



A&A
COLLABORATIVE
FUND (PVT) LTD.

FUELING GROWTH

DEBENTURE ISSUE 2022

PROSPECTUS

15TH JULY
2022

**PRIVATE PLACEMENT OF FIVE HUNDRED (500) TYPE A
SUBORDINATED, FIXED RATE, SECURED, REDEEMABLE ONE (01)
YEAR DEBENTURES OF RS. 100,000 EACH AND FIVE HUNDRED
(500) TYPE AA SUBORDINATED, FIXED RATE, SECURED,
REDEEMABLE ONE (01) YEAR DEBENTURES OF RS. 100,000
EACH**

ISSUE OPENING ON 15th JULY 2022

ISSUER

A&A COLLABORATIVE FUND (PVT)
LTD

TRUSTEE

GANLATHS INTERNATIONAL LEGAL
CONSULTANTS

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 Company since the date of this Prospectus.

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

1.1 THE PROSPECTUS

This Prospectus is dated 05th July 2022

This Prospectus has been prepared by A&A Collaborative Fund (Private) Limited (Hereinafter sometimes referred to as “the Company” or “A&A”) from the information supplied by the Company and its Directors and which is publicly available. The Company and its Directors having made all reasonable inquiries, confirm that 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. While A&A has taken reasonable care to ensure full and fair disclosure, A&A does not assume responsibility for any investment decision made by the investors based on the information contained herein. When making investment decisions, prospective investors must rely on their own examination and assessments of the Company, including the risks involved.

No person is authorized to give any information or make any representation not contained in this Prospectus and if given or made, any such information or representation must not be relied upon as having been authorized by the Company.

1.2 REGISTRATION

A copy of this Prospectus has been delivered to the Registrar of Companies of Sri Lanka for registration in accordance with the provisions contained in the Companies Act No. 07 of 2007.

The following documents were attached to the copy of the Prospectus delivered to the Registrar of Companies:

- The written consent of the Trustee to the Issue for the inclusion of their names and their Trust Deed in the form and context in which it is included in the Prospectus.
- A declaration made by the Directors of the Company confirming that they have read the provisions of the Companies Act relating to the issue of the Prospectus and that those provisions have been complied with.

The Trustee to the Issue has given and has not before the delivery of a copy of the Prospectus for registration withdrawn their written consent for the inclusion of their names as “Trustee to the Issue” and for the inclusion of their Trust Deed in the form and context in which it is included in the Prospectus.

This Prospectus has not been registered with any authority outside Sri Lanka.

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.

1.3 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 Company are classified as Forward-Looking Statements.

Such Forward Looking Statements involve known and unknown risks, uncertainties and other factors including but not limited to regulatory changes in the sectors in which the Company operates and its ability to respond to them, the Company's ability to successfully adapt to technological changes, exposure to market risks, general economic and fiscal policies of Sri Lanka, inflationary pressures, interest rate volatilities, the performance of financial markets both globally and locally, changes in domestic and foreign laws, regulation of taxes and changes in competition in the industry and further uncertainties that may or may not be in the control of the Company. Such factors may cause actual results, performance and achievements to materially differ from any future results, performance or achievements expressed or implied by Forward Looking Statements herein.

Forward Looking Statements are also based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. Given the risks and uncertainties that may cause the Company'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.

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1. THE ISSUE AT A GLANCE

The Issuer	A&A Collaborative Fund (Pvt) Ltd.
The Instrument	<p>Secured Subordinated Redeemable One (01) year Debentures of LKR 100,000/- each, carrying a Fixed Interest Rate of 25.00% per annum on the principal sum at maturity.</p> <p>Secured Subordinated Redeemable One (01) year Debentures of LKR 100,000/- each, carrying a Fixed Interest Rate of 24.00% per annum on the principal sum payable monthly.</p>
Number of Debentures	<p>Class A: Five Hundred (500) Debentures</p> <p>Class AA: Five Hundred (500) Debentures</p>
Face Value of a Debenture	Rupees One Hundred Thousand (LKR 100,000)
Date of Opening of the Issue	15 th July 2022
Issue Price	Rupees One Hundred Thousand (LKR 100,000) per Debenture
Total Value of the Debenture Issue	Rupees One Hundred Million (LKR 100,000,000)
Class of Debenture	<p>Class A: Secured Subordinated Redeemable One (01) year Debentures of LKR 100,000/- each, carrying a Fixed Interest Rate of 25.00% per annum on the principal sum payable at maturity.</p> <p>Class AA: Secured Subordinated Redeemable One (01) year Debentures of LKR 100,000/- each, carrying a Fixed Interest Rate of 24.00% per annum on the principal sum payable monthly.</p>
Tenure of Debenture	<p>Class A: 01 Year (2022/2023)</p> <p>Class AA: 01 Year (2022/2023)</p>
Interest Rate	Class A: Fixed Coupon Rate of 25.00% p.a. payable at Maturity.

	<p>Class AA: Fixed Coupon Rate of 24.00% p.a. payable monthly.</p>
Dates of Interest Payment	<p>Class A: Interest payments shall fall due at maturity of the Debenture.</p> <p>Class AA: Interest payments shall fall due monthly on the expiry of every one (01) month from the Date of Allotment of the Debentures and every one month therefrom until the Date of Redemption.</p> <p>The Company shall make the interest payments within Five (05) working days from the due date except the final interest payment which will be made with the repayment of the principal sum on the date of maturity / redemption of the debentures.</p> <p>Interest calculation shall be based upon the actual number of days in each interest payment period (Actual/Actual). If the entitlement date is a holiday interest shall be calculated including the entitlement date</p>
Security	<p>The Debenture shall be secured against Twenty-Five per centum (25%) of the shares of A&A Collaborative Fund (Pvt) Ltd. amounting to One Million (1,000,000) shares in the company.</p>
Method of Payment of Principal and Interest	<p>Through an electronic fund transfer mechanism recognised by the banking system of Sri Lanka such as SLIPS/CEFT and RTGS (arranged only at the expense of the investor). RTGS transfers however could be effected only for amounts over and above the maximum value (Rupees Five Million) that can be accommodated via SLIPS transfers or by cheque marked "Account Payee Only" in the event accurate bank details have not been provided. If the Applicant has not provided details of his bank account in the application, the entity shall make such payments to the Applicant by way of a cheque. Electronic modes of payment shall be given priority in the payment of principal sum and interest in the event accurate bank details are given.</p>
Date of Maturity/Redemption	<p>Class A: On the date of expiry of One (01) year from the date of allotment or on such earlier date on which the Debentures are redeemed or become payable in terms of the Trust Deed</p> <p>Class AA: On the date of expiry of One (01) year from the date of allotment or on such earlier date on which the Debentures are redeemed or become payable in terms of the Trust Deed</p>

Purpose	To meet the funding requirements to achieve the envisioned five-year strategic plan of A&A Collaborative Fund (Pvt) Ltd.
Trustee to the Transaction	Ganlaths International Legal Consultants
Contact Persons	Andrew Samuel Tel: 071 2229 229 Email: admin@aandacapitalholdings.com

2. CORPORATE INFORMATION

The Issuer	A&A Collaborative Fund (Pvt) Ltd.
Legal Form	A private limited company incorporated on the 1 st of August 2021, under the Companies Act No. 07 of 2007
Company Registration No.	PV 00242962
Registered Office	No. 9/2, Sovis Mawatha, Kala-Eliya, Ja-Ela, Sri Lanka. Tel No: 071 222 9 229 E-mail: admin@aacollaborativefund.com Website: www.aacollaborativefund.com
Board of Directors	Mr. John Jeyaraj Samuel (Chairman) Mr. Andrew Samuel (Managing Director/Chief Executive Officer) Mr. Naveendran Sinnapan (Independent, Non-Executive Director) Mr. Roy Patrick (Independent, Non-Executive Director) Mr. Ruwan Jayaratne (Independent, Non-Executive Director)
Company Secretary	Jacey and Company No. 9/5, Thambiah Avenue Colombo 07 Tel 011 433 5159 Fax 011 26926773 E- Mail juliusc@lankacom.net jcship@slt.net.lk
Trustees	Ganlaths International Legal Consultants Ganlaths, Galadari Hotel, No. 64, Lotus Road, Colombo 01.

	<p>Tel: 011 2333 281 Email: legal@ganlaths.com Website: ganlathslaw.com</p>
Holding Company	<p>A&A Capital Holdings (Private) Limited No. 9/2, Sovis Mawatha, Kala-Eliya, Ja-Ela, Sri Lanka. Tel No: 071 222 9 229 E-mail: admin@aandacapitalholdings.com Website: www.aandacapitalholdings.com</p>

3. DEFINITIONS AND ABBREVIATIONS

Date of Allotment	The date on which the Debentures are allotted to the Debenture holders, which date will be notified by the Company to the Debenture holders and Trustee.
Date of Maturity	<p>Class A: The date on which a period of one (01) Year from the date of allotment expires, which date shall be notified by the Company to the Debenture holders and Trustee.</p> <p>Class AA: The date on which a period of one (01) Year from the date of allotment expires, which date shall be notified by the Company to the Debenture holders and Trustee.</p>
Date of Redemption	The date of Maturity of the Debentures, or such earlier date on which the Debentures are redeemed or become payable in terms of the Trust Deed.
Debentures	<p>Type A: Secured Subordinated Redeemable One (01) year Debentures of LKR 100,000/- each, carrying a Fixed Interest Rate of 25.00% per annum on the principal sum at maturity.</p> <p>Type AA: Secured Subordinated Redeemable One (01) year Debentures of LKR 100,000/- each, carrying a Fixed Interest Rate of 24.00% per annum on the principal sum payable monthly.</p>
Debenture Holders	The persons in whose name the Debentures are allotted as at the relevant date
LKR	Sri Lankan Rupees
POA	Power of Attorney
Redemption	Repayment of the principal monies on these Debentures
Register	The Register of the Debenture holders to be kept by the Company Secretary
Registered Address	The address provided by the Debenture holders to the Company.
Trustee	Ganlaths International Legal Consultants
The Company / A&A	A&A Collaborative Fund (Pvt) Ltd.

Trust Deed	The Trust Deed executed between A&A Collaborative Fund (Pvt) Ltd. and Ganlaths International Legal Consultants in respect of this Debenture Issue (Annexure - 1).
Secured	Repayment of the principal and interest on these Debentures being secured by Twenty-five percentum (25%) of the shares of A&A Collaborative Fund (Pvt) Ltd.
Working Day	Any day (other than a Saturday, Sunday or any statutory holiday) on which the Banks are open for business in Sri Lanka.
Subordinated	The claims of Debenture Holders shall in the event of winding up of the Company rank after all the claims of secured and other unsecured Creditors of the Company any preferential claims under any statutes governing the Company but shall rank in priority to and over the claims and rights of the ordinary Shareholder/s of the Company.

4. INFORMATION CONCERNING THE DEBENTURE

4.1. INVITATION TO SUBSCRIBE

The Board of Directors of A&A Collaborative Fund (Pvt) Ltd. (hereinafter sometimes referred to as ‘A&A’ or ‘the Company’) by a resolution passed on 8th of November 2021 has resolved to raise a sum of Rupees One Hundred Million (LKR 100,000,000) by the private placement of five hundred Class “A” Secured Subordinated Fixed Rate Redeemable One (01) year Debentures of LKR 100,000 each and five hundred Class “AA” Secured Subordinated Fixed Rate Redeemable One (01) year Debentures of LKR 100,000 each of the Company by way of private placement at an issue price of LKR 100,000 per Debenture.

The Company hereby invites applications for the subscription of five hundred Class “A” Secured Subordinated Fixed Rate Redeemable One (01) year Debentures of LKR 100,000 each and five hundred Class “AA” Secured Subordinated Fixed Rate Redeemable One (01) year Debentures of LKR 100,000 each, of the Company at an issue price of LKR 100,000 per Debenture payable in full as outlined in this Prospectus.

These Debentures will rank equal *pari passu* with each other without any preferences or priority one over the other. Please note that Debenture Certificates shall be issued.

Two Debenture classes shall be available for purchase. These classes are as follows;

Class	Tenure	Interest Rate Per Annum	Amount to Be Paid at Maturity (Rs.)	Interest to be Paid Monthly (Rs.)
A	1 Year	25.00%	125,000	Not Applicable
AA	1 Year	24.00%	100,000	2,000

Applications may be made forthwith. Duly completed applications in the manner set out under the *Procedure for Application* in Section 5 of this prospectus will be accepted.

Security Offered

These Debentures are issued backed by a twenty-five per centum (25%) stake of A&A Collaborative Fund (Pvt) Ltd. Therefore, 25% of the shares of A&A Collaborative Fund (Pvt) Ltd. have been assigned to the same trust.

4.2. OBJECTIVE OF THE ISSUE

To meet the funding requirements to achieve the first phase of the envisioned five-year strategic plan of A&A Collaborative Fund (Pvt) Ltd.

Key Milestones – Phase I	Amount Allocated
Setting up 10 branches across the country and 30 virtual branches, within the first two years of operations	10 million
Developing an advanced in-house IT and management system	9 million
Grow to be the largest collaborative fund in Sri Lanka	70 million
To develop new channels of marketing and create market presence across the country	1.5 million
Launch ‘Services at Your Doorstep’ an online sales platform	2 million
Develop new channels of delivering the product to the customer	5 million
Develop a dedicated, competent and knowledgeable work force	1.5 million
Develop effective customer and supplier protection mechanisms	1 million
TOTAL	100 million

The aforesaid future strategies are elaborated upon in Section 8 of this Prospectus. The above-mentioned milestones represent the first stage of a three-stage strategic plan to be executed. The current private placement of debentures is to facilitate the first stage of said strategic plan.

