

EXECUTION VERSION

DATED 1 APRIL 2021

NATIONAL BANK OF OMAN SAOG

U.S.\$300,000,000 PERPETUAL TIER 1 CAPITAL SECURITIES

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DEED OF COVENANT

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**THIS DEED** is made on 1 April 2021 and made

**BY:**

- (1) **NATIONAL BANK OF OMAN SAOG** (the "**Issuer**")

**IN FAVOUR OF:**

- (2) **THE ACCOUNTHOLDERS** (as defined below); and
- (3) **THE HOLDERS** (as defined below) for the time being and from time to time registered as holders of the Capital Securities referred to below (together with the Accountholders, the "**Beneficiaries**").

**WHEREAS:**

- (A) The Issuer has authorised the creation and issue of U.S.\$300,000,000 in aggregate principal amount of Perpetual Tier 1 Capital Securities (the "**Capital Securities**").
- (B) The Capital Securities will be in registered form and in denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof. The Capital Securities will be represented by a global certificate (the "**Global Certificate**"), which will be exchangeable for individual certificates ("**Individual Certificates**" and, together with the Global Certificate, "**Capital Security Certificates**") in the circumstances specified therein.
- (C) The Issuer will, in relation to the Capital Securities, enter into an agency agreement dated 1 April 2021 (as amended or supplemented from time to time, the "**Agency Agreement**") with Citigroup Global Markets Europe AG as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Capital Securities), Citibank N.A., London Branch as fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Capital Securities) and the other agents named therein.
- (D) The Issuer wishes to constitute the Capital Securities by deed poll and to make arrangements for the protection of the interests of Accountholders in certain circumstances.

**THIS DEED WITNESSES** as follows:

## 1. **INTERPRETATION**

### 1.1 **Definitions**

In this Deed the following expressions have the following meanings:

"**Accountholder**" means any accountholder or participant with a Clearing System which at the Determination Date has credited to its securities account with such Clearing System one or more Entries in respect of the Global Certificate, except for either Clearing System in its capacity as an accountholder of the other Clearing System;

**"Clearing System"** means each of Euroclear Bank SA/NV and Clearstream Banking S.A.;

**"Conditions"** means the terms and conditions of the Capital Securities (as scheduled to the Agency Agreement and as modified from time to time in accordance with their terms), and any reference to a numbered **"Condition"** is to the correspondingly numbered provision thereof;

**"Determination Date"** has the meaning given to it in the Global Certificate;

**"Direct Rights"** has the meaning given to it in Clause 3.1 (*Creation*);

**"Entry"** means any entry which is made in the securities account of any Accountholder with a Clearing System in respect of Capital Securities represented by the Global Certificate;

**"Holder"** means a person in whose name a Capital Security is registered in the Register or, in the case of joint holders, the first named thereof; and

**"Principal Amount"** means, in respect of any Entry, the aggregate principal amount of the Capital Securities to which such Entry relates.

## 1.2 **Terms Defined in the Conditions**

Terms and expressions used but not defined herein have the respective meanings given to them in the Conditions.

## 1.3 **Clauses**

Any reference in this Deed to a Clause or a sub-clause is, unless otherwise stated, to a clause or a sub-clause hereof.

## 1.4 **Legislation**

Any reference in this Deed to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

## 1.5 **Other Documents**

All references in this Deed to an agreement, instrument or other document (including the Agency Agreement) shall be construed as a reference to that agreement, instrument or other document as the same may be amended, supplemented, replaced or novated from time to time.

## 1.6 **Headings**

Headings and sub-headings are for ease of reference only and shall not affect the construction of this Deed.

## 2. **THE CAPITAL SECURITIES**

The Issuer hereby constitutes the Capital Securities and covenants in favour of each Holder of Capital Securities that it will duly perform and comply with the obligations expressed to be undertaken by it in each Capital Security Certificate and in the Conditions (and for this purpose any reference in the Conditions to any obligation or payment under or in respect of the Capital Securities shall be construed to include a reference to any obligation or payment under or pursuant to this provision).

