

PROGRAM AGREEMENT
(Capital Market Development Program)

between

ASIAN DEVELOPMENT BANK

and

CENTRAL BANK OF SRI LANKA
INSURANCE BOARD OF SRI LANKA
SECURITIES AND EXCHANGE COMMISSION OF SRI LANKA
SRI LANKA ACCOUNTING AND AUDITING STANDARDS MONITORING BOARD

DATED 24 NOVEMBER 2016

PROGRAM AGREEMENT

PROGRAM AGREEMENT dated 24 November 2016 between ASIAN DEVELOPMENT BANK ("ADB") of the one part and CENTRAL BANK OF SRI LANKA ("CBSL"), INSURANCE BOARD OF SRI LANKA ("IBSL"), SECURITIES AND EXCHANGE COMMISSION OF SRI LANKA ("SEC"), and SRI LANKA ACCOUNTING AND AUDITING STANDARDS MONITORING BOARD ("SLAASMB", and, together with CBSL, IBSL, and SEC, the "Independent Implementing Agencies") of the other part.

WHEREAS

(A) by a Loan Agreement of even date herewith between the Democratic Socialist Republic of Sri Lanka ("Borrower") and ADB ("Loan Agreement"), ADB has agreed to make to the Borrower a loan of two hundred fifty million Dollars (\$250,000,000) on the terms and conditions set forth in the Loan Agreement;

(B) ADB has agreed to make the Loan only on the condition that the Independent Implementing Agencies agree to undertake certain obligations towards ADB set forth herein; and

(C) the Independent Implementing Agencies, in consideration of ADB entering into the Loan Agreement with the Borrower, have agreed to undertake the obligations set forth herein;

NOW THEREFORE the parties hereto agree as follows:

ARTICLE I

Definitions

Section 1.01. Wherever used in this Program Agreement, unless the context otherwise requires, the several terms defined in the Loan Agreement and in the Loan Regulations (as defined in each of the Loan Agreement) have the respective meanings therein set forth.

ARTICLE II

Particular Covenants

Section 2.01. (a) The Independent Implementing Agencies shall carry out their respective policy actions under the Program with due diligence and efficiency, and in conformity with sound applicable technical, financial, business, and development practices.

(b) In carrying out their respective policy actions under the Program, the Independent Implementing Agencies shall perform all obligations set forth in the Loan Agreement to the extent as may be applicable to each of them.

Section 2.02. (a) ADB and the Independent Implementing Agencies shall cooperate fully to ensure that the purposes of the Loan will be accomplished.

(b) The Independent Implementing Agencies shall promptly inform the Borrower of any condition which interferes with, or threatens to interfere with, the progress of the Program, the performance of their respective obligations under this Program Agreement, or the accomplishment of their respective policy actions under the Program.

Section 2.03. The Independent Implementing Agencies shall furnish, through the Borrower, all such reports and information as ADB shall reasonably request concerning (i) their respective policy actions under the Program; and (ii) any other matters relating to the purposes of the Loan, and shall indicate, among other things, a plan for the implementation of the Second Tranche Policy Actions for which they are responsible, progress made and problems encountered during the period under review, steps taken or proposed to be taken to remedy these problems, and proposed Program activities and expected progress during the following period.

Section 2.04. (a) The Independent Implementing Agencies shall, promptly as required, take all action within their respective powers to maintain their respective corporate existences, to carry on their respective operations, and to acquire, maintain and renew all rights and powers which are necessary in the carrying out of their respective policy actions under the Program or in the conduct of their respective operations.

(b) The Independent Implementing Agencies shall at all times conduct their respective operations in accordance with sound applicable technical, financial, business, development and operational practices, and under the supervision of competent and experienced management and personnel.

Section 2.05. The Independent Implementing Agencies shall promptly notify the Borrower of any proposal to amend, suspend or repeal any provision of their respective constitutional documents, which, if implemented, could adversely affect the carrying out of their respective policy actions under the Program.

