 - 23 37 826
130	Piliyandala	No 07 Old Road,Piliyandala.	piliyandala.bmq@seylan.lk	011 - 26 04 982	011 - 26 04 983
131	Pitakotte	143A, Pagoda Road, Pitakotte.	pitakotte.bmq@seylan.lk	011 - 28 27 871	011 - 28 27 873
132	Polonnaruwa	Lake View Building Polonnaruwa.	polonnaruwa.bmq@seylan.lk	027 - 22 23 168	027 - 22 23 169
133	Pothuwil	Main Street,Pothuwil	pothuvil.bmq@seylan.lk	063 - 22 48 515	063 - 20 50 846
134	Pussellawa	No.429,Nuwara Eliya Road,Pussellawa	pussellawa.bmq@seylan.lk	081 - 24 78 131	081 - 24 78 135
135	Puttalam	No. 14, Kangani Kulam Street, Puttalam.	puttalam.bmq@seylan.lk	032 - 22 65 194	032 - 22 65 469
136	Raddalugama	171, National Housing scheme, Raddalugama.	raddalugama.bmq@seylan.lk	011 - 22 92 778	011 - 22 92 372
137	Ranpokunagama	No 01, Maduwegedara , Nittambuwa.	ranpokunugama.bmq@seylan.lk	033 - 22 82 242	033 - 22 82 241
138	Ratnapura	No.06, Goodshed Rd, Ratnapura.	ratnapura.bmq@seylan.lk	045 - 22 23 111	045 - 22 22 111
139	Rideegama	No.02,Dodangaslanda Road,Rideegama	rideegama.bmq@seylan.lk	037 - 22 52 690	037 - 22 52 692
140	Ruwanwella	No 88, Main street, Ruwanwella	ruwanwella.bmq@seylan.lk	036 - 22 67 445	036 - 22 67 447
141	Sammanthurai	No. 113,Hijra Junction,Ampara 1st Lane,Sammanthurai	sammanthurai.bmq@seylan.lk	067 - 22 61 284	067 - 22 61 285
142	Sarikkalimulla	No 97, Old Galle Rd, Sarikkamulla , Panadura.	sarikkamulla.bmq@seylan.lk	038 - 22 35 265	038 - 22 33 082
143	Siyambalanduwa	Ampara Junction, Siyabalanduwa.	siyambalanduwa.bmq@seylan.lk	055 - 22 79 138	055 - 22 79 139
144	Soysapura	No.05, Angulana Junction, Katubedda, Moratuwa	soysapura.bmq@seylan.lk	011 - 26 22 756	011 - 26 12 003
145	Thalawakele	No 10, Kotmale Rd, Thalawakele	thalawakale.bmq@seylan.lk	052 - 22 58 638	052 - 22 58 639
146	Tissamaharama	No 169, Kachcheryyagama, Hambantota Road, Tissamaharama	tissamaharama.bmq@seylan.lk	047 - 22 37 161	047 - 22 37 163
147	Trincomalee	No 289, Central Rd, Trincomalee.	trincomalee.bmq@seylan.lk	026 - 22 27 701	026 - 22 27 701
148	Udappu	Division No 6, Main Street,Udappu.	udappuwa.bmq@seylan.lk	032 - 22 58 830	032 - 22 58 848
149	Vavuniya	No 45, 2nd cross Street , Vavuniya.	vavuniya.bmq@seylan.lk	024 - 22 22 633	024 - 22 22 933
150	Veyangoda	No 95, Negombo Road, Veyangoda	veyangoda.bmq@seylan.lk	033 - 22 95 050	033 - 22 95 051
151	Wadduwa	14,Station Road, Wadduwa.	wadduwa.bmq@seylan.lk	038 - 22 94 672	038 - 22 94 325
152	Warakapola	No 192, Main Street, Warakapola.	warakapola.bmq@seylan.lk	035 - 22 67 628	035 - 22 67 123
153	Wattala	No 276, Negombo Rd, Wattala	wattala.bmq@seylan.lk	011 - 29 33 589	011 - 29 31 603
154	Welimada	No. 107, Nuwara Eliya Rd, Welimada	welimada.bmq@seylan.lk	057 - 22 45 617	057 - 22 45 350
155	Weliweriya	No 477/20/15 Edwin Estate, Main Street, Weliweriya.	weliweriya.bmq@seylan.lk	033 - 22 55 021	033 - 22 55 355
156	Wennappuwa	No. 17/1, Chilaw Road, Wennappuwa	wennappuwa.bmq@seylan.lk	031-22-62967	031-22 62965
157	Wijerama	No.675/1,High Level Rd, Wijerama.	wijerama.bmq@seylan.lk	011 - 28 03 001	011 - 28 03 155
158	Yakkala	No184,Kandy Rd, Yakkala	yakkala.bmq@seylan.lk	033 - 22 26 378	033 - 22 33 527
159	Yatiantota	No 51/1/2, Ginigathhena Rd, Yatiantota.	yatiantota.bmq@seylan.lk	036 - 22 71 480	036 - 22 71 481
160	Peradeniya	No.670,Peradeniya Road, Kandy.	peradeniya.bmq@seylan.lk	081-2068041	081-2068044