## 3. **DIRECT RIGHTS**

### 3.1 **Creation**

If the Determination Date occurs in respect of the Global Certificate in accordance with its terms then, subject to Clause 3.3 (*Notification and No Further Action*), each Accountholder shall acquire rights of enforcement against the Issuer ("**Direct Rights**") to compel the Issuer to perform its obligations to the Holder in respect of the Capital Securities represented by the Global Certificate, including the obligation of the Issuer to make all payments when due at any time in respect of such Capital Securities in accordance with the Conditions as if such Capital Securities had (where required by the Conditions) been duly presented and surrendered on the due date in accordance with the Conditions.

### 3.2 **Effect**

Notwithstanding the Direct Rights that may be created under Clause 3.1 (*Creation*):

3.2.1 *Discharge*: payment to the Holder in respect of any Capital Securities represented by the Global Certificate shall constitute a discharge of the Issuer's obligations to the extent of any such payment; and

3.2.2 *Payment to Holder*: nothing herein shall oblige the Issuer to make any payment under the Capital Securities to or to the order of any person other than the Holder.

### 3.3 **Notification and No Further Action**

In relation to Direct Rights in respect of the Global Certificate under Clause 3.1 (*Creation*):

3.3.1 *Notification*: as a condition of exercise of such Direct Rights by an Accountholder, such Accountholder shall, as soon as practicable, give notice of such exercise to the Holders of the Capital Securities in the manner provided for in the Conditions or the Global Certificate for notices to be given by the Issuer to Holders of Capital Securities; and

3.3.2 *Issuer undertaking*: to facilitate the giving of such notice, the Issuer shall procure that the Registrar delivers the above notice to the Clearing Systems upon the instruction and at the expense of the relevant Accountholder.

Subject to sub-clause 3.3.1 (*Notification*), no further action shall be required on the part of the Issuer or any other person for the Accountholders to enjoy the Direct Rights.

#### 4. **EVIDENCE**

##### 4.1 **Records**

The records of the Clearing Systems shall be conclusive as to the identity of the Accountholders and the respective amounts of Capital Securities credited to their securities accounts and a statement issued by a Clearing System setting out:

4.1.1 *Name*: the name of the Accountholder in respect of which it is issued; and

4.1.2 *Principal Amount*: the Principal Amount of any Entry credited to the securities account of such Accountholder with such Clearing System on any date,

shall be conclusive evidence for the purposes of this Deed as at the date on which such statement is made.

##### 4.2 **Relevant Date**

If a Clearing System determines the Determination Date, such determination shall be binding on the Issuer and all Accountholders with such Clearing System.

#### 5. **DEPOSIT OF DEED OF COVENANT**

The Issuer shall deposit this Deed with the Fiscal Agent, to be held by the Fiscal Agent until the date on which all the obligations of the Issuer under or in respect of the Capital Securities (including, without limitation, its obligations under this Deed) have been discharged in full. The Issuer hereby acknowledges the right of every Beneficiary to the production of this Deed.

#### 6. **STAMP DUTIES**

The Issuer shall pay all stamp, registration and other taxes and duties (including any interest and penalties thereon or in connection therewith) which may be payable upon or in connection with the execution and delivery of this Deed, and shall indemnify each Beneficiary against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees and any applicable value added tax) which it may incur or which may be made against it as a result or arising out of or in relation to any failure to pay or delay in paying any of the same.

#### 7. **REPRESENTATIONS AND WARRANTIES**

The Issuer represents, warrants and undertakes with each Accountholder that it has all corporate power, and has taken all necessary corporate or other steps, to enable it to execute, deliver and perform this Deed, and that this Deed constitutes a legal, valid and binding obligation of the Issuer enforceable in accordance with its terms subject to the laws of bankruptcy and other laws affecting the rights of creditors generally.

## **8. BENEFIT OF DEED OF COVENANT**

### **8.1 Deed Poll**

This Deed shall take effect as a deed poll for the benefit of the Beneficiaries from time to time.

### **8.2 Benefit**

This Deed shall enure to the benefit of each Beneficiary and its (and any subsequent) successors and assigns, each of which shall be entitled severally to enforce this Deed against the Issuer.

### **8.3 Assignment**

The Issuer shall not be entitled to assign or transfer all or any of its rights, benefits and obligations under this Deed. Each Beneficiary shall be entitled to assign all or any of its rights and benefits hereunder.

