

The following terms and conditions will govern all Nations Business Investment Plan accounts (hereinafter sometimes referred to as "NBIP accounts")_opened and maintained at Nations Trust Bank PLC –PQ118 (hereinafter referred to as the "Bank")

Account Opening

1. A NBIP account may be opened by any person over the age of 18 years, by a company or by two or more as partners of a firm or otherwise as approved by the Bank (hereinafter referred to as the "Customer"), on positive identification through the standard identity verification process adopted by the Bank, on completion of the Bank's account opening documentation and the provision of all documentation required for account opening.
2. Simultaneously with the opening of the NBIP account and provided that the Customer does not have an existing current account at the Bank, the Customer will be required to open a current account at the Bank in accordance with the Bank's standard current account opening procedures (hereinafter referred to as the "Current Account").
3. A NBIP account shall be opened with an initial minimum deposit of Rs. 10,000.00 or such other amount as the Bank may decide from time to time in its absolute discretion.
4. Every account opened in terms hereof will be given a number which must be quoted in all correspondence with the Bank and on all deposit slips. The Bank reserves the right to change the number so given with notice to the Customer.

Maturity Target Amount & Maturity Date

5. A NBIP account can be opened with a minimum Maturity Target Value of Rs. 250,000.00 and a maximum Maturity Target Value of Rs. 5,000,000.00. "Maturity Target Value" means the amount which the Customer contracts with the Bank to receive on the Maturity Date under the Nations Business Investment Plan (hereinafter referred to as the "Investment Plan"), subject to the Bank's terms and conditions. "Maturity Date" means the date on which the Customer will receive the Maturity Target Value under the Investment Plan, subject to the Bank's terms and conditions
6. The Customer can choose to achieve the Maturity Target Value in a minimum period of 2 years and a maximum period of 5 years or such other period as the Bank may specify and allow from time to time.
7. The Customer must at the time of opening an NBIP account, choose the Maturity Target Value and the Maturity Date on which the Customer wishes to receive the Maturity Target Value under the Investment Plan, by indicating the same in the NBIP account opening form. At the time of opening the NBIP account, the Bank will compute and advise the monthly installment the Customer is required to deposit into the NBIP account and the due date of the said installment, in order to be eligible to receive the Maturity Target Value on the Maturity Date chosen by the Customer, subject to the Bank's terms and conditions. Installment, in order to be eligible to receive the Maturity Target Value on the Maturity Date chosen by the Customer, subject to the Bank's terms and conditions.

Installments

8.
 - a. The monthly installment is computed by the Bank by taking into account the initial deposit, Maturity Target Value, investment period and the contracted interest rate. Provided however that the initial monthly installment will be not less than Rs 10,000.00.
 - b. The Customer undertakes and agrees to deposit into the NBIP account the monthly installment in full as specified by the Bank, on or before the due date specified by the Bank. Depositing the monthly installment in full, on or before the due date each month until the Maturity Date is mandatory in order to be eligible to receive the Maturity Target Value chosen by the Customer. In the event the Customer fails to deposit the monthly installment in full on or before the due date each month as specified by the Bank the Customer will not receive the Maturity Target Value on the Maturity Date.
9. Subject to the provisions of clause 10 below, only cash and cheques drawn in the name of the Customer will be accepted as deposits into the NBIP account provided however that in the case of cheques drawn on other banks, the installment amount shall be deemed to have been deposited into the NBIP account only on the date the cheques are realized and funds credited to the NBIP account.
10. The Customer may be required at the time of opening the NBIP account to provide standing instructions from a bank account maintained at the Bank to the NBIP account, for the payment of the monthly installments in terms hereof.

Interest & Payment on Maturity

11. Interest at the rates fixed by the Bank at the time of opening the NBIP account shall be calculated on the daily balance in the NBIP account and credited to the NBIP account monthly until the Maturity Date. The Bank shall have the right to change or vary interest rates if it deems necessary to do so.
12. In the event the Customer deposits more than the monthly installment amount specified by the Bank under the Investment Plan or multiples of the said installment at any given time during the tenure of the Investment Plan, the Bank reserves the right in its discretion to compute interest at a lower rate on the amount in excess of the specified monthly installment or to withhold interest payment altogether on the said excess amount with notice being given to the Customer.
13. On the Maturity Date the Bank will pay the Customer the Maturity Target Value less taxes, other statutory levies that may be payable on the Maturity Date or during the period of the investment as required by law, all outstanding dues and other charges (if any) due under the overdraft facility provided to the Customer in terms hereof, provided that the Customer shall have at all times complied with all of the terms and conditions stipulated herein.
14. Customers must complete the statutory declaration of their tax status and resident status on account opening forms as required by the Department of Inland Revenue. Withholding tax or any other tax payable on interest payments will be deducted by the Bank monthly or otherwise as stipulated by the Department of Inland Revenue or other such Authority designated by law for such purpose. The Bank has the right to recover unpaid withholding taxes from the Customer at any time without notice to the Customer, if subsequently claimed by the relevant authority.

