

APPENDIX A

TERMS AND CONDITIONS OF THE BONDS

TERMS AND CONDITIONS OF THE BONDS

"THE BONDS OF INDUSTRIAL BANK OF KOREA NO. 1/2553 DUE B.E. 2558 (2015)"

The following is the text of the terms and conditions (the "**Conditions**") setting out the rights and obligations of Industrial Bank of Korea (the "**Issuer**") and the Bondholders (as defined below) with respect to the Bonds (as defined below), as may be supplemented, amended or modified by any subsequent amendment thereto, with TMB Bank Public Company Limited acting as the Bondholders' Representative. The Issuer has been granted approval by the Ministry of Finance of Thailand to offer for sale Bonds in Thailand by virtue of the Ministry of Finance Notification Re: Approval for Issue of Bonds or Debentures denominated in Thai Baht in Thailand dated 11 April 2006, as amended (the "**MOF Notification**"). The Bonds are issued pursuant to the resolution of the Board of Directors of the Issuer passed on 22 December 2009. The Bonds shall be issued and offered in reliance upon the Notification No. Tor Jor. 14/2552 (as defined below).

The Bondholders' rights in respect of the Bonds shall be as prescribed in these Conditions in relation to which the Bondholders and the Issuer shall be bound in all respects. The Issuer has appointed the Bondholders' Representative and the Registrar pursuant to the Bondholders' Representative Appointment Agreement and the Registrar Appointment Agreement, respectively. The Bondholders are deemed to accept the appointment of the Bondholders' Representative and are entitled to the benefits of, are bound by, and are deemed to have notice of and understand, all provisions of these Conditions and the Bondholders' Representative Appointment Agreement.

Execution copies of these Conditions, the Bondholders' Representative Appointment Agreement and the Registrar Appointment Agreement are available for inspection during normal business hours at the principal office of the Bondholders' Representative.

1. **DEFINITIONS**

In these Conditions:

" Baht "	means Thai Baht, the lawful currency of the Kingdom of Thailand.
" Bonds "	means "The Bonds of Industrial Bank of Korea No. 1/2553 Due B.E. 2558 (2015)".
" Bond Certificate(s) "	means the certificate(s) issued in accordance with Condition 3.1, representing such Bond in the form specified in Annex A.
" Bondholder(s) "	means the person(s) who own Bonds in accordance with Condition 3.3.
" Bondholders' Representative "	means TMB Bank Public Company Limited or any successor as the Bondholders' Representative in respect of the Bonds.

"Bondholders' Representative Appointment Agreement"	means the Bondholders' Representative appointment agreement entered into between the Bondholders' Representative and the Issuer dated on or around 27 October 2010 or the agreement appointing a new Bondholders' Representative to replace the existing Bondholders' Representative (if any).
"Bond Rights"	means all rights relating to the Bonds including, without limitation, the right to receive principal and interest on the Bonds and the right to attend and vote at meetings of the Bondholders.
"Business Day"	means a day (other than a Saturday or Sunday) on which commercial banks are open for general business in Bangkok, Thailand.
"Closing Date"	is as defined in Condition 3.2 (b).
"Credit Rating Agency(ies)"	means a credit rating agency(ies) approved by the SEC.
"Default Interest Rate"	means the default rate of interest for the Bonds, being the Interest Rate plus 2 (two) percent per annum.
"Event of Default"	means any of the events specified in Condition 13.1.
"Interest Period"	means: <ul style="list-style-type: none"> (a) with respect to the first Interest Period, the period commencing on, and including, the Issue Date and ending on, but excluding, the next Interest Payment Date; and (b) with respect to any subsequent Interest Period, the period commencing on, and including, the Interest Payment Date of the preceding Interest Period and ending on, but excluding, the next Interest Payment Date of such Interest Period or the Maturity Date, as the case may be.
"Interest Payment Date"	means every 1 May and 1 November of each year commencing on 1 May 2011 and ending on the Maturity Date.
"Interest Rate"	means the interest rate of 2.93 percent per annum.
"Issue Date"	means 1 November 2010.
"Issuer's Contact Person"	has the meaning given to it in Condition 20.

"Maturity Date"	means 1 November 2015.
"Notification No. Tor Jor. 14/2552"	means the Notification of the Capital Market Supervisory Board No. Tor Jor. 14/2552 Re: The Offer for Sale of Foreign Bonds or Foreign Debentures in Thailand dated 13 March 2009, as may from time to time be amended, modified, supplemented or replaced.
"Notification No. Gor Jor. 5/2552"	means the Notification of the Securities and Exchange Commission No. Gor Jor. 5/2552 Re: Determination of Definitions Used in the Notifications on the Issue and Sale of All Types of Debt Instruments dated 15 March 2009, as may from time to time be amended, modified, supplemented or replaced.
"Record Date"	has the meaning given to it in Condition 3.2(b).
"Register Book"	means the register book of the Bonds recording particulars of the Bondholders or other sources of registration information relating to the transfer, pledge, attachment, issue of new Bond Certificates and other matters related to the Bonds according to the relevant rules and procedures prescribed pursuant to the laws governing securities and notifications of the SEC.
"Registrar"	means Thailand Securities Depository Company Limited or any successor as the registrar in respect of the Bonds as permitted by relevant laws and regulations.
"Registrar Appointment Agreement"	means the registrar appointment agreement entered into between the Registrar and the Issuer dated on or around 27 October 2010 or the agreement appointing a new Registrar to replace the existing Registrar (if any).
"SEC"	means the Office of the Securities and Exchange Commission of Thailand.
"Subscription Closing Date"	means 29 October 2010.
"TBMA"	means the Thai Bond Market Association or such other exchange as may be licensed by and registered with the SEC.
"Thailand"	means the Kingdom of Thailand.
"TSD"	means Thailand Securities Depository Company Limited, or any other successor organization legally entitled to operate a securities depository business in Thailand.

"U.S.\$" means United States dollars.

"Won" means Korean won.

2. **FORM, DENOMINATION, INTEREST AND TERM**

2.1 The Bonds are in registered form carrying interest at the Interest Rate. The Bonds have a tenor of 5 years from the Issue Date. The Bonds are named "The Bonds of Industrial Bank of Korea No. 1/2553 Due B.E. 2558 (2015)".