161	Pilimathalawa	No.225, Colombo Road, Pilimathalawa.	pilimathalawa.bmq@seylan.lk	081-2069706	081-2069709
162	Employment Bureau Center*	109, Main Street, Battaramulla	ebc@seylan.lk	011-3301114	-
163	Karapitiya	No 108A, Karapitiya, Galle	karapitiya.bmq@seylan.lk	091-2222537	091-2222539
164	Matara Bazaar- Kotuwegoda	No 167/A, New Tangalle Road, Kotuwegoda, Matara	matarabazaar.bmq@seylan.lk	041-2238395	041-2238397
165	Chunnakam	No 130, Ponnambalam Ramanathan Road, Chunnakam	chunnakam.bmq@seylan.lk	021-2242901	021-2242904
166	Mutwal	No677, Aluthmawatha Road, Clombo 15	mutwal.bmq@seylan.lk	011-2524138	011-2524248

ANNEXURE – III COLLECTION POINTS

COPIES OF THE PROSPECTUS CAN BE OBTAINED FREE OF CHARGE FROM THE FOLLOWING COLLECTION POINTS

Managers to the Issue

People's Bank -Investment Banking Unit

13th floor, No 75,
Sir Chittampalam Gardiner Mw,
Colombo 02.
T: +94 11 2206795-6
F: + 94 11 2458842

Capital Alliance Partners Limited

Level 5, "Millennium House",
46/58, Navam Mawatha,
Colombo 02.
T: +94 11 2317777
F: +94 11 2317788

Placement agent to the Issue

Kenanga Investment Corporation Ltd.

No.385, 4th Floor Landmark Building,
Galle Road,
Colombo 03.
T: +94 11 5238441
F: +94 11 5238442

Bankers to the Issue

Seylan Bank PLC

Millennium Branch,
"Seylan Towers",
No.90, Galle Road,
Colombo 03.
T: +94 11 2456103, 11 2456135, 11 2456145
F: +94 11 2452506, 11 2452501

Registrars to the Issue

SSP Corporate Services (Pvt) Ltd

No 101,
Inner Flower Road,
Colombo 03.
T: 94 11 2573894
F: 94 11 2573609

MEMBERS OF THE CSE

Bartleet Religare Securities (Pvt) Limited

Level "G", "Bartleet House",
65, Braybrooke Place, Colombo 2.
Tel:+94 11 5 220 200
Fax: +94 11 2 434 985

Acuity Stockbrokers (Pvt) Ltd

No. 53, Dharmapala Mawatha, Colombo 3.
Tel: +94 11 2 206 206
Fax: +94 11 2 206 298 / 9

John Keells Stock Brokers (Pvt) Ltd

186, Vauxhall Street,
Colombo 2.
Tel: +94 11 2 342066-7,
+94 11 2 306250
Fax: +94 11 2 342068

Asha Phillip Securities Ltd

2nd Floor,
Lakshmans Building,
No. 321, Galle Road,
Colombo 03.
Tele : +94 11 2 429 100
Fax : +94 11 2 429 199

Assetline Securities (Pvt) Ltd.

No.120, 120A, Pannipitiya Road,
Battaramulla.
Tel: +94 11 4 700 111
Fax: +94 11 4 700 101, +94 11 4 700 112

Somerville Stockbrokers (Pvt) Ltd.