The offering is not conditional upon any minimum amount being raised through this issue. In the event of an under subscription, the Company is confident that the shortfall can be financed through internally generated funds and unutilized credit facilities.

4.3. INTEREST RATE AND DATE OF PAYMENT OF INTEREST

Interest on these Debentures shall be paid at maturity on Class A Debentures at a fixed rate of Twenty-Five Percent (25.00%) per annum on the principal sum from the date of allotment up to the date of maturity / redemption of the Debentures and on Class AA Debentures at a fixed rate of Twenty-Four Percent (24.00%) per annum payable monthly from the date of allotment.

Interest payments for Class A Debentures shall fall due at maturity and shall be paid on the date of redemption. Interest payments for Class AA Debentures shall fall due monthly as at the last day of every month from the date of allotment of the Debentures until the date of Redemption. Interest payments shall be made by the Company within Five (05) working days from the due date, except the final interest payment which will be made with the repayment of the principal monies on the date of maturity/redemption of the Debentures in accordance with the provisions contained in the Trust Deed. The first of such interest payment in respect of the Class AA Debentures shall fall due on the date of expiry of one (01) month from the date of allotment, which shall be made within five (05) working days of such date.

The interest calculation will be based upon the actual number of days in each interest payment period (Actual/Actual). If the entitlement date is a holiday, interest shall be calculated including the entitlement date.

4.4. REDEMPTION

The Company shall redeem the Debentures on the date of maturity of such Debentures or on such earlier date on which the Debentures become payable in accordance with the provisions contained in the Trust Deed.

The Debenture Holders shall not have any right or option to call for redemption of the Debentures before the date of maturity of such Debentures, subject to the provisions contained in the Trust Deed

On the date of Maturity/Redemption of the Debentures the Company shall pay to the Debenture Holders the principal sum of the Debentures which ought to be redeemed and interest (if any) remaining unpaid up to the date of Maturity/Redemption of the Debentures.

If the date of Maturity/Redemption falls on a non-working day on which the Banks are closed for business in Sri Lanka, then the Debentures shall be redeemed without any additional interest on the next working day when the Banks are open for business in Sri Lanka.

Type A Debentures are redeemable at maturity on the expiry of One (01) year from the Date of Allotment. Type AA Debentures are redeemable at maturity on the expiry of One (01) year from the Date of Allotment.

4.5. PAYMENT OF PRINCIPAL AND INTEREST

The Company will redeem the Debentures on the Date of Redemption as specified in Section 4.4 and the interest payments will be made as specified in Section 4.3 of this Prospectus.

Payment of principal and interest on the Debentures will be made in Sri Lankan Rupees to the Debenture Holders (in the case of Joint Debenture Holders to the one whose name stands first in the register of Debenture Holders) registered as at the Entitlement Date by crossed cheques marked "Account Payee Only" sent by ordinary mail to their registered addresses at the risk of such Debenture Holders.

In the event accurate bank account details are provided by the Debenture Holders, the payment of principal sum and interest shall be made to Debenture Holders through an electronic fund transfer mechanism recognized by the banking system of Sri Lanka such as RTGS (arranged only at the expense of the investor) or SLIPS. RTGS transfers however shall be accommodated only for amounts over and above the maximum value of Rupees Five Million that can be accommodated via SLIPS transfers. If the Debenture Holder has not provided accurate and correct details of his/her/its/their bank account for the payment of principal sum and interest, such payment to the Debenture Holder will be posted to the address provided through ordinary post, by crossed cheques marked "Account Payee Only".

If any cheques issued in respect of interest payments or redemption of Debentures sent by post to the Debenture Holders are returned to the Company undelivered, the amounts represented by each of such returned cheques shall be transferred by the Company to a suspense account at the end of 90 days after the date of maturity/redemption of the Debentures and retained therein for a period of six (06) years from the date of maturity/redemption of the Debentures. Such

monies shall be repaid to the Debenture Holder if the same is claimed in writing by such Debenture Holder within the aforesaid six (06) year period.

No person shall be entitled to claim any such interest payment or principal sum on the Debentures after the completion of six (06) years from the date of maturity/redemption of the Debentures and all unclaimed monies shall cease to be owed and payable by the Company to any Debenture Holder after the expiry of the aforesaid period of six (06) years.

4.6. TRUSTEES

Ganlaths International Legal Consultants has been appointed as the Trustee to this Debenture Issue. The Company and the Trustee have executed a Trust Deed as per **Annexure I**. In the Application Forms for the 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 into such deeds, writings and instruments with the Company and to act as the 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 obligations of the Trustee are set out in the Trust Deed.

The Company has agreed to pay a sum amounting to point five per centum (0.5%) of the total subscription amount plus taxes and any other statutory charges thereon on account of the remuneration of the Trustee for its services set out in the Trust Deed.

4.7. RIGHTS AND OBLIGATIONS ON THE DEBENTURES

The holders of these Debentures are entitled to:

- Receive the Principal sum on the date of Maturity/ Redemption and Interest on the Debentures as per section 4.3 and 4.4 of this Prospectus and the provisions contained in the Trust Deed
- Receive the Annual Audited Financial Statements of the Company
- Call, receive notice, attend and vote at the Meetings of the Debenture Holders under this Debenture issue in accordance with the provisions contained in the Trust Deed

The other rights of the holders of these Debentures are set out in the Trust Deed (**Annexure 1**).

The rights of these Debenture Holders for receipt of the principal sum and any accrued interest on these Debentures in the event of winding up of the Company would be subordinated to the rights of the secured and other unsecured creditors of the Company and any preferential claims under any statutes governing the Company but shall rank in priority to and over the claims and rights of the ordinary Shareholder/s of the Company. Therefore, the claims of these Debenture Holders shall in the event of winding up of the Company rank after all the claims of the secured and other unsecured creditors of the Company and any preferential claims under any statutes applicable to the Company but shall rank in priority to and over the claims and rights of the ordinary Shareholder/s of the Company and shall rank *pari passu* with other subordinated Debenture Holders.

The Holders of these Debentures are not entitled to:

- Any privileges or rights of the Shareholders of the Company, including the right to
 - receive notice, attend and vote at the General Meetings of the Company
 - receive any dividend or distributions or share the profits of the Company

- participate in any surplus assets of the Company in the event of liquidation
- Any privileges or rights of the holders of any other Debentures issued by the Company, including the right to receive notice, attend and vote at the Meetings of holders of other Debentures issued by the Company
- Call for redemption before maturity, subject to the provisions stated in the Trust Deed

Obligations on the Debentures

- The Company shall repay the principal sum on the date of Maturity/ Redemption and interest on the Debentures as per section 4.3 and 4.4 of this Prospectus and the provisions contained in the Trust Deed and comply with all other terms and conditions stipulated in the Trust Deed (**Annexure 1**) in respect of these Debentures.

4.8. RISK FACTORS ASSOCIATED WITH THE DEBENTURES

Reinvestment Risk

The Company shall pay interest on the Debentures monthly or at maturity. 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.”

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 Investors to take into account the past performance, earnings and asset growth of the Company, present financial strengths as reflected in the balance sheet of the company, its risk management policies, credit rating of the Debenture, highly experienced and skilled Directors and Senior Management Team and the Parent Company when forming an opinion on default risk.

Call Risk

Call risk refers to the risk that the Issuer will retire the principal value of the Debentures before maturity. The risk to an Investor is that the timing of the call is not known and Investor will be faced with a reinvestment risk in the event the call is made at a time when the market interest rates have declined.

4.9. BENEFITS OF INVESTING IN THE DEBENTURE

- An above market rate interest income and an opportunity to earn a regular cash flow of interest payments on a periodic basis for a period of one (01) year for the respective Debentures.
- Provides an opportunity to diversify the investment portfolio of the Investor.
- Could be used as collateral to obtain credit facilities from banks and financial institutions, subject to the policies of those institutions.
- Possibility of realizing capital gains on disposal

4.10. TRANSFER OF THE DEBENTURES

In the case of the death of a Debenture Holder,

- i. The survivor where the deceased was a Joint Holder; and
- ii. The executors or administrators of the estate 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 recognized by the Company as having any title to his/her Debentures.

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 Company 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 and rules and regulations of the Company.

No change of ownership in contravention of these provisions will be recognized by the Company.

5. PROCEDURE FOR APPLICATION

5.1. WHO MAY APPLY

Applications are invited for the purchase of the Debentures from the following categories of applicants:

- Citizens of Sri Lanka who are resident in Sri Lanka and above 18 years of age.
- Companies, Corporations and other corporate bodies registered / incorporated / established in Sri Lanka.
- Foreign Institutional Investors, Corporate Bodies incorporated outside Sri Lanka, Foreign Citizens and Sri Lankans resident outside Sri Lanka and above 18 years of age.

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

5.2. HOW TO APPLY

1. Applications must be made on the Application Form issued with this Prospectus.
2. Applications are also permitted on photocopies of the Application Form 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 Head Office located at No. 9/2, Sovis Mawatha, Kala-Eliya, Ja-Ela or to obtain soft copies of the Prospectus by submitting a formal request to admin@aacollaborativefund.com. The Prospectus and Application Forms could also be downloaded from the website of the Company (www.aacollaborativefund.com)
3. Care must be taken to follow the instructions on the reverse of the Application Form. ***Applications, which do not strictly conform to such or which are incomplete or illegible may be rejected.***
4. Only one application should be made by any person or entity in respect of the Debentures. ***Multiple Applications for the Debentures will be rejected.***
5. Applications by Companies, Corporations and other corporate bodies, registered / incorporated / established in Sri Lanka should be made under their common seal or in any other manner as provided by their Articles of Association or such other constitutional documents of such Applicants or as per the statutes governing them.
6. A Sri Lankan Citizen must state his/her National Identity Card (NIC) number in the Application Form. In the case of companies, the Company registration number should be stated in the space provided in the Application Form. A foreign citizen must state his/her passport number in the space provided. A Sri Lankan citizen can state the passport number only when the NIC is not available.

7. If the ownership of the Debentures is desired in the name of one individual full details should be given under the heading “SOLE/ FIRST APPLICANT” in the Application Form. In the case of joint applicants, the particulars of all applicants should be given under the relevant headings. ***An Applicant of a Joint Application will not be eligible to submit another separate Application either individually or jointly for the Debentures.***
8. 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.***
9. 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.
10. Application Forms properly filled in accordance with the instructions thereof, together with the remittance (cheque, bank draft or bank guarantee as the case may be) for the full amount payable on Application should be enclosed in a sealed envelope marked “**A&A COLLABORATIVE FUND (PVT) LTD.- DEBENTURE ISSUE**” and addressed and dispatched by post or delivered by hand to the following address:-

**No. 9/2, Sovis Mawatha,
Kala-Eliya,
Ja-Ela,
Sri Lanka.**

5.3.MODE OF PAYMENT

1. Payment should be made only by way of cheque or bank draft as the case may be. An Application Form should be accompanied by no more than one cheque or bank draft, as the case may be, for the aggregate amount payable. ***Applications with two or more cheques or bank drafts will be rejected.***
2. ***Application Forms accompanied by cash will not be accepted.***
3. The amount payable should be calculated by multiplying the number of Debentures applied for by the issue price of LKR 100,000 per Debenture. If there is discrepancy in the amount payable and the amount specified in the cheque / bank draft, the application will be rejected.
4. Payments for Applications for values above and inclusive of Sri Lankan Rupees Fifty Million (LKR 50,000,000) should be supported by a Bank Guarantee. Cheques and Bank Drafts will not be accepted for values above and inclusive of Sri Lankan Rupees Fifty Million (LKR 50,000,000).
5. Applicants are advised to ensure that sufficient funds are available in order to honour the cheques or bank drafts, inclusive of charges when called upon to do so. All expenses inclusive of charges relating to Real Time Gross Settlements (RTGS) should be borne by the Applicants.

6. Cheques and Bank Drafts should be drawn upon any licensed commercial bank in Sri Lanka and crossed “Account Payee Only” and made payable to “**A&A Collaborative Fund (Pvt) Ltd.**”.
7. The Bank Guarantees should be in a form acceptable to the Company and should be issued by a licensed commercial bank in Sri Lanka and payable on demand unconditionally to “**A&A Collaborative Fund (Pvt) Ltd.**”.
8. In the event that cheques are not realized prior to the date of deciding the basis of allotment 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.
9. All cheques / bank drafts received in respect of the applications will be banked immediately.