2.2 On the Issue Date, there are 5,000,000 units of the Bonds in total, with an aggregate total principal amount of Baht 5,000,000,000. A par value of each Bond is Baht 1,000 (one thousand Baht).

3. **BOND CERTIFICATES, REGISTER BOOK AND OWNERSHIP OF THE BONDS**

3.1 *Bond Certificates*

(a) The Issuer shall ensure that the Registrar issue and deliver Bond Certificates, in the form attached as Annex A to these Conditions, to all Bondholders whose Bonds are not deposited with TSD within 15 (fifteen) Business Days from the Subscription Closing Date via registered mail at the name and address appearing in the subscription form of such Bonds. The Issuer shall cause the Registrar to deposit with TSD the Bonds of a Bondholder who has expressed its desire for such deposit in the subscription form of the Bonds within 7 (seven) Business Days from the Subscription Closing Date. For the Bonds deposited with TSD, the Registrar shall enter the name of TSD, as the holder of the Bonds on behalf of the Bondholder, in the Register Book.

(b) If a person holding Bonds through TSD (scripless system) wishes to obtain a Bond Certificate with respect to those Bonds, that person must inform TSD. The Issuer shall cause the Registrar to issue a Bond Certificate to that person within 45 (forty-five) days from the date it has been notified by TSD of the name of that person and the number of Bonds deposited with TSD in the name of that person. Following the issue of such Bond Certificate, the number of Bonds registered in the name of TSD will then be reduced by the number of Bonds held by the person to whom the Bond Certificate has been issued.

3.2 *Register Book; Closure of the Register Book*

(a) The Issuer shall cause the Registrar to prepare and keep the Register Book until the date that all Bonds are fully redeemed in accordance with these Conditions.

(b) The Register Book will be closed on the 14th (fourteenth) day prior to any Interest Payment Date, the Maturity Date, any date fixed for any meeting of the Bondholders or any other date for any other purpose as specified in these Conditions and as notified by the Issuer to the Registrar and the Bondholders' Representative (the "**Closing Date**"). If the Closing Date falls on a day that is

not a Business Day, the Register Book shall be closed on the next Business Day, and in such case, the period between the Closing Date to each relevant Interest Payment Date, the Maturity Date, any date fixed for any meeting of the Bondholders or any other date for any other purpose as specified above shall be less than 14 (fourteen) days. The Registrar shall not register any transfer of the Bonds on the Closing Date. A Business Day immediately preceding the Closing Date is called a "**Record Date**".

The Issuer and the Registrar hereby reserve the right to change the date and time for the closure of the Register Book without the need to obtain consent from the Bondholders, provided that such change: (i) must be in compliance with the rules and regulations of TSD or any other relevant authorities, and (ii) shall not adversely affect materially the rights and benefits of the Bondholders. In such case, the "**Record Date**" shall be changed accordingly.

3.3 ***Ownership of Bonds***

- (a) For Bonds that are not deposited with TSD, the Bond Rights are vested in the person whose name is registered in the Register Book as the owner of such Bonds at the end of business hours of the Registrar on the Record Date, unless a transfer of the Bonds has occurred prior to the relevant Record Date and such transfer is effective against the Issuer in accordance with Conditions 4.1(a) - (c). In case of such transfer, the Bond Rights will be vested in the transferee of the Bonds.
- (b) For Bonds that are deposited with TSD, the Bond Rights are vested in the persons whose names are listed with TSD as the owners of such Bonds at the end of business hours of the Registrar on the Record Date, as notified in writing by TSD to the Registrar, except in a case where an objection is duly made according to the law.

4. **TRANSFERS OF BONDS**

4.1 ***Transfers of Bonds not deposited with TSD***

- (a) A transfer of Bonds is complete when the transferor whose name is registered in the Register Book as the owner of such Bonds, or the last person to whom such Bonds have been previously transferred in accordance with these Conditions, delivers to the transferee a duly endorsed Bond Certificate representing such Bonds.
- (b) A transfer of Bonds is only effective against the Issuer if the Registrar accepts the application to register the transfer together with the Bond Certificate duly endorsed by the transferor and the transferee.
- (c) A transfer of Bonds is only effective against third parties if the transfer is actually registered in the Register Book.

- (d) An application to register the transfer of Bonds must be made at the principal office of the Registrar during its normal business hours in accordance with the form and procedures prescribed by the Registrar. In connection with the application to register a transfer of Bonds, the applicant must deliver the following documents to the Registrar:
 - (i) an application for registration of the transfer, together with the Bond Certificate duly endorsed pursuant to Conditions 4.1(a) and (b); and
 - (ii) any other evidence confirming the correctness and completeness of the transfer as may be specified by the Registrar.
- (e) The Registrar will register the transfer of Bonds in the Register Book within 7 (seven) Business Days after it receives the documents specified in Condition 4.1(d).
- (f) The Registrar shall decline to register a transfer of Bonds in a case where such transfer is in breach of these Conditions, the provisions of law, or a court order.

4.2 ***Transfers of Bonds deposited with TSD***

Bonds deposited with TSD must be transferred in accordance with the applicable regulations of the Stock Exchange of Thailand, TSD and any other relevant regulatory authority and agency, including the relevant over-the-counter centers, that have issued regulations applicable to the transfer of the Bonds.

4.3 ***Bond Transfer Restriction***

The Issuer has registered a transfer restriction of the Bonds with the SEC and is bound by such transfer restriction to procure that no Bond will be transferred to any person other than those qualified as "Institutional Investors" and "High Net Worth Investors" as respectively defined in Clause 3(2)(a) and Clause 3(2)(b) of the Notification No. Gor Jor. 5/2552. As a result, the Issuer and/or the Registrar will not accept or register any transfer of Bonds to any person who is not qualified as such Institutional Investor or High Net Worth Investors referred to above.

5. **STATUS OF BONDS**

The Bonds constitute direct, unconditional and (subject to Condition 7.4) unsecured obligations of the Issuer which rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured (subject to Condition 7.4) and unsubordinated obligations of the Issuer, save for such as may be preferred by mandatory provisions of applicable law.