15. Withdrawals by the Customer will not be permitted from the NBIP account before the Maturity Date except as provided in clause 23 below.

Overdraft Facility

16. The Bank may subject to the provisions of clause 18 below, afford to the Customer an overdraft facility subject to the Bank's terms and conditions (the "overdraft facility"), with a minimum limit of Rs 100,000.00, on the Current Account and up to 50% of the value of the available balance in the NBIP account, at an interest rate to be decided by the Bank. However, in order to be eligible for an overdraft facility, the Customer must have a minimum available balance of Rs 200,000.00 in the NBIP account.
17. The Bank reserves the right to liquidate the NBIP account any time prior to the Maturity Date in the event the overdraft exceeds the authorized limit as aforesaid.
18. The provision of the overdraft facility as aforesaid will be subject to the condition that the account balance in the NBIP account has not been provided as security for another banking facility remaining unsettled by the Customer.

Maturity Date

19. In the event of:

- a) demise of a Customer who is an individual,
- b) dissolution of a sole proprietorship, partnership or club/society/association by operation of law, or
- c) dissolution of a company by winding up, liquidation or by any other mode(s) in accordance with applicable law.

Prior to the Maturity Date, the Investment Plan and the overdraft facility will stand terminated and the balance in the NBIP account as at the date of demise or dissolution of the Customer (as the case may be) including the principal sums invested and all accrued interest under the Investment Plan, less taxes, statutory levies, all outstanding dues and other charges (if any) payable by the Customer under the overdraft facility, (final settlement value), will be paid by the Bank in accordance with applicable law.

20. In the case of an individual Customer, he may nominate a beneficiary(ies) to whom the final settlement value may be paid in the event of the demise of the Customer, prior to the Maturity Date, by completing a nomination form at the time of opening the NBIP account or at any time thereafter in accordance with applicable law and terms and conditions of the Bank.

CONSEQUENCES OF DEFAULT BY THE CUSTOMER

21. In the event the Customer defaults in making payment of any 2 installments on the due date, the Bank, with notice to the Customer reserves the right to terminate the Investment Plan at any given time thereafter and subject to clauses 22, 24 and the General Business Conditions of the Bank applicable to customer accounts, to:-
- a) Close the NBIP account and pay to the Customer the principal sums invested together with accrued interest up to the time of such termination less taxes and statutory levies payable by the Customer and account closing charges.
- OR
- b) Close the NBIP account and transfer the balance in the NBIP account including the principal sums invested together with accrued interest upto the time of such termination, less taxes and statutory levies payable by the Customer and account closing charges, to a Business Current Account opened in the name of the Customer which will thereafter be subject to and governed by the terms and conditions governing Business Current Accounts.
- OR
- c) Continue to maintain the NBIP account and pay the principal sums invested together with accrued interest on the Maturity Date (which will not be the Maturity Target Amount) less taxes and statutory levies payable by the Customer.
22. In the event of a closure of the NBIP account in the manner set out in clause 21 above or the continuation of a NBIP account as envisaged in clause 21 sub clause c) above, the Bank shall subject to the Banks terms and conditions, terminate the overdraft facility and recover all taxes, statutory levies and all outstanding dues and other charges (if any) payable by the Customer under the overdraft facility and the same will be payable by the Customer on first demand made by the Bank.
23. Customers will not be permitted to close the NBIP account and/or withdraw in full or in part, the balance therein before the Maturity Date, except in exceptional circumstances and at the absolute discretion of the Bank. In the event the Bank permits the Customer to close the NBIP account before the Maturity Date, the Bank shall, subject to the Banks terms and conditions, pay to the Customer the principal sums invested together with the accrued interest up to the time of termination, less taxes, statutory levies, all outstanding dues and other charges (if any) payable by the Customer under the overdraft facility and account closing charges.
24. In the event that an Investment Plan is terminated and the NBIP account is closed whether by the Bank or by the Customer, under any of the situations enumerated under clauses 21 or 23 above, the Bank will charge a penalty of 50% from the total accrued interest in the NBIP account at the time of closure of the NBIP account and the Bank will also be entitled to pay interest on the principal sums invested in the NBIP account at a lower rate than the contracted interest rate which will be decided at the discretion of the Bank at the time of such closure.
25. The Bank reserves the right to terminate the Investment Plan and close any NBIP account at any time in its discretion after giving 2 months' notice in writing to the last known address of the Customer.. In the event the Bank terminates the Investment Plan before the Maturity Date and/or closes the NBIP account under this clause, the Bank shall, subject to the Banks terms and conditions pay to the

Customer the principal sums invested together with accrued interest up to the date of such termination, less taxes, statutory levies, outstanding dues and other charges (if any) payable by the Customer under the overdraft facility.