137, Vauxhall Street,
Colombo 2.
Tel: +94 11 2 329 201-5, 2 332 827, 2 338
292-3
Fax: +94 11 2 430 829

J B Securities (Pvt) Ltd.

150, St. Joseph Street,Colombo 14.
Tel:+94 11 2 490 900
Fax: +94 11 2 446 085, +94 11 2 447 875

Lanka Securities (Pvt) Ltd

228/1, Galle Road,
Colombo 04.
Tel:+94 11 4 706 757, 2 554 942
Fax:+94 11 4 706 767

Asia Securities (Pvt) Ltd

2nd Floor,
No 176/1 - 2/1, Thimbirigasyaya Road,
Colombo 05.
Tel:+94 11 7 722 000
Fax : +94 11 2584864

Nation Lanka Equities (Pvt) Ltd.

44, Guildford Crescent,
Colombo - 07.
Tel:+94 11 4 889 061-3, +94 11 2 684 483
Fax:+94 11 2 688 899

Capital Trust Securities (Pvt) Ltd

42, Mohamed Macan Markar Mawatha,
Colombo 3.
Tel:+94 11 2 174 174, +94 11 2 174 175
Fax:+94 11 2 174 173

S C Securities (Pvt) Ltd.

5th Floor, 26 B, Alwis Place,
Colombo 3.
Tel:+94 11 4 711 000 / +94 11 47 11 001
Fax:+94 11 2 394 405

CT CLSA Securities (Pvt) Limited

4-14, Majestic City, 10, Station Road,
Colombo 4.
Tel. +94112552290-4,Fax: +94 11 2 552 289

First Capital Equities (Pvt) Limited.

No.347/1/1, Dr. Colvin R De Silva Mawatha,
Colombo 02.

Tel:+94 11 2 145 000

Fax:+94 11 5 736 264

NDB Securities (Private) Limited.

5th Floor, NDB Building, 40, Navam Mawatha,
Colombo 2.

Tel:+94 11 2 314 170 to 2 314 178, +94 11 2
131 000

Fax:+94 11 2 314 181

TRADING MEMBERS**Capital Alliance Securities (Pvt) Ltd**

Level 5, "Millennium House",
46/58 Nawam Mawatha,
Colombo 2.

Tel:+94 11 2 317 777

Fax:+94 11 2 3177 88

LOLC Securities Limited

No. 481, T.B.Jayah Mawatha,Colombo 10.

Tel: +94 11 5889889

Fax: +94 11 2662883

SMB Securities (Pvt) Ltd

No. 102/1, Dr. N.M. Perera Mawatha (formerly
Cotta Road)
Colombo 8.

Tel: +94 11 4 388 138

Fax: +94 11 2670294

Enterprise Ceylon Capital (Private) Limited

27th Floor, East Tower,
World Trade Centre, Echelon Square,
Colombo 1

Tel: +94 11 2 333 000, +94 11 2 147 147

Fax: +94 11 2 333 383

First Guardian Equities (Pvt) Ltd

32nd Floor, East Tower, World Trade Centre,
Colombo 1.

Tel: +94 11 5 884 400 (Hunting)

Fax: +94 11 5 884 401

TKS Securities (Pvt) Ltd.

4th Floor,
No. 245, Dharmapala Mawatha,
Colombo 7.

Tel: +94 11 7 857 799

Fax: +94 11 7 857 857

Taprobane Securities (Pvt) Ltd.

2nd Floor,
No. 10, Gothami Road,
Colombo 08.

Tel: +94 11 5 328 200, +94 11 5 328 100

Fax: +94 11 5 328 177

E-mail: info@taprobane.lk

Richard Pieris Securities (Pvt) Ltd.

No. 55/20, Vauxhall Lane, Colombo 02.

Tel: +94 11 7 448 900 , +94 11 5 900 800

Fax: +94 11 2 330 711

Candor Equities Ltd

Level 8, South Wing,
Millennium House,
46/58 Nawam Mawatha,

Colombo 02.Tel: +94 11 2 359 100 Fax: +94
11 2305 522

Claridge Stockbrokers (Pvt) Ltd

No.10 Gnanartha Pradeepa Mawatha,
Colombo 8.