6. CREDIT RATING

The Issuer has its credit rating assigned by the Credit Rating Agency and the Issuer will procure that such credit rating by the Credit Rating Agency is assigned to the Issuer during the term of the Bonds. For the avoidance of doubt, the credit rating result for the Issuer is subject to revision throughout the term of the Bonds.

7. COVENANTS OF THE ISSUER

The Issuer undertakes to comply with all the covenants set out in this Condition 7 as long as any debt under the Bonds remains outstanding.

7.1 *Appointment of Replacement of Bondholders' Representative and Registrar*

If it becomes necessary to replace the Bondholders' Representative and/or the Registrar, the Issuer must appoint a replacement Bondholders' Representative and Registrar (as the case may be) as soon as practicable, but in any case no later than 45 (forty-five) days from the date on which the Issuer is aware of the necessity for such replacement.

7.2 *Listing on the TBMA*

The Issuer shall, without delay, arrange for the listing of the Bonds on the TBMA and shall use its best effort to maintain the Bonds as listed securities on the TBMA until all the Bonds are fully redeemed.

7.3 *Information*

- (a) The Issuer shall promptly send a written notice to the Bondholders' Representative if it becomes aware of the occurrence of any event which constitutes an Event of Default under these Conditions.
- (b) The Issuer shall deliver to the Bondholders' Representative copies of its audited financial statements including, if prepared, consolidated financial statements of the Issuer and its consolidated subsidiaries, for the relevant financial year, within the period of time as required by applicable laws to submit such documents to the SEC; and
- (c) Report to the SEC and the Bondholders' Representative as promptly as possible when there is a material adverse change to the Issuer's business or financial status.

7.4 *Negative Pledge*

So long as any Bond remains outstanding or any amount is due under or in respect of any Bond, the Issuer will not create or permit to subsist any mortgage, charge, pledge or other security interest upon or over the whole or any part of its property, assets or revenues (whether present or future) to secure for the benefit of the holders of any International Investment Securities (as defined below) any:

- (a) payment of any sum owing in respect of any such International Investment Securities;
- (b) payment under any guarantee in respect of any such International Investment Securities;
- (c) payment under any indemnity or other like obligations in respect of any such International Investment Securities,

without, in any such case and at the same time, according to the Bondholders either the same security as is granted to or is outstanding in respect of such International Investment Securities, guarantee, indemnity or other like obligation or such other security as (i) the Bondholders' Representative shall in its absolute discretion deem to be not materially less beneficial to the interests of the Bondholders or (ii) as shall be approved by a Bondholders' meeting.

In these Conditions:

"International Investment Securities" means notes, bonds, debentures, certificates of deposit or investment securities of any person which:

- (i) by their terms either are payable, or confer a right to receive payment, in any currency other than Won or are denominated in Won and more than 50 (fifty) per cent. of the aggregate principal amount of which is initially distributed outside Korea; and
- (ii) are for the time being, or are capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over-the-counter or other securities market outside Korea.

8. **INTEREST**

8.1 ***Interest Rate***

Interest on the Bonds shall accrue at the Interest Rate and payable semi-annually in arrears on each Interest Payment Date. Such interest shall be calculated on the outstanding principal amount of the Bonds.

8.2 ***Interest Calculation***

The amount of interest payable in respect of any Bond for any Interest Period shall be calculated by multiplying the product of the principal amount outstanding on each unit of the Bond as at the first day of such Interest Period and the relevant Interest Rate by the number of days in respect of that Interest Period and dividing by 365 (three hundred and sixty-five), and rounding the resulting figure to 6 (six) decimal places (in case the seventh decimal place is equivalent to or more than 5 (five), the 6th (sixth) decimal place shall be rounded up one decimal).

8.3 *Default Interest*

Upon a default on any payment by the Issuer under these Conditions, the relevant Default Interest Rate shall be charged on any unpaid amount of principal from the due date until the date on which the Issuer makes a full payment, irrespective of whether or not the Bondholders' Representative has notified the Issuer or declared such occurrence under Condition 13.2.

9. **PAYMENTS OF PRINCIPAL AND INTEREST**

9.1 *Principal Payment*

The Issuer shall fully repay the principal amount of the Bonds on the Maturity Date.

9.2 *Interest Payments*

Interest on the Bonds shall be payable in arrears to each Bondholder on each Interest Payment Date. The first Interest Payment Date shall be 1 May 2011 and the last Interest Payment Date shall be the Maturity Date.

9.3 *Non-Business Days*

If any payment date under these Conditions (including, but not limited to the Maturity Date and the Interest Payment Date) falls on a day that is not a Business Day, the relevant amount due and payable shall be paid on the next Business Day (and no interest shall be calculated with respect to any such postponement except for the final Interest Payment Date), with the same force and effect as if made on the original payment date. In respect of the final Interest Payment Date, interest shall accrue in accordance with these Conditions until, but excluding, the actual date of payment.

9.4 *Payment Method*

- (a) Interest due on any Interest Payment Date will be payable by the Issuer through the Registrar to the Bondholders whose names appear in the Register Book on the relevant Record Date or, with respect to persons whose Bonds are deposited with TSD, the persons whose names appear on the list of the owners of the Bonds maintained by TSD. Payments of interest on each Bond will be made to the Bondholder by means of: (i) a Baht crossed cheque marked "A/C Payee Only" drawn on a bank in Bangkok in the name of the Bondholder mailed to the address of the relevant Bondholder appearing on the Register Book; or (ii) such other method as may be agreed from time to time by the Issuer, the Bondholders' Representative and the Registrar; *provided that* payments of interest with respect to the final Interest Payment Date may only be made upon the surrender of the relevant Bond Certificates (except for the Bonds deposited with TSD) at the principal office of the Registrar. A Bondholder whose Bonds are not deposited with TSD may surrender its Bond Certificate on or prior to the Maturity Date, in which case the Registrar shall issue to such Bondholder a receipt or written evidence of such Bond Certificate being duly surrendered.