5.4.REJECTION OF APPLICATIONS

1. Application Forms and the accompanying cheques/bank drafts or bank guarantees, 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 Company.
2. Applications from individuals under the age of 18 years or in the names of sole proprietorships, partnerships or unincorporated trusts will also be rejected.
3. An Applicant of a Joint Application will not be eligible to submit another Application either individually or jointly. Only one Application should be made by any person or entity. Multiple Applications will be rejected.
4. Any Application Form, which does not state the NIC, Passport or Company Registration Number, as the case may be, will be rejected.
5. Applications with two or more Cheques, Bank Drafts or Bank Guarantees will be rejected. Application Forms accompanied by cash will not be accepted.
6. 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.
7. The Directors of the Company reserve the right to refuse any Application or to accept any Application in part only, without assigning any reason therefore.
8. 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 in part, the balance of the Applicant’s money will be refunded.
9. If the Applicant has provided all details of the Applicant’s bank account in the Application Form, the refund payment will be made to the bank account specified by the Applicant through the Sri Lanka Inter Bank Payment System (SLIPS) and a payment advice shall be issued to the Applicant. However, SLIPS transfers are subject to a **maximum limit of LKR 5 million** imposed by the CBSL. Therefore, even though the Applicant has requested for SLIPS transfer for refund amounts and submitted all details of the bank account in the Application Form, **refund amounts exceeding LKR**

5 million will be made by a crossed cheque drawn in favour of the Applicant and sent by Registered post to the address of the Applicant. 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.

10. If the Applicant has not provided details of the bank account in the Application Form or has provided incomplete details of the bank account, refund payment will be made by a crossed cheque drawn in favour of the Applicant and sent by Registered Post to the address of such Applicant. 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.
11. In the event refund payment is effected via SLIPS based on the bank account details provided by the Applicant in the Application Form, but is rejected by the Applicant's Bank due to inaccurate information such refund payments would be made via crossed cheque drawn in favour of the Applicant and sent by Registered post to the address of such Applicant.

5.5.ALLOTMENT OF DEBENTURES

The basis of allotment will be decided by the Board of Directors of the Company. No preferential allotments will be made by the Company with regard to any specific individual or entity. The allotments will be made in a fair manner.

The Directors of the Company reserve the right to refuse any application or to accept any application in part only, without assigning any reason thereof.

6. OVERVIEW OF THE COMPANY

A&A Collaborative Fund (Pvt) Ltd. is a company incorporated as a private limited liability company under the Companies Act No. 07 of 2007. This company is set up with the view of pioneering a unique sustainable and collaborative business model, designed to uplift the grass root communities of Sri Lanka. The company strives to be a mutually beneficial company and aspires to grow in to a reputed blue-chip company in the years to come.

A&A embodies principles of integrity, charity and excellence and believing that prosperity comes to the honest and hardworking, A&A incorporates into its work a culture of honourability and value. A&A further seeks to uplift the lives of all its stakeholders in all its operations and business activities.

Adopting a holistic approach to business and understanding the synergies available for exploitation in the business world, A&A Collaborative Fund is geared to embark upon the next phase of its development by the creation of a sustainable, ethical and inclusive “Collaborative Fund” and online shopping platform “Services at Your Doorstep” which seeks to uplift the life of its producers and suppliers.

PURPOSE

To uplift the lives of people

VISION

To grow to be the largest blue-chip company in Sri Lanka that benefits all stakeholders.

MISSION

To collaborate with all citizens across the island in order to mutually benefit and elevate all parties using state of the art technology and leadership

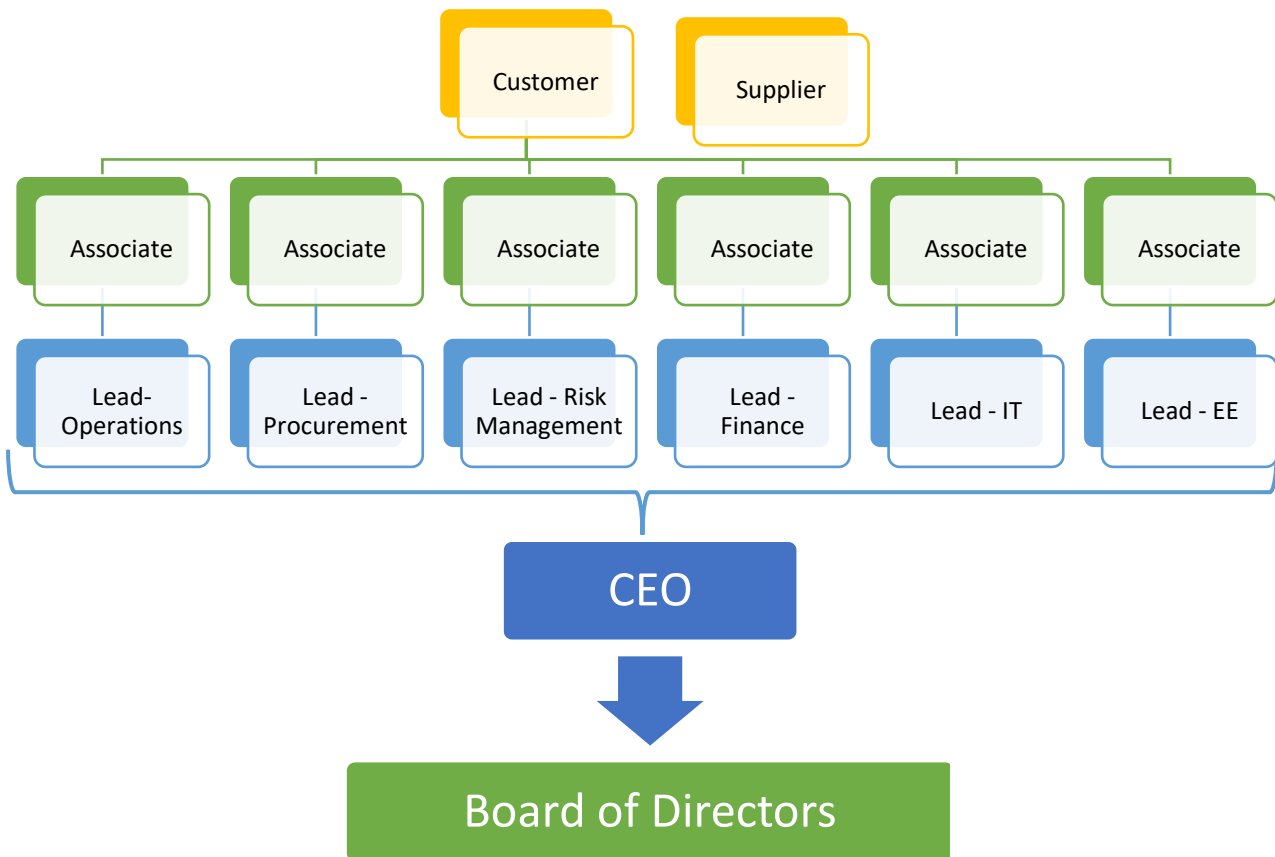
OUR VALUES

Treat everyone with mutual respect and love

Think win - win always

Synergy and teamwork

6.1. COMPANY STRUCTURE



6.2. THE BOARD OF DIRECTORS

Mr. John Samuel

Chairman

Mr. Samuel counts 45 years of corporate managerial experience in the plantation and finance sector. An individual with a proven track record, Mr. Samuel, has the charisma and wisdom to lead and guide the Board of Directors, to unleash its full potential.

Mr. Samuel is a national badminton player and continues to compete nationally and internationally, winning his fair share of tournaments. Bringing with him his active and winning spirit to the Board Room, Mr. Samuel is a motivational and energetic leader, guiding the Board with a sophisticated and mature touch.

Mr. Andrew Samuel (MBA / FCMA (UK) / CGMA / AIPM)

Managing Director/Chief Executive Officer

A stalwart in both the Finance and Plantation sector Mr. Samuel is a well experienced and seasoned CEO capable of leading the Company to great heights. He is a renowned strategist and effective implementer of same and is credited with the strategizing, establishment and growth of three micro finance companies in the Finance industry both in Sri Lanka and overseas. He has a track record of successfully developing long term strategies that have become the driving force for a company's success, profitability and market leadership. He also has several years experience as a CEO both in the Finance industry and the Plantations industry.

He has served at Alliance Finance PLC in the capacity of Head of Micro Finance and Chief Continuous Improvement Officer. He also served at Commercial Credit PLC. as DGM Corporate Planning and in the highest possible designation at the time of “Catalyst”. Prior to his shift in to the Finance industry, Mr. Samuel served in the capacity of Director and CEO of Deraniyagala Plantations. He began his career at Mackwoods Groups rising to the position of Senior Manager, and was the youngest Manager in the country at the time. He has pioneered several new initiatives in both industries such as affordable housing products, new lines of leasing and Agri-eco tourism products. With an illustrious and vibrant career, as a leader in both the Plantation and Financial sector, Mr. Samuel is well suited to guide the company to meets its strategic goals.

Mr. Patrick Roy (ACS / MCSA / SCJP / CISSP)

Independent, Non-Executive Director

A stalwart in the IT sector Mr. Patrick Roy has to his name over 20 years in the industry. Having held top positions in world renowned companies, he has a wealth of knowledge and expertise and is an invaluable asset to the board.

Beginning his career as IT Chief Executive at AJS Sterling Sri Lanka, Mr. Roy soon rose to the position of Manager at Gateway CFICT. He next took up the post of IT Manager at DDF, moving on to Technical Manager at ICTIP, eventually culminating his illustrious career by holding the posts of General Manager and Chief Operating Officer of Ceymplon the local subsidiary of Jeylabs, Australia.

Having risen through the ranks, Mr. Roy has accumulated experiences in specialized areas of software Development, Project Management Account and Client handling, Talent and HR Resource Management, Infrastructure and Logistic Management, Risk and Change Management, Sales and Marketing, Soft Skill Training and Development, Finance Control / Risk Management, Event Management, Monitoring and Reporting, Cyber Security and System Audits and Project Delivery Management. Mr. Roy therefore, brings to the table valuable input and expertise in all spheres IT related.

Mr. Sinnapan Naveendran (ACA / ACMA / MCSI / CPM)

Independent, Non-Executive Director

An experienced professional with a proven track record in the fields of Finance, Auditing, Banking, Fund Administration, Marketing, and General Management, Mr. Naveendran brings a wealth of knowledge to the Board of Directors.

Mr. Naveendran began his career at Ernst & Young with over 10 years of experience, a period during which he was seconded to the USA for 3 months, gaining valuable overseas experience. Building on his experience, he took on the post of Assistant Vice President –HSBC Securities Services at HSBC EDP Lanka (Pvt) Ltd as well as the position of Head of HSS BRCM Colombo, Financial Reporting, Trade Processing and Transfer Agency. He has also holds the position of Chief Operations Officer and Director Finance of Console Electronics.

Having to his credit an illustrious career, Mr, Naveendran is well versed in People Management, Client Management, Process Management, Finance Management, Business Risk and Control Management (BRCM), HSS Branding along with extensive experience in the Securities industry in an outsourced environment, International Financial Reporting Standards (IFRS), Corporate Governance, Internal Controls and Tax Strategy.

Mr. Ruwan Jayaratne (MBA / AMSLIM / B. Com- Special)

Independent, Non-Executive Director

Mr. Jayaratne has to his name extensive experience in the fields of education, marketing and SME Development.

Mr. Jayaratne is a part of the academic staff of Trinity College, Kandy where he performed the duties of Head Master of the Upper School for 04 years and at present is a Director of studies/Grade Head. He is also a visiting lecturer and dissertation supervisor for the MBA programme at Cardiff Metropolitan University-UK at the ICBT Kandy Campus, the Chartered Institute of Personnel Management (CIPM-SL) and the Swinburne University-Australia at Nawaloka College Kandy Campus. Mr. Jayaratne has also served as a resource person for Sri Lanka Institute of Marketing (SLIM).

He also has extensive experience as Researcher, Trainer, and Business Consultant (SME Development) having conducted several financial literacy trainings and business planning trainings for small and medium scale entrepreneurs. He has also conducted field research in the business, social and cultural fields in Sri Lanka.

6.3.DIRECTORS' INTERESTS

Key Management personnel and the Directors have no direct and/or indirect interest in the transactions with the Company as at 30th June 2022.

The Directors did not have any interests in contracts of the Company as at 30th June 2022.

None of the Directors held or hold any interest in any assets acquired, disposed or leased by the Company during the two (02) years preceding the Issue and nor have they thus far proposed to have any interest in any assets proposed to be acquired, disposed or leased by the Company during the two (02) years succeeding this Debenture Issue.

6.4.DIRECTORS INVOLVEMENT IN LITIGATION AND OFFENCES

As at 30th June 2022 none of the Directors of the Company is or was,

- Involved in any petition under any bankruptcy laws filed against such person or any partnership in which he was a partner or any corporation of which he was an executive officer;
- Convicted for fraud, misappropriation or breach of trust or any other similar offence.

6.5.OTHER DEBT SECURITIES

The Company has not issued any convertible or any other debt securities as at 30th June 2022 and therefore no person or entity holds any convertible or other debt securities in the Company as at 30th June 2022.

6.6.LITIGATION, DISPUTES AND CONTINGENT LIABILITIES

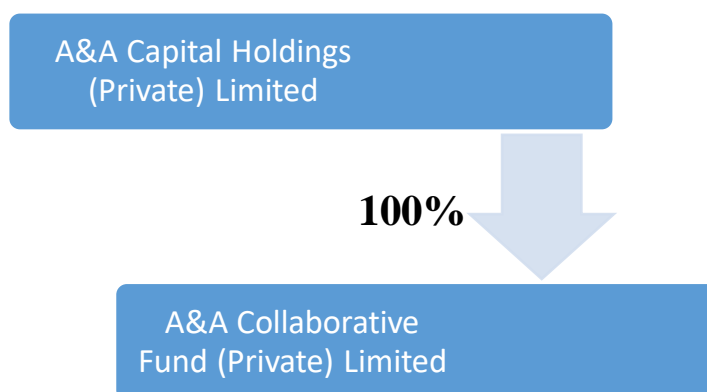
There were no contingent liabilities or any material legal, arbitration or mediation proceedings pending against the Company as at 30th June 2022, which may have or which had in the recent past a significant effect on the financial position or profitability or future operations of the Company.

