



BRAC Bank Limited Subordinated 25% Convertible Bonds
Registered Office
 1, Gulshan Avenue, Gulshan 1, Dhaka-1212, Bangladesh

The Investor at the predetermined Principal Payment Dates of the Bond reserve the right and option to convert 25% of the Face Value of the Bond at a predetermined Conversion Strike Price into the common shares of BRAC Bank Ltd. However, conversion is not mandatory.

Conversion Right	Opens on: 19 Nov, 2015
	Closes on: 17 Dec, 2015
Within Banking Hours Both Days Inclusive	

FORM OF CONVERSION ACCEPTANCE

The Managing Director & CEO
 BRAC BANK LIMITED
 1, Gulshan Avenue, Gulshan 1, Dhaka-1212, Bangladesh

Dated...../...../2015

Dear Sir,

I/We apply for allotment of ordinary shares of BRAC Bank indicated below in response to your notice of BRAC Bank Limited Subordinated 25% Convertible Bonds conversion. I/We hereby agree to accept/enable the conversion option to allot ordinary shares of BRAC Bank Limited as per Terms and Conditions laid in the prospectus.

Folio/BO Account No.	No. of bonds held on Record date/ Conversion date	Total face value of bonds	Bank use only	
			No. of shares offered	Total Amount to be Paid

Yours faithfully,

Name :

Address:

 Signature
 (As per CDBL Register)

BO Account No.																			
As per provision of the Depository Act, 1999 and regulations made there under, share shall only be issued in dematerialized condition. The applicant must mention his/her Beneficiary Owner (BO) Account number on this part in the application form for allotment of shares.																			

Note: The Bondholders whose names will appear in the CDBL register on record/conversion date, will be entitled for conversion of Bond into shares.

Acknowledgement

Received for no. of Bonds for conversion into shares as applied and available in the CDBL register on record/conversion date.

Application Sl. No.

(Bank's Seal)

Signature of Receiving Officer
 Date

BRAC Bank Subordinated 25% Convertible Bond shall conduct the business as follows:

- 1st Conversion (5% of the Face Value of the bonds held by bondholders on the Conversion Date – 16 January 2016) will commence from 19 November 2015 and will be valid until 5 pm, 17 December 2015.
- The Conversion Strike Price will be based on information available on the audited financial statement of BRAC Bank as on 31 December 2014 and Bond Prospectus.
- The form of conversion notice is available at the BRAC Bank Share Department. Non-response by bondholders by 17 December 2015 will be treated as declining the conversion option. 5% Conversion Option will be exhausted if not exercised.
- The Investor at the predetermined Principal Payment Dates of the Bond reserve the right and option to convert 25% of the Face Value of the Bond at a pre-determined Conversion Strike Price into the common shares of BRAC Bank Ltd. However, conversion is not mandatory.
- The Conversion Date/ Record date will be notified in due course.
- The Conversion Strike Price is the predetermined conversion price of the available convertible portion of the bond.
Conversion Strike Price = Conversion Multiple × NAV per share as per last audited financial statements of the Bank.
Conversion Multiple = (Daily average market price of the immediate previous 6 months average market price of BRAC Bank shares in the Dhaka Stock Exchange, prior to signing date of the transaction)/ (NAV per share as per last audited financial statements of the Bank prior to signing date of the transaction)= 1.70
- 5% of issue size at the 5th Year at the above mentioned predetermined multiple of book value of the immediately available last audited book value of BRAC Bank Limited. Converted Face Value = 5% of the Face Value of the bonds held by the bondholders on conversion date/Record Date.
- In the event of Conversion, the Investors will receive exactly the amount of shares as determined by dividing Face Value by Conversion Strike Price for determining the number shares to be received by each Investor, fractional amount of shares will be paid in cash at existing market price. Converted No. of Shares = (Converted Face Value)/ (Conversion Strike Price)
- The right of a bondholder to convert 25% of the principal amount of any bond held by himself/ herself into shares is called Conversion Right.
- A Conversion Right may only be exercised in respect of one or more Bonds. If more than one Bond held by the same holder is converted at any one time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of the relevant percentage of the aggregate principal amount of the Bonds to be converted.