- (b) Principal due on the Maturity Date will be payable by the Issuer through the Registrar to the Bondholders whose names appear in the Register Book on the relevant Record Date or, with respect to persons whose Bonds are deposited with TSD, the persons whose names appear on the list of owners of the Bonds maintained by TSD. Payments of principal on each Bond will be made to the Bondholder by means of: (i) a Baht crossed cheque marked "A/C Payee Only" drawn on a bank in Bangkok in the name of the Bondholder mailed to the address of the relevant Bondholder appearing on the Register Book; or (ii) such other method as may be agreed from time to time by the Issuer, the Bondholders' Representative and the Registrar; *provided that* such principal repayment on the Maturity Date may only be made upon surrender of the relevant Bond Certificates (except for the Bonds deposited with TSD) at the principal office of the Registrar. A Bondholder whose Bonds are not deposited with TSD may surrender its Bond Certificate on or prior to the Maturity Date, in which case the Registrar shall issue to such Bondholder a receipt or written evidence of such Bond Certificate being duly surrendered.

9.5 *Distribution of payments*

All principal, interest and any other amounts received from the Issuer by the Bondholders' Representative under the Bonds shall be applied in the following order of priority:

- (a) firstly, the payment of all costs, expenses and liabilities incurred by the Bondholders' Representative in performing its duties and obligations in respect of the Bonds, including (but not limited to) the enforcement of these Conditions in accordance with the Bondholders' Representative Appointment Agreement;
- (b) secondly, the remuneration of the Bondholders' Representative in respect of the Bonds pursuant to the Bondholders' Representative Appointment Agreement;
- (c) thirdly, the interest of the Bonds accrued and unpaid up to the date of payment;
- (d) fourthly, the outstanding amount of the principal of the Bonds; and
- (e) finally, the balance (if any) to be paid to the Issuer without unreasonable delay.

10. **REDEMPTION AND REPURCHASE OF BONDS**

10.1 *Redemption*

Unless previously redeemed, purchased or cancelled, the Bonds will be redeemed at their outstanding principal amount on the Maturity Date as specified in Condition 9.4(b), together with interest accrued thereon up to (but excluding) the Maturity Date.

10.2 *Purchase by the Issuer*

The Issuer may at any time purchase the Bonds in any open market or otherwise and at any price. If the Issuer makes a general tender offer to buy back the Bonds, the Issuer

must buy back the Bonds from all the Bondholders who have tendered their intention to sell the Bonds, on a pro rata basis.

10.3 *Cancellation*

Bonds that are redeemed or purchased by the Issuer must be cancelled and may not be re-issued or resold. The Issuer must inform the Registrar of the Bonds purchased by it so that the Registrar shall cancel such Bonds. The Issuer will also file a report on the buy-back of the Bonds by it to TBMA and the SEC as required by applicable laws and regulations.

10.4 *Redemption for Taxation Reasons*

(a) The Bonds may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date, by giving not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Registrar and, in accordance with Condition 19, the Bondholders (which notice shall be irrevocable), if the Issuer satisfies the Bondholders' Representative immediately before the giving of such notice that:

- (i) on the occasion of the next payment due under the Bonds, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 11.1 as a result of any change in, or amendment to, the laws or regulations of Korea or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including the cessation of tax exemptions presently applicable), which change or amendment becomes effective on or after the Issue Date; and
- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 (ninety) days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Bondholders' Representative a certificate signed by two authorised officers of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been fulfilled, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment. The Bondholders' Representative shall be entitled to accept the certificate and opinion of independent legal advisers as sufficient evidence of the satisfaction of the conditions precedent set out in

(i) and (ii) above, in which event it shall be conclusive and binding on the Bondholders.

Bonds redeemed pursuant to this Condition 10.4 will be redeemed at their outstanding principal amount together with interest accrued to (but excluding) the date of redemption.

- (b) Upon the expiry of the notice as is referred to in paragraph (a) above, the Issuer shall be bound to redeem the Bonds at their outstanding principal amount at the date of such redemption together with interest accrued to (but excluding) the redemption date.
- (c) Prior to the lapse of 3 (three) years after the Issue Date, the Issuer's right to exercise the redemption option as specified in paragraphs (a) and (b) above shall be subject to applicable Thai laws and regulations prevailing at the time of such exercise or permission from the Ministry of Finance of Thailand (if applicable).

11. TAXATION

11.1 All payments of principal and interest in respect of the Bonds by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of Korea or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the Bondholders after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Bonds, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Bond:

- (a) presented for payment by or on behalf of a Bondholder who is liable for such taxes or duties in respect of such Bond by reason of his having some connection with Korea other than the mere holding of such Bond; or
- (b) presented for payment more than 30 (thirty) days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day; or
- (c) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to EC Council Directive 2003/48/EC or any other directive on the taxation of savings income implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive; or

- (d) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Bond to another Paying Agent in a Member State of the European Union; or
- (e) presented for payment by or on behalf of a holder of such Bond who, at the time of such presentation, is able to avoid such withholding or deduction by making a declaration of non-residence or other similar claim for exemption and does not make such declaration or claim.

As used herein, the "**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Bondholders on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Bondholders in accordance with Condition 19.

- 11.2 Notwithstanding the foregoing, payment under the Bonds will be subject to withholding tax in Thailand and the Issuer will not be required to gross-up such Thai withholding tax.

12. **PRESCRIPTION**

Claims in respect of the principal and interest in respect of the Bonds shall become void, unenforceable unless the Bonds are presented for payment within a period of 10 (ten) years from the relevant payment date in the case of principal and 5 (five) years from the relevant payment date in the case of interest.