There were no penalties imposed by any Regulatory or statutory authority against the Company as at 30th June 2022.

6.7. MATERIAL CONTRACTS

The Company has not entered into any material contracts other than those contracts entered into as part of the ordinary course of business carried on or intended to be carried on by the Company.

6.8.GROUP STRUCTURE



6.9.HOLDING COMPANY

A&A Capital Holdings (Private) Limited was incorporated in 2017 under the Companies Act No. 07 of 2007 bearing registration Number PV 122171. A company that firmly believes in synergies A&A Capital Holdings holds several business interests in the fields of Leisure, Plantations and Services. It has its registered Office at No. 9/2, Sovis Mawatha, Kala-Eliya, Ja-Ela. A&A Capital Holdings recognises unique business opportunities and provides them with the managerial experience and expertise required to make them successful ventures.

Board of Directors of A&A Capital Holdings (Private) Limited

Mr. John Samuel

Mr. Samuel counts 45 years of corporate managerial experience in the plantation and finance sector. An individual with a proven track record, Mr. Samuel, has the charisma and wisdom to lead and guide the Board of Directors, to unleash its full potential.

Mr. Samuel is a national badminton player and continues to compete nationally and internationally, winning his fair share of tournaments. Bringing with him his active and winning spirit to the Board Room, Mr. Samuel is a motivation and energetic leader, guiding the Board with a sophisticated and mature touch.

6.10. OUR PLEDGE

A&A pledges a minimum of three Percent (03%) of the company's net profit to charity. These profits shall be set aside and earmarked for charity and/or Corporate Social Responsibility Projects. A&A will also allocate a significant amount as interest free grants to differently abled, handicapped and female headed households.

7. THE PROPOSED VENTURE

7.1. SERVICES AT YOUR DOORSTEP

Servicesatyourdoorstep.com introduces a new and hitherto unseen online shopping platform to Sri Lanka. A one-stop shop Services at Your Doorstep will provide all services and products from groceries to furniture to drivers, nannies and plumbers. Any service or good that a customer may require will simply be one click away, sourcing whatever the customer wants. Therefore, customers have the option of submitting customised lists of their requirements and Services at Your Doorstep shall source it for them. This platform will use both web-based and app-based online delivery systems and will ensure delivery of the ordered good or service within 48 hours.

In order to source such a wide array of products and services A&A requires an extensive supplier base. Conscious of our social responsibility A&A strives to ensure that all the products sourced for Services at Your Doorstep are fair trade and ethically and sustainably sourced. Therefore, in order to ensure that all products are ethically sourced A&A maintains a firm grip and control over its suppliers and ensures that their production processes meet the requisite standard. A&A achieves this by adopting a “farm to store” model which seeks to assist the supplier to develop their lives whilst at the same time ensuring that A&A maintains control over the supply process. This nurtures local entrepreneurs and at the same time ensures that A&A is able to maintain the quality of the services and products that it sells on Servicesatyourdoorstep.com.

7.2. A FARM TO STORE MODEL

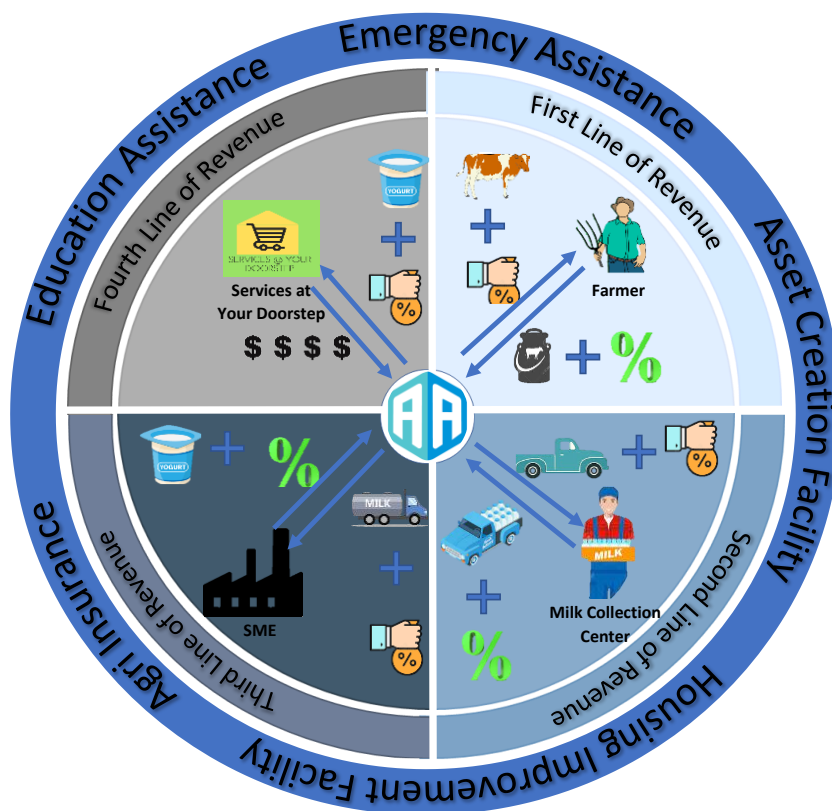
In the current economic context brought about by the COVID-19 pandemic, the entrepreneur/supplier can no longer bear the full financial burden of production. Therefore, the proposed model seeks to collaborate with the entrepreneur in order to alleviate the entrepreneur’s burden. The proposed model sets out an innovative new farm to store model which collaborates with entrepreneurs to assist them in their entrepreneurial journey. The farm to store model allows A&A to control the supply chain and value addition process which ensures profitability and reduces the risk of the company. Therefore, recognising that the provision of financial services to low-income segments is ineffective, A&A does not provide financial services. Rather, A&A shall control the value chain, through the provision of raw materials, forward purchase agreements, the creation of supply chains, encouragement of entrepreneurship and the provision of education and technical knowledge. Such a holistic approach, gives A&A significant control of the supply chain and ensures several points of revenue to A&A at all points along the supply chain. Thus, named a farm to store model, it gives A&A significant control of production process and lines of revenue.

A&A will provide suppliers with the raw materials equivalent to their production capacity and the quantity stipulated in the forward purchase agreement. Therefore, under this model A&A will provide suppliers with the resources they need to engage in income generating activities such as seeds, fertilizer, animal fodder, animals and other necessary raw materials. These resources are provided in tandem with forward purchase agreements which stipulate that A&A shall mandatorily purchase the entrepreneurs produce at a future date and at a given price. Items

purchased from suppliers under such forward purchase agreements are then provided to new entrepreneurs as raw materials in order for them to create a value-added product. This second tier of entrepreneurs/suppliers that use the forward purchased raw materials will also enter in to forward purchase agreements with A&A for the future sale of the value-added product to A&A. Such forward purchased value added products will then be sold via A&A's Services at Your Doorstep online shopping platform.

In addition to the provision of raw materials the proposed model will provide suppliers with services to develop their financial literacy, knowledge, skills, entrepreneurial acumen and leadership which is known as Entrepreneur Empowerment (EE).

This model strives to create a holistic development solution, by collaborating together with the supplier and holding their hand and guiding them to a mutually beneficial final outcome. The model is geared to generate multiple lines of revenue for both the supplier and the company as A&A will collaborate with the supplier in order to facilitate pluri-activity which will generate several sources of income for the supplier. The company in turn will benefit from such



collaboration through, the incorporation of forward purchase agreements, under which the supplier's products and produce shall be bought by the Company and processed or sold. Such a model facilitates the overarching objective of greater economic inclusivity and sustainable development which will eventually culminate in the creation of vibrant self-sustainable local economies.

8. KEY STRATEGIES AND MILESTONES

8.1. 24 BRANCHES WITHIN TWO YEARS OF OPERATIONS

As the proposed business venture utilises a virtual model it does away with the need for brick-and-mortar branches to a great extent. In this regard the model is not constrained by geographical factors and therefore, may be expanded across the country where-ever there are entrepreneurs willing to collaborate with A&A.

Within the first two years of operations A&A hopes to establish 10 branches and 30 virtual branches across the country, to effectively bring the farm to store model to the unserved segments of society. Upon the completion of the five-year strategic plan A&A will have branches set up across all 9 provinces and 25 districts of the country, enabling A&A to bring inclusive development to the grassroots of the Sri Lankan population and expand its online shopping platform “Services at Your Doorstep” to the largest in the country.

8.2. DEVELOPING AN ADVANCED I.T. BACKED MODEL

A technology backed company has to its advantage reduced costs, improved efficiencies and increased outreach. Striving to reap these benefits from the very outset A&A has invested in obtaining a highly efficient IT model that will support its operations.

The adoption of a digital model has the capacity to increase a company’s product base by over 50% year on year as seen in India and Cambodia. Such models digitize the entire operations process. Digitised models allow for real time monitoring of operations and which ensures operational efficiency, minimal workforce, and the agility to amend processes as and when required

8.2.1. Online Shopping Platform

The IT backed model of A&A will also include the development of an online shopping platform known as “Services at Your Doorstep”. This platform will serve as a one stop shop to meet our customers every need. Using both a web based and app-based platform the main objective of A&A is to grow “Services at Your Doorstep” to be the largest online market place in Sri Lanka. The platform has been designed to be user friendly and interactive in order to allow the customer the greatest user experience.

8.3. BE THE LARGEST COLLABORATIVE FUND IN SRI LANKA

A&A strives to be the largest Collaborative Fund in Sri Lanka with the strategic goal of achieving a Product Portfolio of Rs. 2 billion within the first 2 years of operations. The introduction of new and innovative Collaborative products which assist the Entrepreneur to grow hand in hand with A&A, supported by forward purchase agreements and supply procurement strategies are the main commitments of A&A in order to achieve this strategic goal. In addition to the above the conducting of Entrepreneur Empowerment (EE) programmes are also geared to increase the entrepreneur/supplier base of A&A by fostering lasting relationships.

8.3.1. Entrepreneur Empowerment (EE)

These assistance services provide suppliers/entrepreneurs the skills they require to ensure effective development and poverty alleviation. Sustainable development must take in to account that often times new entrepreneurs whilst, they have the skill set pertinent to their trade or craft lack knowledge and skill as to financial management and pluri-activity. Therefore, A&A will also provide suppliers with EE services so that they may reap the full benefit of the resources and raw materials they receive. EE services provide suppliers with an array of programmes that assist them in becoming financially self-sustained, advance their knowledge, develop their skills and social mobilization opportunities, including concessionary rates for educational or professional courses.

8.4. DEVELOP NEW CHANNELS OF MARKETING AND CREATE MARKET PRESENCE ACROSS THE COUNTRY

A&A will strive to establish its name as an ethical, sustainable and mutually beneficial company and corporate citizen. The development of an effective communication tool kit, positioning the Company as one of the most trusted places for Collaborative business in the mind-set of the customer, the creation of an environment to build longer term and a loyal base of customers and suppliers/entrepreneurs, the development of the annual marketing communications plan, development of regional marketing communication plans are the key means of achieving the above-mentioned objective. A&A will further increase awareness about the Company through advertising, media promotions, sales promotions, personal selling and public relations.

8.5. LAUNCH ‘SERVICES AT YOUR DOORSTEP’ AN ONLINE SALES PLATFORM

A&A will collaborate with our entrepreneurs/suppliers to increase their market access. A&A will introduce a new online marketing platform known as Services at Your Doorstep, which will house and sell all products produced by A&A entrepreneurs/suppliers under one roof. Adopting a fair-trade model, where all those involved in the production process have been paid above the market price, these products may be marketed as fair-trade products in existing markets. The end product that is bought back from the entrepreneur is then introduced to the market by way of Services at Your Doorstep. The objective of A&A is to develop Sri Lanka’s largest online “one-stop” shop via the Servicesatyourdoorstep.com platform.

8.6. DEVELOP NEW CHANNELS OF DELIVERING PRODUCTS TO THE CUSTOMER

Customers have increasing expectations of service provision. With the emergence of a ‘Service Culture’ requires that the Company pay exceptional attention to providing the Customer with ‘priority’ service in order to attain the Company’s desired competitive position. The development of a service standards framework, development of service policies from which to construct ideal cases, standards for each service interaction, implementation of the 5S concept are essential in providing Customers with the best service.

In addition to having a widespread branch network that increases A&A’s service provision locations the adoption of a virtual model enables greater delivery of A&A products to the very doorstep of customers. Thus, the proposed model adopts key hitherto underutilised channels of delivering products to the customer.

8.7. DEVELOP A DEDICATED, COMPETENT AND KNOWLEDGEABLE WORK FORCE

At A&A we adopt a culture of inclusivity, equality and honourability. In keeping with the principles of equality a horizontal company structure is adopted which does not see any one person positioned above the other. Understanding that employees form the backbone of any organization, the first line of investment of A&A is to ensure that its staff are well looked after. In this regard, all new recruits will receive comprehensive training in the various initiatives and operational aspects of the company. This will in turn create a well-trained, efficient and professional team who are geared to provide customers, suppliers and entrepreneurs with premier services.