ARTICLE III

Effective Date; Termination

Section 3.01. This Program Agreement shall come into force and effect on the date on which the Loan Agreement comes into force and effect.

Section 3.02. This Program Agreement and all obligations of the parties hereunder shall terminate on the date on which the Loan Agreement shall terminate in accordance with its terms.

Section 3.03. All the provisions of this Program Agreement shall continue in full force and effect notwithstanding any cancellation or suspension under the Loan Agreement.

ARTICLE IV

Miscellaneous

Section 4.01. Any notice or request required or permitted to be given or made under this Program Agreement and any agreement between the parties contemplated by this Program Agreement shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall be delivered by hand, mail or facsimile to the party to which it is required or permitted to be given or made at its address hereinafter specified, or at such other address as such party shall have designated by notice to the party giving such notice or making such request. The addresses so specified are:

For ADB

Asian Development Bank
6 ADB Avenue
Mandaluyong City
1550 Metro Manila
Philippines

Facsimile Numbers:

+63 2 636-2444
+63 2 636-2337

For CBSL

30, Janadhipathi Mawatha
Colombo

Facsimile Number:

+94 11 2477763

For IBSL

Level 11, East Tower
World Trade Centre
Echelon Square
Colombo

Facsimile Number:

+94 11 2396190

For SEC

Level 28-29, East Tower
World Trade Centre
Echelon Square
Colombo

Facsimile Number:

+94 11 2439149

For SLAASMB

293, Galle Road
Colombo 3

Facsimile Number:

+94 11 2301211.

Section 4.02. (a) Any action required or permitted to be taken, and any documents required or permitted to be executed, under this Program Agreement by or on behalf of the Independent Implementing Agencies may be taken or executed by the Deputy Governor, in case of CBSL; the Director General, in case of IBSL; the Director General, in case of SEC; and the Director General, in case of SLAASMB; or by such other person or persons as each of them shall so designate in writing notified to ADB.

(b) The Independent Implementing Agencies shall furnish through the Borrower to ADB sufficient evidence of the authority of each person who will act under subsection (a) hereinabove, together with the authenticated specimen signature of each such person.

Section 4.03. No delay in exercising, or omission to exercise, any right, power or remedy accruing to either party under this Program Agreement upon any default shall impair any such right, power or remedy or be construed to be a waiver thereof or an acquiescence in such default; nor shall the action of such party in respect of any default, or any acquiescence in any default, affect or impair any right, power or remedy of such party in respect of any other or subsequent default.


IN WITNESS WHEREOF the parties hereto, acting through their representatives thereunto duly authorized, have caused this Program Agreement to be signed in their respective names as of the day and year first above written, and to be delivered at the principal office of ADB.

ASIAN DEVELOPMENT BANK

By 

SRI WIDOWATI
Country Director
Sri Lanka Resident Mission

CENTRAL BANK OF SRI LANKA

By 

T H B SARATHCHANDRA
Superintendent of Public Debt

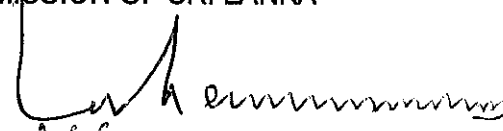
INSURANCE BOARD OF SRI LANKA

By 

DAMAYANTHI FERNANDO
Director General

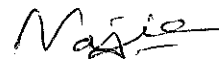
SECURITIES AND EXCHANGE
COMMISSION OF SRI LANKA

By



THILAK KARUNARATNE
Chairman

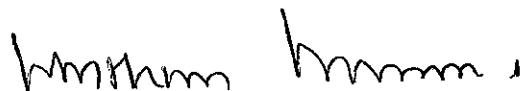
By



VAJIRA WIJEGUNAWARDANE
Director General

SRI LANKA ACCOUNTING AND
AUDITING STANDARDS MONITORING
BOARD

By



P V L NANDASIRI
Chairman

By



WASANTHA GEEGANAGE
Director General