13. **EVENTS OF DEFAULT**

- 13.1 If any of the following events occurs and is continuing (each, an "**Event of Default**"), the Bondholders' Representative shall deliver a default notice to the Issuer in compliance with, and subject to, Condition 13.2 below:

- (a) **Non-payment:** default is made in the payment of any amount of principal or interest in respect of any Bond on the due date for payment thereof and such default remains unremedied for, in the case of default in the payment of principal, 7 (seven) days, or, in the case of default in the payment of interest, 14 (fourteen) days thereafter;
- (b) **Breach of Other Obligations:** default is made in the performance or observance of any other obligation of the Issuer under or in respect of the Bonds and these Conditions (except in any case where, in the opinion of the Bondholders' Representative, such default is incapable of remedy when no such continuation or notice as is hereafter mentioned will be required) such default remains unremedied for 30 (thirty) days (or such longer period as the Bondholders' Representative may agree) after written notice thereof has been delivered to the Issuer by the Bondholders' Representative;

- (c) **Cross-acceleration:** (i) any Indebtedness of the Issuer in aggregate exceeding U.S.\$10,000,000 (ten million) (or its equivalent in one or more currencies) is not paid when due or, as the case may be, within any originally applicable grace period, (ii) any such Indebtedness becomes due and payable prior to its stated maturity as a result of a default in respect of the terms thereof or (iii) the Issuer fails to pay on the expiry of any originally applicable grace period any amount payable by it under any Surety (as defined below);
- (d) **Enforcement proceedings:** a distress, attachment, execution, seizure before judgment or other legal process is levied, enforced or sued out upon or against the whole or a material part of the assets or revenues of the Issuer and is not discharged or stayed within 30 (thirty) days;
- (e) **Security enforced:** a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or a material part of the undertaking, assets and revenues of the Issuer;
- (f) **Insolvency, etc.:** (i) the Issuer becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator of the Issuer or the whole or any part of the undertaking, assets and revenues of the Issuer is appointed (or application for any such appointment is made (or documents filed with a court) and is not withdrawn within 30 (thirty) days thereafter), (iii) the Issuer takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its Indebtedness or any Surety given by it or (iv) the Issuer ceases or threatens to cease to carry on all or any substantial part of its business or (v) the Issuer ceases to be a foreign exchange bank with a general banking licence in Korea;
- (g) **Winding-up, etc.:** an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution of the Issuer;
- (h) **Analogous event:** any event occurs which under the laws of Korea has an analogous effect to any of the events referred to in paragraphs (d) to (g) above;
- (i) **Failure to take action, etc.:** any action, condition or thing at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under the Bonds, these Conditions, the Bondholders' Representative Appointment Agreement and the Registrar Appointment Agreement (ii) to ensure that those obligations are legal, valid, binding and enforceable and (iii) to make the Bonds, these Conditions, the Bondholders' Representative Appointment Agreement and the Registrar Appointment Agreement admissible in evidence in the courts of Korea (other than their translations into the Korean language) is not taken, fulfilled or done;

- (j) **Unlawfulness:** it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under or in respect of any of the Bonds, these Conditions, the Bondholders' Representative Appointment Agreement and the Registrar Appointment Agreement;
- (k) **Government intervention:** (i) all or any substantial part of the undertaking, assets and revenues of the Issuer is condemned, seized or otherwise appropriated by any person acting or purporting to act under the authority of any national, regional or local government of Korea or (ii) the Issuer is prevented by any such person from exercising normal control over all or any material part of its undertaking, assets and revenues; or
- (l) **Article 43:** Korea has neither ownership (directly or indirectly) of at least 50.1 (fifty point one) percent of the issued share capital of the Issuer nor control (directly or indirectly) of the Issuer or for any reason fails to provide the financial support to the Issuer stipulated by Article 43 of the Industrial Bank of Korea Act 1961 as amended (Article 43) or Article 43 is amended, modified or supplemented in a manner which prejudices the interests of the Bondholders as determined by an independent investment bank active in the Korean bond market selected by the Issuer and previously approved in writing by the Bondholders' Representative, or is repealed.

In these Conditions:

"Indebtedness" means all obligations created, incurred or assumed by any Persons for the payment or repayment of moneys relating to or in connection with (i) any indebtedness of any Persons in respect of moneys borrowed by it; (ii) any indebtedness of any Persons under acceptance or documentary credit facilities; (iii) any indebtedness of any Persons under bills, bonds, debentures, notes or similar instruments on which the Issuer is liable; (iv) any obligations of any Persons under leases which in accordance with accounting principles generally accepted in Korea are required to be capitalised for financial reporting purposes; (v) any indebtedness of any Persons (whether actual or contingent) for moneys owing under any instrument entered into by any Persons in respect of the acquisition cost of assets payment of which is deferred for a period in excess of 6 (six) months after acquisition thereof, and (vi) indebtedness of any Persons (actual or contingent) under guarantees, security, indemnities or other commitments designed to assure any creditors in respect of the payment of any indebtedness of any other person;

"Person" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state, agency of a state or other entity, whether or not having a separate legal personality; and

"Surety" means any obligation of any Person to pay any Indebtedness of another Person including, without limitation, (i) any obligation to purchase such Indebtedness, (ii) any obligation to lend or give money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment

of such Indebtedness, (iii) any indemnity against the consequences of a default in the payment of such Indebtedness and (iv) any other agreement to be responsible for such Indebtedness.

13.2 If any Event of Default occurs and is continuing, and if

- (a) the Bondholders' Representative deems appropriate; or
- (b) the Bondholders' Representative has received a written demand from any one or more of the Bondholders together holding at least 25 (twenty-five) per cent. of the total outstanding principal amount of the Bonds; or
- (c) the Bondholders' Representative has received a resolution of the Bondholders' meeting in accordance with Condition 14; or
- (d) any of the Events of Default under Conditions 13.1(a), 13.1 (f), 13.1(g) or 13.1(h) has occurred,

the Bondholders' Representative shall deliver a default notice to the Issuer informing the Issuer of the occurrence of such Event of Default, declaring the Bonds to be immediately due and payable and demanding payment of all outstanding principal amounts under the Bonds together with interest accrued thereon. If the Issuer defaults in making a payment under any Bond to any Bondholder, if otherwise not apparent or clearly proven to the contrary, it shall be presumed that such defaults in payment have occurred to all the Bonds.

13.3 After the Bondholders' Representative has delivered the default notice pursuant to Condition 13.2,

- (a) the Bondholders' Representative shall take any actions to cause the Issuer to repay all the debts under the Bonds without further notice. Such actions include filing a lawsuit against the Issuer in so far as legally possible; and
- (b) each Bondholder shall be entitled to take legal action directly against the Issuer in order to enforce the debt owed to it pursuant to the Bonds if the Issuer has not made the payment to such Bondholder and the Bondholders' Representative has not instituted any proceedings against the Issuer within 14 (fourteen) days from the date of the default notice to the Issuer in accordance with Condition 13.2.