8.8. DEVELOP EFFECTIVE CUSTOMER AND SUPPLIER PROTECTION MECHANISMS

At A&A the customer and supplier/entrepreneur are not placed at the pinnacle of the organizational structure as a mere figurative gesture. The customer and supplier/entrepreneur are an important part of the company deserving to benefit and profit from the functions of the company. Having adopted a people centric approach, supplier and customer protection is then an essential keystone to the operations of A&A. These protection measures include a vast array of initiatives adopted throughout the collaborative process, so that the customer and entrepreneur/supplier is better protected and therein better served.

9. STATUTORY DECLARATIONS

We, the undersigned who are named herein as the Board of Directors of A&A Collaborative Fund (Private) Limited hereby declare and confirm that we have read the provisions of the Companies Act No. 7 of 2007 and any amendments thereto relating to the Issue of this Prospectus and those provisions have been complied with.

This Prospectus has been seen and approved by the Directors of A&A Collaborative Fund (Private) Limited and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that provisions 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 A&A Collaborative Fund (Private) Limited have been given in the Prospectus, such representations have been made after due and careful enquiry of the information available to A&A Collaborative Fund (Private) Limited and making assumptions that are considered to be reasonable at the present point in time in the best judgment of the Directors.

Signed at Colombo on this _____ day of ____ 2022

Name of Director	Designation	Signature
Mr. John Samuel	Chairman/ Independent Executive Director	Sgd.
Mr. Andrew Samuel	Independent Executive Director/ Chief Executive Officer	Sgd.
Mr. Naveendran Sinnapan	Independent Non-Executive Director	Sgd.
Mr. Mr. Roy Patrick	Independent Non-Executive Director	Sgd.
Mr. Ruwan Jayaratne	Independent Non-Executive Director	Sgd.

10. FINANCIAL POSITION

This unique project, which is the first of its kind in Sri Lanka requires an initial capital investment of Rs. 100 million in the first year and a further capital infusion of Rs. 100 million in the second year, both of which is to be raised by way of a debenture issue, equity and bank loans.

10.1. FINANCIAL FORECAST

01	<u>Instrument 01 - Equity</u>				
	Selling Price Per Share (Rs.)	1,000.00			
	Expected No. of Share Investment	100,000.00			
	Value of Equity (Rs.)	100,000,000.00			
		Debenture Type			
02	<u>Instrument 02 - Debenture</u>	A	AA		
	Value of an Instrument (Rs.)	100,000.00	100,000.00		
	Applicable Interest Rate (p.a.)	25%	24%		
	Tenor of the Instruments (Yrs)	1	1		
	Capital and Interest Repayment	at Maturity	Monthly		
	Expected Investment from Deb. Investors (Rs.Mn)	50.00	50.00		
	Expected Settlements On	July-23	July-23		
		23-Dec	24-Dec	25-Dec	26-Dec
	Earnings Per Share (EPS)	128.0	253.2	283.8	289.0
	Anticipated Market Price Per Share (MPS)	1,279.55	2,531.81	2,838.41	2,890.28
03	<u>Financial Position</u>	23-Dec	24-Dec	25-Dec	26-Dec
	Net Profit (Rs. Mn)	524.6	1,038.0	1,163.7	1,185.0
	Operational Sustainability YTD	262.7%	264.0%	265.5%	266.4%
	Disbursed Value of Interest Free Loans (Rs. Mn)	19.8	26.4	27.7	29.7
	Total Allocation for CSR YTD (Rs. Mn)	19.80	39.46	44.30	44.97

Projected Income Statement (Rs.Mn)	FY 2023	FY 2024	FY 2025	FY 2026
Interest on Portfolio	751	1,515	1,698	1,720
Service Charge on Lending	40	63	73	78
Income from Other Businesses	55	93	95	98
Financial Revenue	847	1,671	1,866	1,897
Financial Expenses	(28)	(26)	(13)	(9)
Financial Income	818	1,645	1,853	1,888
Net Impairment Provision	(83)	(136)	(109)	(66)
Net Financial Income	736	1,509	1,744	1,821
<u>Operational Expenses</u>				
Personnel Expense	(36)	(104)	(155)	(202)
Travel and Transportation	(12)	(32)	(49)	(52)
Depreciation	(1)	(3)	(4)	(4)
Communication Expenses	(2)	(4)	(6)	(6)
Occupancy Expense	(6)	(17)	(22)	(23)
Management Fee & Tithe	(40)	(79)	(89)	(90)
System Maintenance	(0.4)	(0.5)	(0.5)	(0.5)
Operational Expenses	(96)	(240)	(325)	(377)
Operating Income	639	1,269	1,418	1,444
Tax Expenses	(115)	(228)	(255)	(260)
Profit After Tax	524	1,041	1,163	1,184

Cash Flow (Rs. Mn)	FY 2023	FY 2024	FY 2025	FY 2026
<u>Cash Inflows</u>				
Collections	2,511	4,876	5,833	6,081
Collections from Other Businesses	55	93	95	98
Equity Investments	100	-	-	-
Debenture Investments	200	-	-	-
Total Cash Inflows	2,866	4,969	5,928	6,179
-				
<u>Cash Outflows</u>				
Disbursements	(2,303)	(3,528)	(4,011)	(4,320)
Operational Expenses	(96)	(238)	(321)	(373)
Debenture Interest	(9)	(23)	(9)	-
Other Borrowing Interest	(10)	(9)	(9)	(9)
Debenture Settlements	-	(100)	(100)	-
Fixed Asset Purchases	(6)	(9)	(3)	-
Tax Payments	(115)	(228)	(255)	(260)
Total Cash Outflows	(2,538)	(4,135)	(4,708)	(4,961)
Net Change For The Year	329	834	1,220	1,218
Beginning Cash Balance	2.00	331	1,164	2,385
Cash Balances at the Year End	331	1,164	2,385	3,603

11. APPLICATION FORM

INSTRUCTIONS

1. Application must be completed in FULL in BLOCK LETTERS.
2. Please tick (✓) in the boxes appropriate to you.
3. Only one application should be made by any person or entity. Multiple Applications will be rejected.
4. Applications will NOT be accepted from individuals under the age of 18 years, or in the names of sole proprietorships, partnerships or unincorporated trusts
5. If the ownership of Debentures is desired in the name of one individual, full details should be given only under the heading SOLE/PRIMARY APPLICANT. In the case of joint applicants, the signatures and particulars in respect of all applicants must be given under the relevant headings.
6. Joint Applicants should note that all parties of the Joint Application should either be residents of Sri Lanka or Non-Residents. An applicant of a Joint Application will not be eligible to send a separate Application either individually or jointly.
7. In the case of Applications made under Powers of Attorney a copy of the original Power of Attorney certified as “True Copy” by a Notary Public should be attached with the Application Form. The original Power of Attorney should not be attached.
8. Applications by companies, corporations and other corporate bodies registered/incorporated/ established in Sri Lanka should be made under their common seal or in any other manner as provided by their Articles of Association or such other constitutional documents of such Applicants or as per the statutes governing them.
9. Applicants must state his/her National Identity Card (NIC) Number and in the case of a corporate entity the Company Registration number must be given in the space provided. Passport Number of a Sri Lankan citizen is acceptable only when the NIC number is not available. Application forms which do not state the NIC, Passport or Company Registration No., as the case may be, will be rejected.
10. Refund Payments - If the Applicant has provided complete details of the Applicant’s Bank Account in the Application Form, the refund payment will be made to the Bank Account specified by the Applicant through the Sri Lanka Inter Bank Payment System (SLIPS) provided that the refund amount does not exceed the maximum limit of LKR 5.0 Million imposed by the Central Bank of Sri Lanka. In the event the refund payment is made via SLIPS a payment advice shall be issued to the Applicant. If the Applicant has not provided details of the bank account in the Application Form or has provided incomplete details of the bank account, or if the refund amount exceeds LKR 5.0 Million, the refund payment will be made by a crossed cheque drawn in favour of the Applicant and sent by Registered Post to the registered address of such Applicant. In the case of a joint Application, a crossed cheque will be drawn in favour of the Primary Applicant whose name appears first in the Application Form. Investors are advised to provide accurate details for transfer of refund payments via SLIPS in order to avoid delays.

Mode of Remittance

Remittances should be made separately in respect of each Application only by way of a Cheque, Bank Draft or Bank Guarantee, as the case may be. Each Application Form should be accompanied by no more than one Cheque, Bank Draft or Bank Guarantee as the case may be for the aggregate amount payable on such application.

Applications with two or more Cheques, Bank Drafts or Bank Guarantees will be rejected. Payments for Applications for values above and inclusive of Sri Lankan Rupees One Hundred Million (LKR 100,000,000) should be supported by a Bank Guarantee.

Cheques and Bank Drafts should be drawn upon a Licensed Commercial Bank in Sri Lanka and crossed “Account Payee Only” and made payable to “**A&A COLLABORATIVE FUND (PVT) LTD.**” The Bank Guarantees should be in a form acceptable to the Company and should be issued by a Licensed Commercial Bank in Sri Lanka, payable on demand unconditionally to “**A&A COLLABORATIVE FUND (PVT) LTD.**”

CASH WILL NOT BE ACCEPTED

Forwarding of Completed Applications

The Application form duly completed together with the remittances for the full amount payable should be dispatched by post or delivered by hand in an envelope addressed to:

**NO. 9/2,SOVIS MAWATHA,
KALA-ELIYA,
JA-ELA,
SRI LANKA**

and marked “**A&A COLLABORATIVE FUND (PVT) LTD. – DEBENTURE**” on the top left hand corner of the envelope. Applications could also be handed over to A&A COLLABORATIVE FUND (PVT) LTD.

**PLEASE REFER INFORMATION MEMORANDUM FOR DETAILS
APPLICATION FORMS AND ACCOMPANYING CHEQUES /BANK DRAFTS OR BANK GUARANTEES
WHICH ARE ILLEGIBLE OR INCOMPLETE OR NOT IN ACCORDANCE WITH PROVISIONS SETOUT IN
THE INFORMATION MEMORANDUM OR THE ABOVE INSTRUCTIONS MAY BE REJECTED**

TRUST DEED

FOR THE PRIVATE PLACEMENT OF FIVE HUNDRED (500) TYPE A SUBORDINATED, FIXED RATE, SECURED, REDEEMABLE ONE (01) YEAR DEBENTURES OF RS. 100,000 EACH AND FIVE HUNDRED (500) TYPE AA SUBORDINATED, FIXED RATE, SECURED, REDEEMABLE ONE (01) YEAR DEBENTURES OF RS. 100,000 EACH BY A&A COLLABORATIVE FUND (PRIVATE) LIMITED.

This Trust Deed is made on this Eleventh (11th) day of July 2022

BETWEEN

A&A COLLABORATIVE FUND (PRIVATE) LIMITED a Company duly incorporated in Sri Lanka bearing registration number PV 00242962 of No. 9/2, Sovis Mawatha, Kala-Eliya, Ja-Ela in the Democratic Socialist Republic of Sri Lanka (hereinafter called "**the Company**") and which term or expression herein used shall where the context so requires or admits mean and include the said **A&A COLLABORATIVE FUND (PRIVATE) LIMITED**, its successors and assigns) of the **ONE PART**;

AND

GANLATHS INTERNATIONAL LEGAL CONSULTANTS having its registered office at Ganlaths, Galadari Hotel, No. 64, Lotus Road, Colombo 01 in the Democratic Socialist Republic of Sri Lanka (hereinafter referred to as "**the Trustee**") and which term or expression hereinafter used shall where the context so requires or admits mean and include the said **GANLATHS INTERNATIONAL LEGAL CONSULTANTS** its successors and assigns) of the **OTHER PART**;

Whereas

- The company being duly empowered in that behalf by its Articles of Association has resolved by resolution dated 3rd of November 2021 of its Board of Directors to raise a sum not exceeding Sri Lankan Rupees One Hundred Million (LKR 100,000,000/-) by the issue of Type A subordinated, fixed rate, secured, redeemable debentures and Type AA subordinated, fixed rate, secured, redeemable debentures each of the par value of Rupees One Hundred Thousand (LKR 100,000/-) each, having tenures and bearing interest at the rates hereinafter mentioned.
- The said Debentures shall be constituted in the manner and upon the terms and conditions hereinafter contained;
- The Trustee being duly qualified to Act as a Trustee has agreed to accept the Office of Trustee and act under the provisions of this Deed as Trustee for the benefit of and in the interests of the Debenture Holders on the terms hereinafter contained.

NOW THIS DEED WITNESSETH AND IT IS HEREBY AGREED AND DECLARED AS FOLLOWS

I. DEFINITIONS

- a) In these Presents unless the subject or context otherwise requires the following expressions shall have the respective meanings given below;
- i) "**CERTIFICATE**" means any certificate required to be issued under these Presents and they may be signed on behalf of the Company by (a) a Director and the Chief Executive Officer or (b) a Director and the Company Secretary or (c) any two other Officers specifically authorised by the Board of the Company to issue such a certificate.
 - ii) "**DATE OF ISSUE**" means the date on which the Debentures will be allotted to the Debenture Holder as stated in the Debenture Certificate.