## **9. PARTIAL INVALIDITY**

If any provision in or obligation under this Deed is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction, that will not affect or impair: (i) the validity, legality or enforceability under the law of that jurisdiction of any other provision in or obligation under this Deed; and (ii) the validity, legality or enforceability under the law of any other jurisdiction of that or any other provision in or obligation under this Agreement.

## **10. NOTICES**

### **10.1 Address for Notices**

All notices and other communications to the Issuer hereunder shall be made in writing (by letter, fax or email) and shall be sent to the Issuer at:

National Bank of Oman SAOG  
New Head Office  
Azaiba  
P.O. Box 751, P.C. 112  
Muscat  
Sultanate of Oman

Email:           JawaherALTamami@nbo.om  
Fax:             +968 2477 8027  
Attention:       Ms. Jawaher Saud Mohamed Al-Tamami, Company Secretary

or to such other address, fax number or email address or for the attention of such other person or department as the Issuer has notified to the Holders of Capital Securities in the manner prescribed for the giving of notices in connection with the Capital Securities.

## 10.2 Effectiveness

Every notice or other communication sent in accordance with Clause 10.1 (*Address for Notices*) shall be effective upon receipt by the Issuer, provided that any such notice or communication which would otherwise take effect: (i) on a day which is not a business day in the place of the addressee; or (ii) after 4.00 p.m. on any particular day, shall not take effect until 10.00 a.m. on the immediately succeeding business day in the place of the Issuer.

## 11. GOVERNING LAW AND DISPUTE RESOLUTION

### 11.1 Governing Law

This Deed, and any non-contractual obligations arising out of or in connection with it (including the remaining provisions of this Clause 11), are governed by, and shall be construed in accordance with, English law.

### 11.2 Arbitration

Any dispute, claim, difference or controversy arising out of, relating to or having any connection with this Deed (including any dispute as to its existence, validity, interpretation, performance, breach or termination or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with it) (a "**Dispute**") shall be referred to and finally resolved by arbitration under the LCIA Arbitration Rules (the "**Rules**"), which Rules (as amended from time to time) are incorporated by reference into this Clause 11. For these purposes:

11.2.1 the seat, or legal place, of arbitration shall be London;

11.2.2 there shall be three arbitrators, each of whom shall be disinterested in the arbitration, shall have no connection with any party thereto and shall be an attorney experienced in international securities transactions. The parties to the Dispute shall each nominate one arbitrator and both arbitrators, together, shall appoint a further arbitrator who shall be the chairman of the tribunal. In cases where there are multiple claimants and/or multiple respondents, the class of claimants jointly, and the class of respondents jointly shall each nominate one arbitrator. Without prejudice to Article 8 of the Rules, in the event that one party to the Dispute, or both, fails to nominate an arbitrator within the time limits specified by the Rules, such arbitrator(s) shall be appointed by the LCIA. If the party nominated arbitrators fail to appoint the third arbitrator within 15 days of the appointment of the second arbitrator, such arbitrator shall be appointed by the LCIA; and

11.2.3 the language of the arbitration shall be English.

### 11.3 Consent to Enforcement

The Issuer consents generally in respect of any proceedings relating to a Dispute ("**Proceedings**") to the giving of any relief or the issue of any process in connection with such Proceedings including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which is made or given in such Proceedings.



#### **11.4 Waiver of Immunity**

To the extent that the Issuer may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or its assets or revenues, the Issuer agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

#### **12. MODIFICATION**

The Agency Agreement contains provisions for convening meetings of Holders of Capital Securities to consider matters relating to the Capital Securities, including the modification of any provision of this Deed. Any such modification may be made by supplemental deed poll if sanctioned by an Extraordinary Resolution and shall be binding on all Beneficiaries.

**IN WITNESS** whereof this Deed has been executed by the Issuer and is intended to be and is hereby delivered on the date first before written.

## **SIGNATURES TO THE DEED OF COVENANT**

**EXECUTED** as a **DEED**

by **NATIONAL BANK OF OMAN SAOG**

acting by

Signature: .....

Name: .....

in the presence of:

Signature of witness: .....

Name of witness: .....

Address of witness: .....

**EXECUTED** as a **DEED**

by **NATIONAL BANK OF OMAN SAOG**

acting by

Signature: .....

Name: .....

in the presence of:

Signature of witness: .....

Name of witness: .....

Address of witness: .....