Tel: +94 11 2 697 974

Fax: +94 11 2 689 250

Navara Securities (Pvt) Ltd

No. 25-2/1, Milepost Avenue,
Colombo 3.
Tel: +94 11 2 358 700 / 20
Fax: +94 11 5 005 551

Softlogic Stockbrokers (Pvt) Ltd

No.06, 37th Lane,
Queens Road,
Colombo 03.
Tel: +94 11 7 277 000
Fax: +94 11 7 277 099

TRADING MEMBERS - DEBT**First Capital Markets Limited**

No. 2, Deal Place,
Colombo 3.
Tel: +94 11 2 639 898, +94 11 2 681 888
Fax: +94 11 2 639 899, + 94 11 2 576 866

NSB Fund Management Company Limited

No 255, 1st Floor, NSB Head Office,
Galle Road,
Colombo 3.
Tel: +94 11 2 565 956, +94 11 2 565 957
Fax: +94 11 2 574 387

Capital Alliance Limited

Level 5, "Millenium House"
46/58, Nawam Mawatha, Colombo 2.
Tel: +94 11 2317777
Fax: +94 11 2317788

Acuity Securities Limited

4th Floor,
No. 53, Dharmapala Mawatha,
Colombo 3.
Tel: +94 11 2 206 280
Fax: +94 11 2 206 290

Wealthtrust Securities Limited

No. 32, Castle Street,
Colombo 08.
Tel: +94 11 2 675 091-4
Fax: +94 11 2689605

Natwealth Securities Limited

Prince Alfred Tower,
No. 10-1/1, Alfred House Gardens,
Colombo 3.
Tel: +94 11 4716274
Fax: +94 11 4645776

Perpetual Treasuries Limited

Level 3, Prince Alfred Tower,
No 10, Alfred House Gardens,
Colombo 3.
Tel: +94 11 2206123, +94 11 2206107
Fax: +94 11 2206110

Commercial Bank of Ceylon PLC

Commercial House,
No. 21, Sir Razik Fareed Mawatha,
Colombo 1.
Tel: 94 11 2 486 334
Fax: + 94 2 384 650

ANNEXURE IV - CUSTODIAN BANKS

Bank of Ceylon

Head Office,
11th Floor,
04, Bank of Ceylon Mawatha,
Colombo 01
Tel: 011 2317777, 011 2448348

Citi Bank N.A

65 C, Dharmapala Mawatha,
P.O. Box 888,
Colombo 07
Tel: 011 244 7316/8, 011 244 7318, 011 244
9061,
011 232 8526, 011 479 4700

Commercial Bank of Ceylon PLC

Commercial House,
21, Bristol Street,
P.O. Box 853,
Colombo 01
Tel: 011 244 5010-15, 011 238 193-5

People's Bank

Head Office, 5th Floor,
Sir Chittampalam A Gardiner Mawatha
Colombo 02
Tel: 011 278 1481, 011 2446316

Pan Asia Banking Corporation PLC

450, Galle Road
Colombo 03
Tel: 011 2 565565

Sampath Bank PLC

110, Sir James Peiris Mawatha,
Colombo 02
Tel: 011 533 1458

Seylan Bank PLC

Level 8, Seylan Towers,
90, Galle Road,
Colombo 03
Tel: 011 245 6789, 011 470 1812

Deutsche Bank AG

P.O. Box 314
No. 86, Galle Road,
Colombo 03
Tel: 011 244 7062, 011 243 8057

Hatton National Bank PLC

HNB Towers,
479, T.B. Jayah Mawatha,
Colombo 10
Tel: 011 266 4664

Nations Trust Bank PLC

242, Union Place,
Colombo 02
Tel: 0114 313131

National Savings Bank

Savings House
255, Galle Road, Colombo 03
Tel: 5 730081-5

Standard Chartered Bank

37, York Street,
P. O. Box 112,
Colombo 01
Tel: 011 479 4400, 011 248 0000

State Bank of India

16, Sir Baron Jayathilake Mawatha,
Colombo 01
Tel: 011 232 6133-5, 011 243 9405-6

Union Bank Colombo PLC

No 15A, Alfred Place,
Colombo 03
Tel: 011 2 370 870

The Hong Kong and Shanghai Banking Corporation Limited

24, Sir Baron Jayathilake Mawatha,
Colombo 01
Tel: 011 232 5435, 011 244 6591