- iii) **"DATE OF REDEMPTION / MATURITY"** means the date on which the Capital/Principal value of the Debentures will be paid as stated in the Debenture Certificate or such earlier date on which the Debenture may become redeemable in accordance with these Presents and such later date on which the Debentures may be redeemable in the circumstances set out in Clause 4 (a).
- iv) **"DEBENTURE HOLDERS"** means the holders for the time being of the Debentures whose names are for the time being entered as holders of Debentures in the Register.
- v) **"DEBENTURES"** shall mean
- (a) **Class A:** Secured Subordinated Redeemable One (01) year Debentures of LKR 100,000/- each, carrying a Fixed Interest Rate of 25.00% per annum on the principal sum payable at maturity.
 - (b) **Class AA:** Secured Subordinated Redeemable One (01) year Debentures of LKR 100,000/- each, carrying a Fixed Interest Rate of 24.00% per annum on the principal sum payable monthly.
- vi) **"EVENT OF DEFAULT"** means any event set out in Clause 11
- vii) **"EXTRAORDINARY RESOLUTION"** means a resolution passed by the holders of not less than three fourth (3/4) in value of the Debenture Holders present and voting on such resolution.
- viii) **"INTEREST PAYMENT DATE"** shall mean
- (a) **Class A:** the date of maturity of the Debenture
 - (b) **Class AA:** the dates on which payments of interest in respect of the Debentures shall fall due which shall be monthly on the expiry of every one (01) month from the Date of Issue of the Debentures and every one month therefrom until the Date of Redemption
- ix) **"INTEREST PERIOD"** shall mean
- (a) **Class A:** the period commencing from the Date of Issue and ending on the date immediately preceding the Date of Redemption (inclusive of the aforementioned commencement date and end date)
 - (b) **Class AA:** the one (01) month period from the date immediately succeeding a particular Interest Payment Date and ending on the next Interest Payment Date (inclusive of the aforementioned commencement date and end date) and shall include the period commencing from the Date of Issue and ending on the first Interest Payment Date (inclusive of the aforementioned commencement date and end date) and 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)
- x) **"RATE OF INTEREST"** means with respect to
- (a) **Class A:** Fixed Coupon Rate of 25.00% p.a. payable at Maturity.
 - (b) **Class AA:** Fixed Coupon Rate of 24.00% p.a. payable monthly.
- xi) **"REGISTER"** means the Register of the Debenture Holders hereinafter covenanted to be kept by the Company.
- xii) **"REGISTERED ADDRESS"** when used in relation to a Debenture holder means the respective address of the Debenture Holder registered in the Register.
- xiii) **"REGISTRARS"** means the Company Secretary of the company or such other person or persons to be appointed as the Registrars for the purpose of these presents by the Company.
- xiv) **"RESOLUTION"** means a Resolution passed by the Debenture holders in terms of Clause 21 hereof unless otherwise provided for.
- xv) **"SRI LANKAN RUPEES"** and the sign "LKR" mean the lawful currency of the Republic of Sri Lanka.
- xvi) **"SECURED"** with respect to Debentures shall mean that the Debenture shall be secured against Twenty-Five per centum (25%) of the shares of A&A Collaborative Fund (Pvt) Ltd. amounting to One Million (1,000,000) shares in the company.
- xvii) **"SUBORDINATED"** with respect to Debentures shall mean that the claims of Debenture Holders shall in the event of winding up of the Company rank after all the claims of unsecured and other Secured Creditors of the Company and any preferential claims under any Statutes governing the Company but shall rank in priority to and over the claims and rights of the ordinary Shareholder/s of the Company.

- xviii) **"THESE PRESENTS"** means this Trust Deed as from time to time modified in accordance with the provisions herein contained and/or according to law and shall include any Supplementary Trust Deed executed in accordance with the provisions hereof.
- xix) **"TRUST DEED"** means these Presents as from time to time modified in accordance with the provisions herein contained and/or according to law and shall include any Supplementary Trust Deed executed in accordance with the provisions hereof.
- xx) **"TRUSTEE"** means Ganlaths International Legal Consultants or its successors or assigns.
- xxi) **"WORKING DAY"** means any day (other than a Saturday or Sunday or any statutory holiday) on which Banks and foreign exchange markets are open for business in Sri Lanka.
- b) Words denoting or importing the singular number shall include the plural number and vice versa and words denoting or importing the masculine gender only shall include the feminine gender and shall include corporate and unincorporated bodies of persons.
- c) In these Presents reference to:
 - i) Any provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made there under or under such modifications or re-enactment
 - ii) Principal and/or interest in respect of the Debentures or to any monies payable by the Company under these Presents or under the Debentures shall be deemed also to include references to any additional amounts which maybe be payable under these Presents.
 - iii) A month shall be a reference to the time from any day of one calendar month to the corresponding day of the next calendar month.
- d) References in this Trust Deed to clauses, sub-clauses, paragraphs and sub-paragraphs shall be constructed as references to the clauses, sub clauses, paragraphs and sub-paragraphs of this Trust Deed respectively.
- e) The headings are inserted herein only for convenience and shall not affect the construction of these Presents.

2. APPOINTMENT OF THE TRUSTEE

The Trustee is hereby appointed as Trustee for the purposes of the Debentures and for the benefit of and in the interest of the Debenture Holders as provided herein and the Trustee accordingly accepts the appointment upon the terms and conditions contained herein and agrees to act under the provisions of this Trustee Deed as the Trustee.

The Trustee hereby declares and confirms that there is no conflict of interest between the Company and the Trustee and its Directors in connection with the said Debenture issue.

3. AMOUNT OF THE DEBENTURE ISSUE AND ISSUE OF DEBENTURES

Debentures will be issued by the Company to raise a sum of up to Sri Lanka Rupees One Hundred Million (Rs 100,000,000/-).

4. COVENANTS TO REPAY THE PRINCIPAL SUM AND PAY INTEREST ON THE DEBENTURE

- a) The Company hereby covenants with the Trustee for the benefit of the Debenture Holder that it will;
 - i) Pay on the Date of Redemption to Debenture Holders registered as at the Date of Redemption/Maturity (in case of joint Debenture holders to the one whose name appears first in the Register of the Debenture Holders on the date of redemption/maturity) in accordance with the provisions of these Presents upon the Debenture Holders surrendering the Debenture Certificate to the Company Secretary or Registrar, either through an electronic fund transfer mechanism recognised by the banking system of Sri Lanka such as SLIPS (Sri Lanka Interbank Payment System) and RTGS (Real Time Gross Settlement System) in the event accurate bank

account details of the Debenture Holders are provided to the Registrar to effect such transfers; or by cheque/s marked "Account Payee Only" sent by ordinary mail to the registered addresses provided by the Debenture Holders to the Registrar, at the risk of the Debenture Holders, if bank account details are not provided to the Registrar or the bank account details provided to the Registrar are inaccurate; 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. RTGS transfers however could be effected only for amounts over and above the maximum value that can be accommodated via SLIPS transfers.

- ii) The Debentures shall be redeemed at par in accordance with the provisions contained in these Presents on the date of maturity or on such earlier date in the event of default together with interest (if any) remaining unpaid therefore. If the Date of redemption/maturity falls on a non-working day on which the Banks are closed for business in Sri Lanka, then the Debentures shall be redeemed without any additional interest on the next working day when the Banks are open for business in Sri Lanka.
 - iii) In the event of there being any delay in the redemption of the Debentures, due to a default by the Company, the Company shall pay an additional interest (in addition to the Rate of Interest) on the unpaid principal sum at a rate of one percent (1%) more than the coupon rate per annum from the Date of Redemption until such sum is paid in full.
 - iv) The Registrars shall at least 07 working days prior to the Date of maturity/Redemption of the Debentures send a reminder to the Debenture Holders to surrender the Debenture Certificates for redemption on the Date of maturity/redemption. On or before the Date of maturity/redemption the holder of every such Debentures to be redeemed shall be bound to surrender such Debenture Certificate, either by person or through registered post to the Registrars.
 - v) All Debenture Certificates pertaining to the Debentures redeemed as aforementioned shall be cancelled and shall not be reissued.
- b) The Company hereby covenants with the Trustee for the benefits of the Debenture Holder that it will;
- i) Pay on each applicable Interest Payment Date to the Debenture Holders in accordance with the provisions of these Presents either 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 of the Debenture Holders are provided to the Registrar to effect such transfers; or by cheque/s marked "Account Payee Only" sent by ordinary mail to the addresses provided by the Debenture Holders to the Registrar, at the risk of the Debenture Holders, if bank account details are not provided to the Registrar or the bank account details provided to the Registrar are inaccurate; the interest payable on such Interest Payment Date. RTGS transfers however could be effected only for amounts over and above the maximum value that can be accommodated via SLIPS transfers.
 - ii) The interest calculation shall be based upon the actual number of days in each Interest Period (actual/actual)
 - iii) In the event of there being any delay in the payment of interest, due to a default by the Company, the Company shall pay an additional interest (in addition to the Rate of Interest) on such unpaid interest at the rate of one percent (1%) more than the coupon rate per annum from the Interest Payment Date until such sum is paid in full.
- c) The payment of the principal sum and interest shall be made in Sri Lankan Rupees.
- d) Any payment shall be deemed to have been made on the Date of Redemption or the Interest Payment Date as the case may be if the cheques are dispatched not later than five (05) working days from such date or the SLIPS transfer or the RTGS transfer is made not later than five (05) working days from such date.

- e) If any Debenture Holder fails or refuses to claim by the surrender of the Debenture Certificate and receive payment of the interest or redemption monies payable to such Debenture Holder, or any part thereof within ninety (90) days from the Interest Payment Date or the Date of Redemption of the Debentures as the case may be, the amount due to him shall be transferred by the Company to a suspense account maintained separately with the Trustee at the end of Ninety (90) days after the Interest Payment Date or the Date of Redemption of the Debentures and shall be paid by the Company to the Debenture Holder when a claim is duly made and the Debenture Certificate is surrendered and no interest will be payable by the Company on such interest or redemption monies for the period between the Interest Payment Date or the Date of Redemption as the case may be and the date of the said payment unless the non-payment is due to a default on the part of the Company.
- f) No person shall be entitled to claim any such payment after the completion of six (06) years from the Interest Payment Date or the Date of Redemption and all unclaimed monies shall cease to be owed and payable by the Company to any Debenture Holder after the said period of six (06) years and such moneys will be returned to the Company by the Trustee.
- g) If any cheques for redemption and/or interest payments sent by post to the Debenture Holders are returned to the Company undelivered, the amounts represented by each of such returned cheques shall also be transferred by the Company to the aforementioned suspense account maintained with the Trustee and retained therein for a period of six (06) years from the Interest Payment Date or the Date of Redemption of the Debentures. Such monies will be repaid to the Debenture Holders if the same is claimed in writing by such Debenture Holder with the said six (06) years period and no interest will be payable by the Company on such interest or redemption monies for the period between the Interest Payment Date or the Date of Redemption as the case may be and the date of the said payment.
- h) No person shall be entitled to claim any such redemption and/or interest payment after the completion of six (06) years from the Interest Payment Date or the Date of Redemption and all unclaimed monies shall cease to be owed and payable by the Company to any Debenture Holder after the said period of six (06) years and such moneys will be returned to the Company by the Trustee.

5. SECURITY FOR DEBENTURES

The Company hereby covenants with the Trustee for the benefit of the Debenture Holders that the Company shall secure: the payment of Capital/Principal amount due on the **Debenture Classes A and AA**, against Twenty Five percentum (25%) of the existing shares of A&A Collaborative Fund (Pvt) Ltd. and obtain the consent of the trustee and the Holders of the respective Debentures for any release or substitution of the existing security or the assets that constitutes the existing security.

6. ISSUE OF CERTIFICATES

- a) The Company shall within 14 working days from the date of allotment of the Debentures send by Registered Mail the Debenture Certificate to the Debenture Holders.
- b) The Company shall, issue to every Debenture Holder one (01) Certificate in respect of the units of Debentures held by such Debenture Holder. Joint Debenture Holders shall be entitled to only one Certificate for any Debentures held jointly by them which Certificate shall be dispatch to that one of the Joint Holders whose name appears first in the Register of Debentures and the Company shall not be bound to register more than two persons as the Joint Holders of any of the Debentures. A Debenture Holder may apply in writing to the Company for the issue of more than one Certificate for two or more units of Debentures if he so wishes. Upon the Certificate which it is applied to be replaced by two or more Certificates being surrendered to the Company and on the payment of such fees as the Company may determine from time to time for such issue the Company shall issue

to the Application Debenture Holder two or more Certificates for such Debentures as the Applicant may apply for.

- c) The Certificate for the Debentures shall be substantially in the form set out in the First Schedule hereto and the Certificate shall be held subject to and with the benefit of all such conditions or such other conditions (having substantially the same effect) as may be endorsed on any Debenture Certificate.
- d) Every Debenture Certificate shall be under the seal of the Company affixed with the authority of its Directors and in the manner provided for by the Articles of Association for the time being of the Company.
- e) If the Debenture Certificate is worn, defaced, lost or destroyed a duplicate certificate may be issued at the request of a Debenture Holder on the payment of such fee not exceeding LKR 500/- and on such terms as to evidence and indemnity as the Company shall think fit.
- f) In the event of loss of a Debenture Certificate the Company shall require an advertisement to be placed in one of the main newspapers in daily circulation, in Sri Lanka and the cost of such advertisement shall be borne by the Debenture Holder. Any stamp duty/taxes/charges payable on such certificate shall be borne by the Debenture Holder.

7. STAMP DUTY AND OTHER CHARGES (IF ANY)

The Company shall pay all charges, stamp duties and other similar duties or taxes (if any) payable on or in connection with (i) the issue of the Debentures and (ii) the execution of these Presents.