26. A notification of investment setting out the details of the Investment Plan chosen by the Customer will be issued to the Customer at the time of account opening. No passbook will be issued to the Customer.
27. The Bank will provide the Customer with bi annual statements of the NBIP account. However, the Bank, with notice to the Customer reserves the right to vary the frequency of statements provided to the Customer at its discretion.
28. The Bank must be advised if the statement of account is not received within 15 days from the due date of receipt of the statement (i.e 30 June and 31 December of each year). The Customer agrees to examine each statement of account received from the Bank to ensure correctness of entry. Any errors should be notified to the Bank within 21 days from receipt of the statement.
29. The Customer is responsible for preserving copies of the Customer's statements. Should copies of statements be requested from the Bank, the Bank reserves the right to levy charges for providing this service in accordance with its published tariff.
30. The Bank will not send separate customer advices by mail for cash or cheques deposited to the account unless so done at the Bank's discretion.
31. The Bank should be advised promptly in writing of any change of address of the Customer
32. The Customer shall not assign, transfer or mortgage any of the Customer's rights or liabilities under the NBIP account, except as specified under these terms and conditions and the Bank shall not be bound by or be responsible for any loss resulting directly or indirectly from such transaction.
33. Notwithstanding anything to the contrary stated herein the Customer hereby consents and authorizes to the Bank to , combine or consolidate the Customer's NBIP account with any other account of the Customer or with any liabilities of the Customer to the Bank and set-off or transfer any sum/s standing to the credit of the NBIP account against any other sum/s owing from the Customer to the Bank on any other account or in any other respect whether such liabilities be actual or contingent, primary or collateral and several or joint.
34. The Bank reserves to itself the right to alter, amend or add to these terms and conditions at any time in its discretion and any such alteration, amendment or addition shall be binding on the Customer. Notice of such alterations, amendments and/or additions may be sent to the Customer by post and /or given in the local press and/or displayed on the notice board at the Bank's branches and/or sent through statement messages. Any notice hereunder sent by post will be deemed to have been received by the Customer within 7 days of posting to the last recorded address of the Customer. Notice so given to the Customer shall be deemed sufficient and proper notice and shall be binding on the Customer.
35. These terms and conditions will automatically stand amended if such amendments are necessitated by law.
36. If this document is signed by or on behalf of two or more persons not being on behalf of a company but as partners of a firm or otherwise, the authorizations and the undertakings contained herein shall be given or assumed by each such person jointly and severally.

37.

a) If this document is signed by an individual as a sole proprietor, such person hereby undertakes to advise the Bank of any changes that may take place in his firm.

b) if this document is signed by two or more persons as partners of a firm, each such person hereby jointly and severally declares and undertakes that

i) each such person has the authority to bind the firm and sign on its behalf and that in the event of such persons giving due notice in writing of authorizing any other person to bind the firm and sign on its behalf, the Bank will be entitled to act on such authority until notice to the contrary is received from either one of such persons,

ii) on the death or retirement of any partner, the surviving/continuing partner(s) (as the case may be) will give written notice to the Bank of such death or retirement (as the case may be) and that until such notice has been given to the Bank or until written notice is given to the Bank by the heirs or legal representatives of the deceased partner (as the case may be), the Bank will be entitled to treat the surviving/continuing partner(s) (as the case may be), as having full power to carry on the business of the firm and deal with its assets as if there had been no change in the firm,

iii) in the event of any partner giving written notice to the Bank that he has terminated the authority of the other partner(s), the Bank may refuse to act on the authority of such other partner(s) whether to operate the accounts opened in terms hereof or otherwise, and
iv) notice in writing will be given to the Bank of any new partners being taken into the firm.

38. In addition to the terms and conditions contained herein, the NBIP account, the current account and the overdraft facility will be subject to and be bound by the terms and conditions incorporated in the General Business Conditions of the Bank issued to all Customers prior to opening an account and/or obtaining an overdraft facility at the Bank. The Customer will be bound absolutely and equally by all terms and conditions contained herein irrespective of whether such terms and conditions are incorporated in the General Business Conditions or not.

39. These terms and conditions shall be governed by the laws of Sri Lanka.

40. I/We have read and understood and agree to be bound by the terms and conditions herein contained.

Sole Proprietor/ Partnership/ Society/ Club/ Association/ Company Name: (delete inapplicable)

Signature:.....

Name:.....

Designation:..... (if applicable)

NIC No:.....

Date:.....

Signature:.....

Name:.....

Designation:..... (if applicable)

NIC No:.....

Date:.....

Signature:.....

Name:.....

Designation:..... (if applicable)

NIC No:.....

Date:.....

Signature:.....

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