

DATED 21 OCTOBER 2020

COMMERCIAL BANK OF DUBAI P.S.C.

U.S.\$600,000,000 PERPETUAL ADDITIONAL TIER 1 CAPITAL SECURITIES

DEED OF COVENANT

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THIS DEED OF COVENANT is made on 21 October 2020,

BY

- (1) **COMMERCIAL BANK OF DUBAI P.S.C.** (the "**Issuer**")

IN FAVOUR OF

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

WHEREAS

- (A) The Issuer has authorised the creation and issue of U.S.\$600,000,000 in aggregate principal amount of Perpetual Additional Tier 1 Capital Securities (the "**Capital Securities**").
- (B) The Capital Securities will be in registered form and in the 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 (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 the fiscal agent and the other paying agents and the transfer 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 OF COVENANT WITNESSES as follows:

1. INTERPRETATION

1.1 Definitions

In this Deed of Covenant 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**" means the rights referred to 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 **Other Defined Terms**

Terms defined in the Conditions have the same meanings in this Deed of Covenant.

1.3 **Clauses**

Any reference in this Deed of Covenant to a Clause is, unless otherwise stated, to a clause hereof.

1.4 **Headings**

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

1.5 **Legislation**

Any reference in this Deed of Covenant 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.

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, without the need for any further action on behalf of any person, 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 **No Further Action**

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 the name of the Accountholder in respect of which it is issued; and

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

shall, in absence of manifest error, be conclusive evidence for all purposes of this Deed of Covenant.

4.2 **Relevant Date**

If a Clearing System determines the Determination Date, such determination shall (in the absence of manifest error) be binding on the Issuer and all Accountholders with such Clearing System.

5. **DEPOSIT OF DEED OF COVENANT**

This Deed of Covenant shall be deposited with and 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 of Covenant) have been discharged in full. The Issuer hereby acknowledges the right of every Beneficiary to the production of this Deed of Covenant.

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 are payable upon or in connection with the execution and delivery of this Deed of Covenant, and shall indemnify each Beneficiary against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees, any applicable value added tax and any interest or penalties imposed on or payable in connection therewith) which it incurs 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 of Covenant, and that this Deed of Covenant 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 of Covenant shall take effect as a deed poll for the benefit of the Beneficiaries from time to time.

8.2 **Benefit**

This Deed of Covenant shall enure to the benefit of each Accountholder (and any subsequent successors and assigns) and each holder of Capital Securities, each of which shall be entitled severally to enforce this Deed of Covenant 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 of Covenant.

9. **PARTIAL INVALIDITY**

If at any time any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or

enforceability of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby.

10. NOTICES

10.1 Address for Notices

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

Commercial Bank of Dubai P.S.C.

Al Ittihad Street

P.O. Box 2668

Dubai

United Arab Emirates

Telefax: +971 4 205 0160

Attention: Chief Legal and Governance Officer

Email: souhayel.tayeb@cbd.ae

or to such other address 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, however, that any such notice or other communication which would otherwise take effect 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 of Covenant and any non-contractual obligations arising out of or in connection with this Deed of Covenant are governed by, and shall be construed in accordance with, English law.

11.2 Arbitration

Subject to Clause 11.3 (*Option to Litigate*), any dispute, claim, difference or controversy arising out of, relating to or having any connection with this Deed of Covenant (including any dispute, claim, difference or controversy relating to any non-contractual obligations arising out of or in connection with this Deed of Covenant; and any dispute, claim, difference or controversy regarding the existence, validity, interpretation, performance, breach or termination of this Deed of Covenant or the consequences of its nullity) (a "**Dispute**") shall be referred to and finally resolved by arbitration in accordance with the Arbitration Rules of the London Court of International Arbitration ("**LCIA**") (the "**Rules**"), which Rules (as amended from time to time) are incorporated by reference into this Clause 11.2. For these purposes:

- 11.2.1 the seat, or legal place of arbitration, will be London, England;
- 11.2.2 the governing law of the arbitration agreement shall be English law;
- 11.2.3 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 in turn 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. If one party 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 nominate the third arbitrator within 15 days of the appointment of the second arbitrator, such arbitrator shall be appointed by the LCIA; and
- 11.2.4 the language of the arbitration shall be English.

