

## **Customer Agreement for Investment in Government Securities**

This Agreement is entered into on this ..... day of ..... 20..... between SAMPATH BANK PLC, a Company incorporated in Sri Lanka (Registration No. PQ 144) being a licensed commercial bank and an authorized primary dealer and having its registered address at No 110, Sir James Peiris Mawatha, Colombo 02, Sri Lanka (hereinafter referred to as the “DEALER” and which shall include its successors and assigns) and ..... (NIC No / Business Reg. No / Company Reg. No ..... ) of ..... (hereinafter referred to as the “CUSTOMER” and which shall include its successors and assigns) (each a “Party” and together the “Parties”).

### **Terms and Conditions of this Agreement:**

#### **1. Authority**

- (a) The Dealer shall act in accordance with applicable written law in carrying out its responsibilities, duties and functions as a Dealer Direct participant in provision of such services.
- (b) The Dealer may open and maintain Securities Accounts to hold Scripless Securities on behalf of the Investor.
- (c) The Dealer may rely on the authority of each person designated by the Customer to send Communications (referred to in clause 2 of this Agreement) or do any other thing, subject to system rules applicable to Dealer Direct Participants of the Scripless Securities Settlement System, until the Dealer has received written notice or other notice acceptable to it of any change from a duly authorized person and the bank has had a reasonable time to act (after which time it may rely on the change).
- (d) The Dealer may receive maturity proceeds on Scripless Treasury Bills/Bonds and proceeds of transactions in Scripless Treasury Bills/Bonds to which the Investor is entitled.
- (e) The Dealer may rectify an erroneous debit or credit to a Securities Account of the Investor and shall inform the Investor in writing of any such rectification.

#### **2. Communications**

The following methods of communication may be used for conveying instructions by the Investor to the Dealer;

- (a) By written instructions sent to Treasury Investments / Primary Dealer Unit or to a Branch of the Dealer.
- (b) By authenticated mail sent through Sampath Vishwa.

#### **3. Performance**

- (a) The allocation of Treasury Bills/Bonds for the application is subject to the availability of securities with the Dealer.
- (b) The number of days the Treasury bill is invested may differ from the exact number of the published days based on the availability of securities with the Dealer at the date of investment.
- (c) Premature upliftment may result in a capital gain/loss based on the market yield prevailing on the day of upliftment.
- (d) The Dealer shall perform its obligations in respect of any transaction in good faith and with reasonable care, as determined in accordance with the standards and practices of the primary dealer industry.

- (e) Neither the Customer nor the Dealer will be responsible for any failure to perform any of its obligations with respect to any transaction if such performance would result in it being in breach of any law, regulation or other requirements of any governmental or other authority in accordance with which it is required to act.

#### **4. Investor Information**

- (a) The Investor shall provide the Dealer all documents and other information reasonably required by the Dealer for the purposes of opening and maintenance of Securities Accounts and entering into any transaction.
- (b) Investor shall undertake to promptly inform the Dealer upon any change of such information already given.
- (c) The Dealer shall keep the information relating to the Investor as confidential. Provided however that the Dealer may disclose such information if the Investor consents to the disclosure of such information or if any such information is required to be disclosed by any law or by order of court.

#### **5. Liability and Indemnity**

- (a) Neither the Dealer nor the Investor shall have any liability for any indirect, incidental or consequential loss or damages.
- (b) The Dealer shall not be liable for any losses sustained by the Investor unless caused by negligence or default on the part of the Dealer or any of its employees or agents.
- (c) The Investor agrees to indemnify the Dealer from any loss or liability arising out of the carrying out of any instructions provided by the Investor.
- (d) All persons who would comprise the Investor (where the Investor is more than one individual) shall be jointly and severally liable to the Dealer.

#### **6. Fees, Taxes and Levies**

- (a) The Investor shall pay applicable fees / charges / commissions if any, published by the Dealer from time to time.
- (b) Fees and charges may be waived by the Dealer at its discretion.

#### **7. Lien and Set-Off**

- (a) The Dealer shall be entitled to exercise a right of lien on all monies, deposits and securities belonging to the Investor pending the settlement of all amounts which are due and owing from the Investor to the Dealer.
- (b) The Dealer shall also be entitled to exercise a right of set-off and appropriate any sum standing to the credit of the Investor in any account towards the satisfaction of the amounts due from the Investor to the Dealer.

#### **8. Deal Confirmations and Customer Statements**

- (a) The Dealer shall send a written confirmation in English for each transaction entered into on behalf of the Investor
- (b) The Investor is hereby informed that facilities are made available by the Central Bank of Sri Lanka to receive periodic statements of their government securities account in electronic form or through the postal system. The Central Bank has also made available a facility to view their Securities account via the internet.
- (c) The Investor shall inform the Dealer in writing of any errors in confirmations or statements issued by the Dealer or the Central Bank of Sri Lanka within 14 days of receipt of such statement or confirmation.

- (d) The Investor agrees to provide instructions pertaining to the maturity proceeds at least seven calendar days prior to maturity. In the event of such instructions not being received the Dealer may reinvest such proceeds for a period not exceeding the period of the earlier transaction, in accordance with the Customer Charter.
- (e) Under the section 5.13 of customer charter, the Investor shall submit new written instructions on yearly basis for all investments. In the event new written instructions are not received from the investor for the current one year cycle, automatic reinvestment will not take place and the matured proceeds will be remitted to the client.

## **9. Notices**

The Dealer shall rely on the information provided by the Investor in this agreement until it has received notice in the manner specified above of any change and has had a reasonable time to act on the changes.

## **10. Complaint resolution**

Any complaints received by the Dealer from the Investor shall be resolved in accordance with the complaints resolution procedure set out in Section 14 of the Customer Charter issued by the Central Bank of Sri Lanka to primary dealers. The Primary Dealer Customer Charter is available in all three languages on [www.cbsl.gov.lk](http://www.cbsl.gov.lk) and [www.sampath.lk](http://www.sampath.lk).

## **11. Amendments**

The Investor shall be provided with notice of no less than one month with regard to any amendments, alterations to the services extended.

## **12. Language of communication**

The Dealer's preferred language of communication is English. Alternatively, the Investor may request that any information / documentation relating to any transactions to be entered into by the Investor with the Dealer be provided to him in either Sinhala or Tamil language.

In the case of any inconsistency between the English, Sinhala and Tamil text of this agreement or any documentation, the English version shall prevail and the other versions shall be construed accordingly.

## **13. Applicable Law**

The Dealer shall at all times act in accordance with and be governed by the law of the Democratic Socialist Republic of Sri Lanka in carrying out its responsibilities, duties and functions and in the provision of services to the Investor.

IN WITNESS WHEREOF the parties have executed this document on the respective dates specified below with effect from the date specified on the first page of this document.

**Sampath Bank PLC**

By: .....

Name:

Title:

Date:

By: .....

Name:

Title :

Date :

**[Where CUSTOMER is an individual]**

Signature(s): ..... ..

Name:

Name:

Witness: ..... (Name).....

Witness: ..... (Name).....

Date : .....

**[Where CUSTOMER is incorporated]**

The common seal of .....Limited )  
was affixed hereto in Colombo in the )  
Seal affixed and Directors sign presence of )  
.....Director )  
and ..... Director )  
who do hereby attest the sealing hereof )

Witness

1.

2.

OR

Signed by ....., Authorised )  
Signatory of the Company at Colombo )      Signature

Witness

1.

2.