

Foreign Exchange Transactions

A foreign exchange ("FX") transaction involves the buying or selling of one currency against another with Nations Trust Bank for an agreed-upon amount of currency at a specified rate. Transactions can be settled either by physical delivery of currency or through net settlement on a pre agreed settlement date provided such netting arrangements are pre-agreed with the bank.

Foreign Exchange transactions can be broadly categorized based on the settlement date as follows;

- **Settlement value Cash** - Transactions settled on the same day
- **Settlement value Tom** - Transactions settled one business day later
- **Settlement value Spot** - Settled on the second business day after the
 deal date (except for CAD)
- **Settlement value Forward** - Settled on any business day after spot date.

Customers entering into a forward foreign exchange transaction must make specific arrangements with the bank, and the offering of such a product is only subject to the bank's internal approvals.

These foreign exchange transactions are governed by the regulations of the Central Bank of Sri Lanka and are offered to customers by Nations Trust Bank as a Licensed Commercial Bank. Transactions are permitted for customers to manage underlying exposures or for regulatory permissible activities, subject to market rates and liquidity. The bank reserves the right to decline entering into a foreign exchange transaction with a Customer and any point in time and is not compelled to facilitate such transactions.

In a Foreign Exchange transaction the customer agrees to buy / sell a particular amount of currency against another currency on a pre agreed value date at an agreed exchange rate.

Transaction Process

Completion of bank's foreign exchange transaction application form or transaction confirmation may take a physical or electronic form, or alternatively, be executed through the bank's electronic platforms or applications.

The bank may require the Customer to submit documentary proof of underlying exposure if required, to satisfy itself and/or comply with regulations of the Central Bank of Sri Lanka.

All transactions are subject to exchange control regulations issued by the Central Bank of Sri Lanka and Nations Trust Bank's internal policies and procedures. Customers may also be required to also complete relevant exchange control-related documentation or provide declarations as needed. The bank reserves the right to request additional information to verify the bona fide of the transaction or reject a transaction without providing further explanation to the Customer.

The execution of Foreign Exchange transactions may be recorded via phone conversation or any other form of electronic means. The bank will not provide notice of such recording or archival procedures before entering into each transaction. Such recordings, audit trails or logs may be used for the purpose of resolving disputes between parties, investigations, regulatory submissions, or any other activity deemed appropriate by the bank at a later date.

Customers may engage in transactions with the bank at exchange rates published on the bank's rate sheet or at a rate agreed upon with an authorized staff member. Transactions may be initiated before the Customer provides the bank with written or authenticated instructions. The execution of such transactions is contingent upon the bank receiving instructions and other documentation satisfactory to the bank. In the event that the bank cannot process such a transaction due to discrepant documentation or any other reason, the bank may need to cancel such agreed transactions with the Customer. Any losses arising from such cancellations will be borne by the Customer and the bank will not refund any gains resulting from the cancellation of such foreign exchange transactions to the Customer.

Forward foreign Exchange contracts are not part of the bank's generic product offering. Customers wishing to enter into forward foreign exchange transactions should contact their Relationship Manager or Treasury Sales Person and may require the execution of additional documentation.

Charges and Fees associated with entering into foreign exchange or related transactions will be as published by the bank from time to time. Standard/pre-agreed tariffs applicable for processing transactions such as fund transfer charges, SWIFT message

processing fees, trade bill processing charges, commissions, discounts, etc., will be levied.

Potential Risk

Entering in foreign exchange transactions carries financial risk for the Customer due to potential adverse changes in foreign exchange rates which are subject to change without prior notice. Customers should ensure that their transactions serve the purpose of managing exposures or risks, and comply with regulations issued by the Central Bank of Sri Lanka. The bank, at its discretion, may cancel or terminate outstanding transactions, charging any resulting losses to the Customer. Customers may request to the cancellation or rollover of existing contracts before the maturity date, with any losses incurred charged to the Customer. However, to prevent speculation in foreign exchange contracts, gains resulting from such cancellations will not be credited to the Customer and will be withheld by the bank.

Cancellation of transactions will be at the discretion of the bank at the rates prevailing and accessible to the bank at the time of cancellation and may not be subject to negotiation with the Customer. In the event there is a loss arising out of such cancellations, such losses will be charged to the customer whereas gains arising out of such transactions will not be passed on to the Customer.

Customers should be aware that historic rates on rollovers are not permitted, and all rollovers will be executed at rates prevailing at the time of rollover. Rollover of an existing transaction is only possible if the request is made before maturity and is subject to the bank's internal approvals and regulatory approval.

Complaint Handling Procedure

Customers can address their complaints regarding FX transactions to the following officers of the bank.

1. Your respective relationship manager
2. The Manager Customer Experience, Nations Trust Bank, Head Office. 242, Union Place, Colombo
 - Mobile - 0772 240 366
 - The banks customer service email-customerservice@nationstrust.com

Alternatively, use the following link-<https://www.nationstrust.com/we-value-your-feedback>

- In addition to the specific Terms & Conditions contained herein, all general Terms and Conditions applicable to the Foreign Exchange Transactions will be governed as per ISDA Master Agreement, term sheet or confirmation executed between the Bank and the Customer or any other document executed in lieu of same and the General Business Conditions of the Bank.
- Types of Fees and other bank charges which may be subject to change from time to time shall be published on the official website of the Bank.
- In the event of any inconsistency between the English, Sinhala and Tamil texts of this document, the English text shall prevail.