11.3 Option to Litigate

Notwithstanding Clause 11.2 (*Arbitration*) above, any Accountholder may, in the alternative, and at its sole discretion, by notice in writing to the Issuer:

- 11.3.1 within 28 days of service of a Request for Arbitration (as defined in the Rules);
or
- 11.3.2 in the event no arbitration is commenced,

require that a Dispute be heard by a court of law. If any Accountholder gives such notice, the Dispute to which such notice refers shall be determined in accordance with Clause 11.4 (*Effect of Exercise of Option to Litigate*) and, subject as provided below, any arbitration commenced under Clause 11.2 (*Arbitration*) in respect of that Dispute will be terminated. Each party who gives such notice and the recipient of that notice agree that each party will bear its own costs in relation to the terminated arbitration.

If any notice to terminate the arbitration in accordance with this Clause 11.3 is given after service of any Request for Arbitration in respect of any Dispute, the party must also promptly give notice to the LCIA Court and to any Tribunal (each as defined in the Rules) already appointed in relation to the Dispute that such Dispute will be settled by the courts. Upon receipt of such notice by the LCIA Court, the arbitration and any appointment of any arbitrator in relation to such Dispute will immediately terminate. Any such arbitrator will be deemed to be *functus officio*. The termination is without prejudice to:

- 11.3.3 the validity of any act done or order made by that arbitrator or by the court in support of that arbitration before his appointment is terminated;
- 11.3.4 his entitlement to be paid his proper fees and disbursements; and
- 11.3.5 the date when any claim or defence was raised for the purpose of applying any limitation bar or any similar rule or provision.

11.4 **Effect of Exercise of Option to Litigate**

In the event that a notice pursuant to Clause 11.3 (*Option to Litigate*) is issued, the following provisions shall apply:

- 11.4.1 subject to Clause 11.4.3 below, the courts of England shall have exclusive jurisdiction to settle any Dispute and the Issuer irrevocably submits to the exclusive jurisdiction of such courts;
- 11.4.2 the Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute; and
- 11.4.3 this Clause 11.4 is for the benefit of the Accountholders only. As a result, and notwithstanding Clause 11.4.1 above, any Accountholder may start proceedings relating to a Dispute ("**Proceedings**") in any other court with jurisdiction. To the extent allowed by law, any Accountholder may start concurrent Proceedings in any number of jurisdictions.

11.5 **Service of Process**

The Issuer appoints Process Servers Ltd. at its registered office at 4 Marylebone High Street, London, W1U 4NQ United Kingdom as its agent for service of process in any Proceedings before the courts of England and agrees that, in the event of Process Servers Ltd. ceasing so to act or ceasing to be registered in England, it will immediately (and in any event within 30 days of the event taking place) appoint another person as its agent for service of process in England in respect of any Proceedings or Disputes. Failure by a process agent to notify the person that appointed it of any process will not invalidate the relevant proceedings. Nothing in this clause shall affect the right to serve process in any other manner permitted by law.

11.6 **Waiver of Immunity**

The Issuer hereby irrevocably and unconditionally waives with respect to this Deed of Covenant any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence and irrevocably and unconditionally consents to the giving of any relief or the issue of any process, including without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgement made or given in connection with any Proceedings or Disputes.

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

SIGNATORY TO THE DEED OF COVENANT

EXECUTED as a **DEED**)
by **COMMERCIAL BANK OF DUBAI P.S.C.**)
acting by)
acting on the authority)
of that company)
in the presence of:)

Witness:

Name:

Address: