



**HNB ASSURANCE PLC**  
**Level 03, Iceland Business Center, No. 30, Sri Uttarananda Mawatha,**  
**Colombo 03.**  
**Tel: 011 4 713 802 Help Line: 011 4 384 384**  
**Fax: 011 4 677 902 E-Mail: info@hnbassurance.com**  
**Web: www.hnbassurance.com**

## LOAN BOND

KNOW ALL MEN BY THESE PRESENTS THAT

I/WE.....

Of.....

.....  
 (hereinafter referred to as borrower/s)

### SEND GREETINGS

1. I/We am/are the holder/s of Policy Number..... dated .....  
 for LKR ..... issued by the HNB Assurance PLC.  
 (hereinafter referred to as "The Company")
2. At my request the company agrees to lend and does hereby lend me/us the sum of rupees  
 .....(LKR.....) the receipt whereof  
 I/We do hereby admit and acknowledge, and I/We do hereby agree (2.1) to repay to the  
 company, its successors and assigns in office, the full amount of the said sum of money  
 referred to above with interest thereon, (2.2) in addition to the payment in 2.1 above to pay to  
 the company, its successors and assigns in office a sum of LKR Three hundred (LKR 300.00-) as  
 administrative cost in the event the above 2.1 is complied within the first six months, from the  
 date of hereof, and (2.3) in the meantime to pay interest on the aforesaid loan, to the company,  
 its successors and assigns at the rate of fifteen percent (15%) PER ANNUM COMPOUNDING  
 HALF YEALY from the date of the loan.
3. I/We do hereby firmly bind myself/ourselves my/our heirs, executors and administrators, and  
 I/We my/our heirs executors and administrators are held and firmly bound unto the company,  
 its successors and assigns for the repayment of the said sum of money referred to above and  
 interest thereon as aforesaid and for further securing to the company, its successors and  
 assigns the repayment of the said sum of money and interest thereon as aforesaid and of all  
 other sums of money payable under and by virtue of or in respect of this deed I/We do hereby  
 assign and set over all my/our right title and interest in the said policy and claims due and  
 payable there under to the company, its successors and assigns as and by way of mortgage  
 and/or security for the repayment of the aforesaid sums of money interest and all expenses.
4. I/We do agree to the deposit and hereby deposit with the company, the said policy and the  
 company does hereby acknowledge the deposit thereof.
5. In the event of default in repaying this loan to the company, its successors and assigns when  
 required to do so or in default of payment of interest as aforesaid, the company is hereby  
 authorized and empowered, upon giving one calendar months' notice in writing to purchase in  
 the manner set out in Clause 6 hereof the rights, title and interest of the borrower into and  
 under the said policy at a fair value.



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- 6. The right of the company to buy the right title and interest in and under the said policy shall be exercisable on the expiry of the said one calendar months' notice by the cancellation of the said policy and application of the Cash Surrender Value thereof to the payment of all sums of money due to the company under and by virtue or in respect of the deed, as capital, interest or otherwise.
- 7. The Cash Surrender Value of the said policy as at the date of cancellation calculated in accordance with the rules for the time being in force where under the company calculates the cash surrender value of policies shall be deemed for all purposes to be the fair value of the said policy.
- 8. Should the cash surrender value of the said policy as so calculated exceed the aggregate amount of the moneys due to the company as aforesaid such excess shall be due and payable on demand to the then legal owners of the said policy.

All notice under this agreement to be given to me/us shall be deemed to have been duly given personally, if send under register post to my/our last address which has been noticed to and have been acknowledge by the company. The sending of such notice by registered post to such address shall be deemed to continue sufficient delivery of same to me/us.

Where of the said borrow/s does hereunto set his/her/their hand/s at.....on this.....day of .....20.....

.....  
Signature of the borrower/s

I certify/declare that the contents of the above Loan Bond were explained by me to the ..... in vernacular and that he/she affixed his/her signature/left thumb impression thereto in my presence after thoroughly understanding the same.

.....  
J.P. / AUTHORIZED OFFICER

OFFICE USE ONLY

Approved by: .....

Date : .....

Loan No : .....