8. TRANSFER OF DEBENTURES

- a) The Debentures are transferable free from any equities or set off between the Company and the original or any intermediate Debenture Holder and registration of such transfer shall not be subject to any restriction save and except to the extent required for compliance with statutory requirements.
- b) A change of ownership of these Debentures shall be in writing under the hand of the Debenture Holder (or where appropriate by persons authorised by law to do so) and of the Transferee which shall be retained by the Company. Subject to the restrictions set out above as may be applicable all transfers of Debentures may be effected by instrument in writing in any usual or common form. The Company may demand a fee of LKR 500/- for any registration of any change of ownership of the Debentures. No transfer will be registered unless the duly perfected Transfer Form along with the Debenture Certificate and stamp duty, if any, payable is presented to the Company Secretary, who shall maintain a Register of the Debenture Holders.
- c) Subject to the provisions contained herein the Company may register without assuming any liability any transfer of Debentures, which are in accordance with the statutory requirements.
- d) In case of death of the Debenture Holder
 - i) The survivor where the deceased is Joint Holder; and
 - ii) The Executors or Administrators of the deceased 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 surviving holder; shall be the only person recognised by the Company as having any title to his Debentures.
- e) Any person becoming entitled to any Debentures in consequence of bankruptcy or winding up of any Debenture Holder, upon producing proper evidence that he sustains the character in respect of which he proposes to act or his title as the Board of Directors of the Company thinks sufficient may in the discretion of the Board be substituted and accordingly registered as a Debenture Holder in respect of such Debenture subject to applicable laws, rules and regulations pertaining to the Company.
- f) No change in ownership in contravention of these conditions will be recognised by the Company.

9. COVENANT TO OBSERVE THE PROVISIONS OF THE TRUST DEED

The Company hereby covenants with the Trustee to comply with the provisions contained herein and to perform and observe the same. It is expressly agreed between the Company and the Trustee that the Trustee shall not be liable for any loss or damage however caused by non-observance or non-compliance with the covenants contained in Clause 10 by the Company.

10. COVENANTS BY THE COMPANY

The Company hereby covenants with the Trustee for the benefit of the Debenture Holders that, so long as any of the Debentures remain outstanding

- a) The Company shall at all times carry on and conduct its affairs in a proper and appropriate manner
- b) The Company shall at all times keep such books of accounts as it is obliged to keep under the applicable laws and (to the extent not prohibited by law or otherwise by virtue of any duty of confidentiality) at any time after an Event of Default shall have occurred or the Trustee shall have reasonable cause to believe that an Event of Default will occur, allow a reputed audit firm appointed by the Trustee in consultation with the Company free access to the same at all times during working hours and to discuss the same with the Directors and Officers of the Company, provided however that the Trustee and the audit firm shall, to the extent legally permitted, maintain confidentiality in respect of all the matters relating to the Company and its business and shall not use any information they acquire pursuant to these provisions for any other purpose.
- c) The Company shall issue a Certificate in writing to the Trustee;
 - i. Within five (05) days from each Interest Payment Date, certifying that the interest on the Debentures have been paid to the Debenture Holders in terms of Clause 4 (b);
 - ii. Within five (05) days from the Date of Redemption certifying that the principal amount has been paid to the Debenture Holders in terms of Clause 4(a).
- d) The Company shall issue to the Trustee such certificates and provide such information as the Trustee may require in order to carry out its duties and obligations in terms of these Presents provided such certificates can be issued or such information can be provided by the Company without committing a breach of its duty of confidentiality to any person or entity
- e) The Company shall at all times keep a correct Register of Debenture Holders showing:
 - i) The name and addresses (which shall be the registered addresses of the Debenture Holders) of all Debenture Holders.
 - ii) The number and value of the Debentures held by each Debenture Holder
 - iii) The date on which each Debenture Holder became registered as the Holder of any Debentures and the date on which he ceased to be so Registered.
- g) The company shall keep a record of the number of Debentures which have been issued and, the date of such issue and the persons to whom such Debentures were issued.
- h) The Company shall permit the Trustee and the Debenture Holders at all reasonable times without payment of any fee to inspect any records maintained by the Company referred to in Clause 10(b) above and to take copies thereof.
- i) The Company shall
 - i) Within Fourteen (14) days from the end of every semi-annual period commencing from the Date of Allotment submit a certificate to the Trustee signed by a Director and the Company Secretary certifying that all the covenants set out in Clause 10 hereof have been complied with. In the event the Company defaults in submitting such Certificate the Trustee shall treat it as an event of Default as set out in Clause 11 hereof.
 - ii) forthwith upon the Company becoming aware of the happening of any and every such event as is mentioned in Clause 11 hereof give notice thereof in writing to the Trustee provided that the Company shall in any event issue a Certificate to the Trustee within thirty (30) days from the end of every semi-annual period commencing from the Date of Allotment of the Debentures

certifying that no event mentioned in paragraphs (a)(ii) and (a)(iii) of Clause 11 herein has occurred during the previous six (06) month period which would have resulted in the Debentures becoming payable in terms of the said Clause 11. In the event the Company defaults in submitting such Certificate the Trustee shall treat it as an event of Default as set out in Clause 11 hereof.

- j. The Company shall make available the Trust Deed in full on the Company's web site until the Date of Redemption and shall make available to any Debenture Holder on request a certified copy of the Trust Deed upon payment of a fee of LKR 500/-
- k. The Company shall send to the Trustee and publish on its website, no later than forty-five (45) days from the end of the first, second and third quarters and sixty (60) days from the end of the fourth quarter of its financial year an interim financial statement prepared on a quarterly basis.
- l. The Company shall reimburse all reasonable expenses incurred by the Trustee after an Event of Default has occurred in connection with:
 - i. Preservation of the Company's assets (whether then or thereafter existing)
 - ii. Collection of amounts due under this Trust Deed

All such sums shall be reimbursed by the Company within thirty (30) days from the date of notice of demand from the Debenture Holders or the Trustee.

- m. The Company shall send the Trustee all published financial and other information, which is normally provided to ordinary shareholders at the same time that it is sent to the shareholders.
- n. The Company shall immediately notify the Trustee in the event that the Company becomes aware of the occurrence of any of the following events that has caused or could cause:
 - i. Any amount payable under the Debenture to become immediately payable
 - ii. Any event which in the opinion of the Company that could lead to the acceleration of either the payment of interest or redemption of the Debentures
 - iii. Any other right or remedy under the terms and conditions of the Debentures or the provisions or covenants of the Trust Deed to become immediately enforceable.
- o. The Company shall not without the prior written approval of the Trustee which approval shall not be unreasonably withheld declare or pay any dividend to its shareholders during any financial year unless it has paid all the dues to the Debenture Holders/ Trustees as at the date on which the dividend is proposed to be declared or paid or has made satisfactory provisions thereof.
- p. The Company shall refrain from utilizing the proceeds of this Debenture Issue for any purpose other than for the purposes mentioned in the prospectus.

11. EVENTS OF DEFAULT

- a) Subject to the provisions of paragraph (b) of Clause 11 below, the Debentures shall become immediately payable at the option of the Trustee on the occurrence of any of the following events:
 - i. 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.
 - ii. If the Company 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 Company.
 - iii. If the liquidation, bankruptcy, insolvency, receivership, or similar action or proceeding is commenced against the Company or an order shall be made or an effective resolution shall be passed for the winding up of the Company.
 - iv. If the Company commits a breach of any of the other covenants or provisions contained herein on its part to be observed and performed provided however that the Trustee shall give the Company up to thirty (30) days' notice before declaring such breach to be an Event of Default.

- v. If the Company is unable to pay its debts within the meaning of section 219 of the Companies Act No. 07 of 2007
 - vi. If the Company without the written consent of the Trustee sells or otherwise disposes of the whole or any substantial part of its assets
- b). Repayment before maturity of the principal sum on the Debentures or any thereof in any circumstances shall be subject to the prior written approval of the 3/4th of the Debenture Holders in nominal value of the Debentures outstanding at that time.

12. ENFORCEMENT OF OBLIGATIONS

At any time after the Debentures shall have become payable on redemption or otherwise under any provisions of these Presents, and the Company has failed and/or neglected to repay and/ or redeem the same within the stipulated time period, the Trustee may upon the Company's continuous failure and/or negligence to repay and/or redeem the Debentures, at its discretion, or upon the request in writing of the Debenture Holders of at least on fifth (1/5) of the par value of the Debenture outstanding, and in the event that there is no Trustee, the Debenture Holders pursuant to an Extraordinary Resolution and subject to fourteen (14) days prior written notice to the Company, institute such proceedings as they think fit to enforce repayment and other obligations of the Company under these Presents.

13. APPLICATION OF THE MONIES RECEIVED BY THE TRUSTEE

In the event of the Trustee recovering or receiving any monies from the Company consequent to any action taken by the Trustee against the Company the Trustee shall apply such monies;

- a) In the first place in paying or providing for the payment or satisfaction of the costs charges expenses and liabilities incurred in or about the execution of the trust constituted by the Presents (including remuneration of the Trustee);
- b) Secondly in or towards payment to the Debenture Holders of all arrears of interest remaining unpaid on the Debentures held by them respectively
- c) Thirdly in or towards payment to the Debenture Holders of all principal monies due in respect of the Debentures held by them respectively and;
- d) Finally, the Trustee shall pay the surplus (if any) of such monies to the Company or its assigns, provided that at the discretion of the Trustee payment may be made on account of principal monies before any part of the interest or the whole of the interest on the Debentures have been paid but such alteration in the order of payment of the principal monies and interest shall not prejudice the right of the Debenture Holders to receive the full amount to which they would have been entitled if the ordinary order of payment had been observed. Any payment to the Debenture Holders under this clause shall be made *pari passu* in proportion to the Debentures held by them respectively without any preference or priority on account of the date of allotment, type of Debenture or otherwise howsoever.

14. MANNER OF PAYMENT AND ENFORCEMENT OF DEBENTURES

Any payment to be made in respect of the Debentures by the Company or the Trustee may be made in the manner provided in this Trust Deed and any payments so made shall be a good discharge *pro tanto* to the Company or the Trustee, as the case may be. Any payment of interest in respect of a Debenture shall extinguish any claims which may arise directly or indirectly in respect of such interest from a Debenture Holder.

At the time of any payment of the principal sum on the Debentures under the provisions of Clause 13, the Debenture Certificates in respect of which such payment is made in full shall be surrendered to the Trustee through whom such payment is made and the Company shall call such Debenture Certificates to be cancelled and shall certify or procure the certification of such cancellation.

15. REMUNERATION OF THE TRUSTEE

The Company shall pay the Trustee during the continuation of these Presents a sum of Sri Lankan Rupees amounting to point five percentum (0.5%) of the subscription value on account of remuneration for the Trustee for its services under these Presents. The said sum shall be paid at the end of each One Year period commencing from the date of execution of these presents.

16. GENERAL POWERS AND DUTIES OF THE TRUSTEE

Without prejudice to the powers and reliefs conferred on Trustees by these Presents or by the laws relating to the Trusts or any other applicable law the Trustee shall have the following powers:-

- a) The Trustee may in relation to these Presents act on the opinion or advice of or a certificate or any information obtained from any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant or other expert (whether obtained by the Trustee or the Company, or any subsidiary of the Company or any holding Company of the Company) and shall not be responsible for any loss occasioned by acting on any such opinion, advice, certificate or information purporting to be so conveyed although the same shall contain some error as long as the Trustee has acted in good faith with professional diligence.
- b) The Trustee shall as regards all the trusts, powers, authorities and discretion vested in it by these Presents or by operation of law, have absolute uncontrolled discretion as to the exercise or non-exercise thereof and the Trustee shall not be responsible for any loss, costs, damages, expenses or inconvenience that may result from the exercise or non-exercise thereof but where the Trustee is under the provisions of these Presents bound to act at the request or direction of the Debenture Holders the Trustee shall nevertheless not be bound so to act unless first indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by so doing.
- c) To summon any meeting of the Debenture Holders in accordance with the provisions of Clause 21 hereof.
- d) In case of default by the Company, the Trustee may but shall not be bound unless directed either by an instrument in writing signed by the Debenture Holders of at least Seventy Five percentum (75%) of the par value of the Debentures for the time being outstanding or in accordance with an Extraordinary Resolution passed by the Debenture Holders in accordance with Clause 21(f) of these Presents, to waive such terms and conditions as they shall deem expedient any of the covenants and provisions contained in these Presents on the part of the Company to be performed and observed.
- e) The Trustee as between itself and the Debenture Holders shall have full power to determine all questions and doubts arising in relation to any of the provisions of these Presents and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Trustee shall bind the Trustee and the Debenture Holder.
- f) Whenever in these Presents the Trustee is required in connection with any exercise of its powers, trusts, authorities or discretions to have regard to the interests of the Debenture Holders, it shall have regard to the interest of the Debenture Holders as a class and in particular, but without prejudice to the generality of the foregoing, shall not be obliged to have regard to the consequences of such exercise for any individual Debenture Holders resulting from his or its being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of any particular territory.
- g) The Trustee may, accept a Certificate certifying that all Debentures have been redeemed or relating to any other matter primarily in the knowledge of the Company as sufficient evidence thereof and such Certificate shall be complete protection to the Trustee who acts thereon.
- h) The Trustee shall give notice to the Debenture Holders in writing
 - i) When the Trustee is notified by the Company of any occurrence mentioned in Clause 11 or any condition of the Trust Deed cannot be fulfilled;
 - ii) When the Company fails to deliver the Certificate referred to in Clause 10(c) of these Presents;
 - iii) As soon as practicable if the Company fails to remedy any breach of terms and conditions of the Debenture or the provisions/covenants of the Trust Deed.

Provided that nothing contained herein shall be construed either as imposing any obligations on the Trustee to monitor the performance by the Company in the repayment of monies due to the Debenture Holders or requiring the Trustee to assess the ability of the Company to pay the interest or the capital or any part thereof.

- i) The Trustee shall ensure that all documents required to be submitted by the Company in terms of the covenants set out in the Trust Deed are forwarded in a timely manner.
- j) The Trustee shall in performance of its duties maintain the confidentiality of confidential information received by it (the Trustee may disclose such information to a branch, head office, subsidiary or agent of the Trustee in connection with the Trust Deed and to any government body, court and/or to any party in accordance with the law) and shall not use such information for their own personal benefit.
- k) The Trustee shall exercise reasonable diligence to ascertain whether the Company has committed any breach of the terms and conditions of the Debentures or provisions of the Trust Deed or whether an Event of Default has occurred or is continuing to occur, on perusal of the documents submitted in terms of the covenants set out in the Trust Deed. However, the Trustee's role shall be passive prior to the Trustee being notified of any occurrence of any Event of Default and the Trustee shall not have any other duty apart from those expressly stated herein.

17. EXEMPTIONS AND INDEMNIFICATION OF THE TRUSTEE FROM LIABILITY

- a) The Trustee shall be indemnified by the Company for any liability, claim, expense, damage or loss that it may incur in connection with this Trust Deed, provided the liability or loss was not a result of the sole negligence or wilful misconduct of the Trustee
- b) Provided nevertheless that none of the provisions of these Presents shall in any case in which the Trustee has failed to show the degree of care and diligence required by it, having regard to the provisions of these Presents, conferring on the Trustee the powers, authorities or discretions, relieve or indemnify the Trustee against any liabilities which by virtue of any rule of law would otherwise attach to it in respect of any negligence, default, breach of duty or breach of trust of which it may be guilty in relation to its duties under these Presents.
- c) Any terms and conditions of the Debentures and provisions in the Trust Deed or a term of a contract with the Debenture Holders secured by the Trust Deed, shall be void in so far as such terms or provisions would have the effect of exempting the Trustee from liability for:
 - i) The failure to carry out its duties as the Trustee; or
 - ii) The failure to exercise the degree of care and diligence required of it as the Trustee
 - iii) Indemnifying the Trustee against that liability unless the term or provision:
 1. Enables the release of the Trustee from liability for something done or omitted to be done before the release is given; or
 2. Enables a meeting of Debenture Holders to approve the release of the Trustee from liability for something done or omitted to be done before the release is given.

Such release will be effective when approved by Debenture Holders if the Debenture Holders who vote for the resolution represent three fourth (3/4) of the par value of the Debentures.

- d) The Trustee is also not liable for anything done or omitted to be done in accordance with a direction given to the Trustee by the Debenture Holders at any meeting duly called.
- e) The Trustee shall:
 - i) Not be responsible in the capacity of a lender or borrower;
 - ii) Have no obligations to discharge debts owed by the Company to the Debenture Holders;
 - iii) Not be liable for any losses arising out of circumstances beyond its control;
 - iv) Be entitled to rely and act on any document/instrument received from the Company unless actual notice otherwise is given.

18. APPOINTMENT AND REMOVAL OF THE TRUSTEE

- a) Subject to the provisions of this Trust Deed, the power of appointing a new Trustee shall be vested in the Company. Notice of such appointment shall be given to the Debenture Holders within thirty (30) days of such appointment by an advertisement published in national newspapers in all three languages (Sinhala/Tamil/ English) of the Company's choice circulating in Sri Lanka.
- b) In the event the Company does not or cannot exercise its power to appoint a new Trustee and there being no new Trustee appointed as of thirty (30) days before the removal/resignation of the Trustee taking effect in accordance with the terms hereof, the Debenture Holders may convene a meeting to appoint a new Trustee by an ordinary resolution. Notwithstanding anything to the contrary herein contained, a meeting for this purpose may be convened by any Debenture Holders and a Resolution passed by a clear majority in par value of the outstanding Debentures present in person or by proxy or by attorney shall be valid.
- c) The Company shall take reasonable steps to replace the Trustee as soon as practicable after becoming aware that:
 - i) The Trustee has ceased to exist
 - ii) The Trustee is in a situation of conflict of interests
 - iii) The Trustee has ceased to perform its function as a Trustee
 - iv) The Trustee is in a situation of unsuitability and does not eliminate such situation within ninety (90) days, after them ascertaining or of being informed that the Trustee has such situation.
- d) In the event the Trustee discovers that it is not eligible to be appointed or act as Trustee, the Trustee shall give notice in writing to the Company regarding the same.
- e) Subject to Clause 19 below the existing Trustee shall continue to act as a Trustee until a new Trustee is appointed.

19. COMPLIANCE OF MAJORITY TRUSTEES

If there be more than one (01) Trustee under these Presents the Trustees shall with majority consent exercise all or any of the Trustee's powers and discretions vested in the Trustees generally under any Clause of these Presents.

20. RESIGNATION/RETIREMENT OF THE TRUSTEE

- a) In the event of the Trustee, in its sole and absolute discretion, desiring to resign/retire, the Trustee shall give not less than ninety (90) days' notice to the Company in writing to that effect, and the Company shall thereupon appoint a new Trustee in accordance with Clause 18 of these Presents. The Trustee shall continue in its capacity as Trustee until such time a new Trustee is appointed.
- b) In the event of such resignation/retirement, the Trustee at its cost shall publish a notice to this effect in Newspapers in all three languages (Sinhala, Tamil, English) of its choice circulating in Sri Lanka and such notice shall be deemed to be sufficient notice to the Debenture Holders notwithstanding anything to the contrary herein contained.

21. MEETINGS OF DEBENTURE HOLDERS

- a) The Trustee shall call a meeting/cause a meeting to be called of the Debenture Holders with notice to the Company and all Debenture Holders or on a requisition being received in writing and signed by the Debenture Holders of at least one tenth (1/10) of the par value of the Debentures for the time being outstanding or if requested by the Company.
- b) Not less than twenty-one (21) days' notice shall be given of a meeting for the purpose of passing a Resolution.
- c) The quorum for the meeting (other than adjourned meeting) for the purpose of passing an ordinary resolution shall be the Debenture Holders representing twenty-five per centum (25%) of the par value of the Debentures for the time being outstanding, provided however, that the quorum for passing an Extraordinary Resolution should be the Holders of a majority in par value of the outstanding Debentures.

- d) If such a quorum cannot be obtained, such meeting shall be adjourned for not less than fourteen (14) days in which event notice of adjourned meeting shall be sent to every Debenture Holder and shall state in such notice that if a quorum as above defined shall not be present at the adjourned meeting the Debenture Holders present shall form a quorum.
- e) On a poll, each Debenture Holder will be entitled to one vote for each Debenture held by such person.
- f) The necessary majority for passing an Extraordinary resolution shall not be less than three quarter (3/4) of the persons voting thereat on a show of hands and if a poll is demanded then not less than three quarter (3/4) of the votes given on such poll.
- g) A proxy need not be a holder of the Debentures.
- h) The Trustee can be the Chairman of any meeting of the Debenture Holders and shall appoint a person or body to act as a Secretary of such meeting and a copy of a resolution certified by the Trustee and such Secretary shall deem to be conclusive evidence that such Resolution has been duly adopted. Provided however, that in the event of the Trustee not exercising the aforesaid entitlement, the Debenture Holders may appoint a person to act as the Chairman of the meeting.
- i) In the event the Company fails to remedy any breach of terms and conditions of the Debentures or the provisions/covenants of the Trust Deed, the Trustee may:
 - i) Call a meeting of the Debenture Holders with notice to the Company
 - ii) Inform the Debenture Holders of the failure at the meeting; and
 - iii) Submit proposals for the protection of the Debenture Holders interests or call for proposals for the protection of the Debenture Holders interests or call for proposals from the Debenture Holders at the meeting as the Trustee considers necessary or appropriate and obtain suitable directions.

22. MODIFICATION OF THE TRUST DEED

- a) The Trustee and the Company may by mutual agreement agree to modify these Presents provided such modifications are of a routine nature or minor or technical nature or made to correct any manifest error provided that the Trustee is of the opinion that such modifications will not be detrimental to the interests of the Debenture Holders. Provided further that any modification to these Presents which are detrimental to the Debenture Holders shall only be made with the consent of the Debenture Holders of at least three fourth (3/4) of the par value of the Debentures for the time being outstanding.
- b) Upon a modification being duly made, the Company shall within seven (07) days of the modification being made inform the Debenture Holders of such modification.
- c) Upon a modification being duly made, the Company may request the Debenture Holders to produce their Debenture Certificates to the Company in order that a memorandum of such modification may be endorsed thereon.

23. NOTICES

- a) Any notice or demand to the Company, Debenture Holder (s) or the Trustee required to be given, made or served for any purpose hereof shall be given, made or served by sending the same by prepaid registered post in the case of Company or Trustee and by prepaid ordinary mail in the case of Debenture Holder(s), or by facsimile transmission or by delivering it by hand to the Company, Debenture Holder or the Trustee as the case may be, at the address shown in this Deed in the case of Company or Trustee and in the case of Debenture Holder(s) to the address which appear in the Debenture Certificate or at such other address as shall have been notified (in accordance with the provisions contained herein) for the purpose of this Clause, and any notice sent by post as provided in this Clause shall be deemed to have been given, made or served Seventy Two (72) hours after dispatch and any notice sent by facsimile transmission as provided in the Clause shall be deemed to have been given, made or served at the time of dispatch and in proving the giving, making or service of the same it shall be sufficient to prove, in the case of a letter, that such letter was properly stamped, addressed and placed in the post and, in the case of facsimile transmission that such facsimile transmission was duly dispatched and received in the readable and understandable condition.

- b) The Trustee shall at any time be entitled to give notice of any meeting or make any communication to the Debenture Holders by notice published in Newspapers in all three languages (Sinhala, Tamil and English) of its choice circulating in Sri Lanka and such notice will notwithstanding anything to the contrary herein contained be deemed to be sufficient notice to the Debenture Holders including the provisions of the above Clause.

The Company

A&A Collaborative Fund (Private) Ltd.

Address: 9/2, Sovis Mawatha,
Kala-Eliya,
Ja-Ela.

Tel No: +94 71 2229 229

Attention: Jacey and Company – Company Secretary to A&A Collaborative Fund (Private) Ltd.

The Trustee

Ganlaths International Legal Consultants,
Galadari Hotel,
No. 64, Lotus Road,
Colombo 01
Attention: Mr. Lalith Ganlath

24. MISCELLANEOUS

- a) Nothing contained in these presents shall require disclosure to the Trustee by the Company of any information as to the affairs of any of its customers except;
 - i) when required to do so by a Court of Law; or
 - ii) in order to comply with any of the provisions of any Law.

Provided however that the Company shall be obliged to furnish to the Audit Firm information in respect of the Company's assets and liabilities in terms of Clause 10(b) above.

- b) This Trust Deed shall be governed by and construed in accordance with the laws of Sri Lanka
- c) The Court of Sri Lanka shall have the exclusive jurisdiction to hear and determine any matters arising here from or hereunder. The invalidity or unenforceability of any terms of provisions of these Presents shall not affect the validity or enforceability of the remaining terms and provisions hereof.
- d) The Trustee shall not disclose the affairs relating to the Trust to any person whomsoever unless such disclosure is:
 - i) to the Company
 - ii) required by any Court or regulatory authority in accordance with any statutory provision.

IN WITNESS WHEREOF A&A COLLABORATIVE FUND (PRIVATE) LIMITED has placed its common seal and the duly authorised signatories of **GANLATHS INTERNATIONAL LEGAL CONSULTANTS** have placed their hands hereunto and to three others of the same tenor and date as these Presents at Colombo on the date herein before mentioned.

The Common Seal of A&A COLLABORATIVE FUND (Pvt.) Ltd. Was affixed hereunto in the presence of
 A. D. J. Samuel - Director And
 Jacey & Company - Company Secretary
 on this...11th...day of July 2022 in the presence of:)

A & A COLLABORATIVE FUND (PVT) LTD
 [Signature]
 Director
 [Signature]
 Secretary
 Jacey & Company
 Secretaries

Witnesses

1. Michelle Natasha Handy
 965273360V

[Signature]


2. Sangapala Arachchige Don Therese Emalshi Dissanayake
 90765148TV

2.

The Common Seal of GANLATHS INTERNATIONAL
LEGAL CONSULTANTS was affixed hereunto in the
presence of Don Lalith Gamlath..... And
.....
on this 11th day of July 2022
in the presence of:


GANLATHS
Mezzanine Floor, Galadari Hotel
64 Lotus Road, Colombo 1
Telephone: 8807201/8833232
Fax: 8807371
Email: gan.la@sltnet.lk

Witnesses

1. Mahamabge Nuwan Nalinda Fernando 
832621307v
2. Wimalakulasooriyage Don Kaushala Maduranti Rodrigo
946491811v