14. **MEETINGS OF BONDHOLDERS**

14.1 The Issuer or the Bondholders' Representative shall be entitled to call a Bondholders' meeting at any time. The Bondholders' Representative shall promptly convene a Bondholders' meeting:

- (a) within 30 (thirty) days from its receipt of a written request from one or more Bondholder(s) together holding not less than 25 (twenty-five) per cent. of the total outstanding principal amount of the Bonds; or

- (b) as soon as possible after the Bondholders' Representative has become aware of an occurrence of any of the following events:
 - (i) an Event of Default has occurred and no default notice has been sent to the Issuer as specified in Condition 13.2;
 - (ii) a proposal to amend material terms of the Conditions has been made pursuant to Condition 17.1;
 - (iii) an appointment of a new Bondholders' Representative is required except in the case where the Issuer has sent a notice to the Bondholders requesting their approval for the appointment of the new Bondholders' Representative pursuant to Condition 16.3 (b); or
 - (iv) there is any significant event that the Bondholders' Representative, or any one or more of the Bondholders together holding not less than 25 (twenty-five) per cent. of the total outstanding principal amount of the Bonds (by a written notice to the Bondholders' Representative), deem that it may adversely affect the Bondholders' interest or the ability of the Issuer to comply with its obligations under these Conditions.
- 14.2 A resolution duly passed at a duly convened meeting of the Bondholders shall be binding upon all Bondholders, whether or not present at the meeting. The rules and procedures for convening and conducting a meeting of the Bondholders are as set out in Annex B to these Conditions.
- 14.3 The Bondholders' Representative may adopt a resolution without holding a Bondholders' meeting (the "**Paper Meeting**") if Bondholders approve the action by placing their signatures on a copy of the text of the resolution. Any such resolution shall be effective and duly bind all the Bondholders (regardless of whether or not a Bondholder has executed or accepted such resolution) when it has been signed by the Bondholders holding the aggregate number of votes required to pass such resolution in accordance with Clause 6 of Annex B to these Conditions, provided that the counting of the number of votes is based on the total outstanding amount of the Bonds. The duly signed copy or copies of the resolution shall be delivered to the Bondholders' Representative within a reasonable period of time as determined by the Bondholders' Representative and placed in the minutes of the Bondholders' meeting with a copy to the Registrar and the Issuer.
- 14.4 If there is only one Bondholder, a written resolution, duly signed by such Bondholder, shall be treated as a resolution of a Bondholders' meeting without having to hold a Bondholders' meeting.
- 14.5 The Issuer shall be responsible for all reasonable costs and expenses incurred in connection with the convening and holding of any meeting of the Bondholders.

15. **POWERS, DUTIES AND RESPONSIBILITIES OF THE BONDHOLDERS' REPRESENTATIVE**

15.1 The Bondholders' Representative shall act in good faith and shall be bound to exercise the degree of care usually required from a person performing the business of the Bondholders' Representative. The Bondholders' Representative shall not be responsible to the Bondholders for any damages arising from the performance or non-performance of its obligations except those arising from wilful misconduct, gross negligence and/or bad faith in the performance of its obligations as provided in these Conditions, in the Bondholders' Representative Appointment Agreement or in any applicable law. Without prejudice to the immediately preceding sentence, the Bondholders' Representative shall not be held responsible for any loss or damage caused by following the instructions of the Bondholders.

15.2 The Bondholders' Representative shall duly perform and comply with its powers and duties which are prescribed by the relevant laws and the SEC regulations as powers and duties of a representative of Bondholders appointed by virtue of the SEC's notification and as specified in the Bondholders' Representative Appointment Agreement, including those powers and duties under these Conditions. The Bondholders' Representative's powers, duties and responsibilities include (but are not limited to) the following:

- (a) to act in accordance with these Conditions and the Bondholders' Representative Appointment Agreement and in the case where the Bondholders' Representative has the right to exercise its discretion to act under these Conditions, the Bondholders' Representative may at liberty use its discretion by upholding the interest of the Bondholders as the main objective;
- (b) to enter into an agreement with the Issuer in respect of the following matters without having to first obtain consent from a meeting of the Bondholders:
 - (i) amending or modifying these Conditions and/or any agreement relating to the Bonds in any respect that the Bondholders' Representative deems to be beneficial to the Bondholders or in a manner that would not prejudice the Bondholder's rights;
 - (ii) amending or modifying these Conditions and/or any agreement relating to the Bonds in order to correct any manifest errors or to ensure they are in line with the relevant law and regulations, provided that such amendments or modifications shall not adversely affect the rights of the Bondholders under those documents; and
 - (iii) providing a waiver or exemption in respect of any event specified in Condition 13.1 at any time which must proceed in accordance with Condition 13.2 if the Bondholders' Representative considers that such waiver or exemption is appropriate, taking into account the interest of the Bondholders as its main concern;

- (c) to monitor the Issuer's and compliance with, and performance of, its obligations under these Conditions;
- (d) to receive and keep in custody the original documents and assets including security (if any) which the Bondholders' Representative must receive or hold for the benefit of all Bondholders in connection with the performance of its duties under these Conditions and the Bonds;
- (e) to convene meetings of Bondholders as required by these Conditions and to attend all meetings of the Bondholders and to give its opinions to the meetings on suitable courses of action in cases where the Issuer fails to comply with these Conditions or in other cases which are or might be prejudicial to the interests of the Bondholders;
- (f) to promptly make a report to the Bondholders on important matters which have been carried out pursuant to the powers and duties of the Bondholders' Representative;
- (g) to facilitate the inspection by the Bondholders, at the specified office of the Bondholders' Representative during its normal office hours, of the financial statements and other reports provided by the Issuer to the Bondholders' Representative; and
- (h) in the event that the Bondholders' Representative is for any reason disqualified from acting in its capacity as Bondholders' Representative, to immediately inform the Issuer in writing of such disqualification.

15.3 The Bondholders' Representative shall perform its duties and obligations in good faith for the interest and benefit of the Bondholders in accordance with these Conditions, the Bondholders' Representative Appointment Agreement and all applicable laws. The Bondholders' Representative shall not be liable to any person for damages arising from its acts in reliance upon affidavits issued by authorised directors of the Issuer, or opinions, recommendations or information supplied by experts given specifically to the Bondholders' Representative subject to and in accordance with these Conditions and the Bondholders' Representative Appointment Agreement.

15.4 Any amendment or modification of the Bondholders' Representative Appointment Agreement which may adversely affect any interest and benefit of the Bondholders must be approved in advance by a meeting of the Bondholders.

16. **APPOINTMENT AND REMOVAL OF THE BONDHOLDERS' REPRESENTATIVE**

16.1 The Issuer has appointed TMB Bank Public Company Limited to act as a representative of the Bondholders, in full compliance with all applicable laws as well as the Notification of the Securities and Exchange Commission No. Gor. Jor. 33/2544 dated 19 October 2001 (as amended) and any other relevant laws and regulations concerning qualifications of a bondholders' representative, appointed by virtue of this Notification

and the applicable laws. The Bondholders' Representative has been approved by the SEC and other relevant authorities to perform its duties and functions as a representative of the Bondholders, as required by applicable laws and regulations. The Bondholders are deemed to have accepted and consented to the Issuer's appointment of TMB Bank Public Company Limited as the Bondholders' Representative pursuant to the terms of the Bondholders' Representative Appointment Agreement and to ratify any action the Bondholders' Representative may have done for or on behalf of the Bondholders prior to and after the subscription or accepting the transfer of the Bonds.

16.2 Removal of the Bondholders' Representative is required under the following circumstances:

- (a) the Bondholders' Representative becomes disqualified to act as a representative of Bondholders and fails to rectify the event of such disqualification within 30 (thirty) days from the date of the disqualification;
- (b) A Bondholders' meeting passes a resolution to terminate the appointment of the Bondholders' Representative due to its negligent performance or failure to perform its duties;
- (c) the Bondholders' Representative is in breach of any provision of the Bondholders' Representative Appointment Agreement or these Conditions and such breach has not been remedied within 30 (thirty) days from the date the Issuer or any one or more of the Bondholders holding together at least 25 (twenty-five) per cent. of the total outstanding principal amount of the Bonds sends a written notice to the Bondholders' Representative demanding such remedy; and
- (d) the appointment of the Bondholders' Representative is terminated in accordance with the Bondholders' Representative Appointment Agreement.

16.3 In case of a removal of the Bondholders' Representative, the Bondholders' Representative or the Issuer shall proceed in accordance with either of the following:

- (a) call a meeting of the Bondholders to approve the appointment of a new Bondholders' Representative; or
- (b) issue a notice to all Bondholders requesting approval for the appointment of the new Bondholders' Representative, and if such request is not rejected in writing by Bondholders holding more than 10 (ten) per cent. of the total outstanding principal amount of the Bonds within 30 (thirty) days from the date of such notice, it shall be deemed that all Bondholders approve the appointment of the new Bondholders' Representative.

16.4 The existing Bondholders' Representative shall in any event continue to perform its duties and functions in order to protect the Bondholders' interests under these Conditions until the new Bondholders' Representative is legally appointed in accordance with these Conditions.

16.5 If the Bondholders' Representative is replaced, the Issuer and/or the new Bondholders' Representative, as the case may be, shall, if required by applicable laws and regulations, apply for approval from the SEC. After the Issuer has appointed the new Bondholders' Representative, the Issuer shall notify each Bondholder in writing of such appointment within 30 (thirty) days from the date thereof and the Bondholders' Representative who has been terminated shall promptly hand over all assets, information and documents currently held by it to the new Bondholders' Representative and shall fully co-operate with the new Bondholders' Representative so as to ensure an orderly transition and the proper performance and assumption of duties by the new Bondholders' Representative.

17. **AMENDMENT TO THESE CONDITIONS**

17.1 Subject to Condition 17.2, any amendment to these Conditions requires the approval of the Issuer and the Bondholders' meeting in accordance with Annex B to these Conditions.

17.2 The Bondholders' Representative may amend any Conditions if such amendment: (i) will not adversely affect any rights of the Bondholders or the Issuer; or (ii) is necessary to correct a manifest error. The Bondholders' Representative shall promptly inform the Issuer in writing of the amendment to these Conditions made by the Bondholders' Representative pursuant to Condition 19.

17.3 The Issuer shall deliver the amended Conditions to the Registrar and the Bondholders' Representative and shall cause the Registrar or the Bondholders' Representative to deliver such amended Conditions to the SEC within 15 (fifteen) days from the date of such amendment and to the Bondholders upon written request.

18. **REPLACEMENT OF BOND CERTIFICATES**

If a Bond Certificate is lost, stolen, mutilated, defaced, destroyed or damaged in any manner, the relevant Bondholder whose name appears in the Register Book shall be entitled to request that the Registrar issue a replacement certificate, subject to the payment of reasonable fees and expenses to the Registrar for the replacement certificate and the delivery of relevant documents reasonably required by the Registrar. Mutilated or defaced Bond Certificates must be surrendered before replacements will be issued. The Registrar shall issue a replacement Bond Certificate to the Bondholder within 10 (ten) Business Days from the date of the Registrar's receipt of the request and other documents required by it and the Registrar shall record in the Register Book the cancelled Bond Certificates.

19. **NOTICES**

19.1 Notices to Bondholders and the Bondholders' Representative

- (a) Notices to Bondholders will be deemed to be validly given if sent by registered mail (or the equivalent) or (if posted to an overseas address) by airmail to the address of the Bondholder specified in the Register Book or, with respect to

persons whose Bonds are deposited with TSD, to the address specified by TSD for such Bondholder, and will be deemed to have been validly given on the third day after the date it is mailed or, if posted from a country other than that of the addressee, on the seventh day after the date it is posted; and

- (b) Notices to the Bondholders' Representative shall be validly given if sent to the address or fax number of the Bondholders' Representative specified in the Bondholders' Representative Appointment Agreement.

19.2 Neither the failure to give notice nor any defect in any notice given to any particular Bondholder shall affect the sufficiency of any notice with respect to other Bondholders.

19.3 Notices to the Issuer and the Registrar

- (a) Notices to the Registrar shall be validly given if sent to the address or fax number of the Registrar specified in the Registrar Appointment Agreement;
- (b) Notices to the Issuer shall be validly given if sent to the address or fax number of the Issuer as specified below (or as otherwise notified from time to time to the Bondholders' Representative and the Registrar):

INDUSTRIAL BANK OF KOREA

Address: 50, Ulchiro 2ga
Chung-gu
Seoul
Korea

Telephone: +82 2729 6953

Facsimile: +82 2729 7002

Attention: Treasury Department, International Finance Team

THE ISSUER'S CONTACT PERSON

Address: 22 Sathupradit Road Soi 24
Bang Khlo, Bang Khor Laem
Bangkok 10120
Thailand

Telephone: +66 2674 1951-2

Facsimile: +66 2674 1950

Attention: Louis Wiwongsak;

- (c) Notice to the Issuer may be sent by regular mail, by registered mail, by fax or by hand delivery. Any communication made or delivered by one person to another under these Conditions will only be effective:
 - (i) if sent by fax, when a transmission report showing the successful transmission of the facsimile is received by the sender;
 - (ii) if sent by letter, when received;
 - (iii) if sent by post, 7 (seven) Business Days after the dispatch; or

- (iv) if sent by courier, 48 (forty-eight) hours from the date of delivery to the courier service.

19.4 *Language*

All notices and communications to be made to the Issuer in relation to the Bonds and these Conditions shall be made in English language, unless as otherwise required under the applicable laws or any other agreement, in which case an English translation thereof shall be provided to the Issuer.

20. **THE ISSUER'S CONTACT PERSON IN THAILAND**

The Issuer has appointed S.P. & Louis Law Office Limited, whose address is specified in Condition 19.3(b) (the "**Issuer's Contact Person**") as its contact person in Thailand for the purposes of (i) receiving writs, summons, letters, orders or any other documents relating to the Bonds in Thailand on behalf of the Issuer; and (ii) contacting with relevant governmental authorities relating the issue and offer of the Bonds in Thailand on behalf of the Issuer. If for any reason the Issuer has changed the Issuer's Contact Person, the Issuer must forthwith appoint a new Issuer's Contact Person in Thailand and inform the Bondholders' Representative and the Registrar, without delay, of the appointment of such new Issuer's Contact Person.

21. **CURRENCY INDEMNITY**

21.1 The Issuer shall make payment in respect of any sum payable under the Conditions in Baht. If any sum is due from the Issuer under these Conditions or payment of damages in respect thereof (a "**Sum**"), or any order, judgment or award given or made in any jurisdiction in relation to a Sum, has to be converted from Baht (the "**First Currency**") in which that Sum is payable into another currency for the purpose of:

- (a) making or filing a claim or proof against the Issuer, including the winding-up of the Issuer or otherwise;
- (b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Issuer shall as an independent obligation, within 3 (three) Business Days of demand, indemnify each Bondholder or the Bondholders' Representative to whom that Sum is payable against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (i) the rate of exchange used to convert that Sum from the First Currency into such another currency and (ii) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

21.2 The indemnity specified under this Condition 21 shall constitute separate and independent obligations from the other obligations contained herein, shall give rise to a separate and independent cause of action, and shall apply irrespective of any indulgence granted by any Bondholder from time to time, and shall continue in full

force and effect notwithstanding any judgment or order for a liquidated sum or sums in respect of amounts due hereunder or under any such judgment or order.

22. GOVERNING LAW AND JURISDICTION

- 22.1 These Conditions and the Bonds shall be governed by and construed in accordance with the laws of Thailand. To the extent of discrepancy or inconsistency between any provision of these Conditions and any laws or notifications applicable to the Bonds, the provisions of such laws or notifications applicable to the Bonds shall supersede only the parts of these Conditions which give rise to such discrepancy or inconsistency.
- 22.2 The Issuer agrees that any legal action arising out of or relating to these Conditions may be brought in the courts of Thailand and submits to the non-exclusive jurisdiction of such courts.
- 22.3 Nothing in these Conditions shall limit the right of the Bondholders' Representative and/or the Bondholders to commence any legal action against the Issuer and/or its assets in any other jurisdiction or to serve process in any manner permitted by law, and the taking of proceedings in any jurisdiction shall, to the full extent permitted by applicable laws of the relevant jurisdictions, not preclude the Bondholders' Representative and/or the Bondholders from taking proceedings in any other jurisdiction whether concurrently or not.
- 22.4 In the case where the Issuer has acquired or will subsequently acquire immunity from the proceedings in respect of itself or its property, the Issuer shall have waived such immunity except immunity in respect of its property used for diplomatic or consular missions, property of a military nature, and property located in its territory and dedicated to a public or governmental use as distinguished from the property dedicated to commercial use.

These Conditions are made on 27 October 2010, and shall be effective from the Issue Date.

INDUSTRIAL BANK OF KOREA

as Issuer

By: _____
(_____)
Authorized Signatory

ANNEX A
BOND CERTIFICATE

(Form of Bond Certificate)



INDUSTRIAL BANK OF KOREA

(incorporated with limited liability under the laws of the Republic of Korea)

CERTIFICATE OF THE BONDS OF INDUSTRIAL BANK OF KOREA NO. 1/2553 DUE B.E. 2558 (2015)

Issue Date: 1 November 2010 Maturity Date: 1 November 2015 Term: 5 years Face Value: Baht 1,000 Offering Amount: 5,000,000 Units Total Issue Size: Baht 5,000,000,000

Interest Rate: 2.93 percent per annum Payable semi-annually Paid by account-payee-only cheque sent by mail to the Bondholder according to the procedures and conditions set forth in paragraph 2.3 on the reverse side of this Bond Certificate.

Industrial Bank of Korea (the "Issuer") will redeem the Bonds on the Maturity Date which is 1 November 2015 by issuing account-payee-only cheque in the name of the Bondholder according to the procedures and conditions set forth in paragraph 2.3 on the reverse side of this Bond Certificate.

Name of Bondholder	[•]				
Bondholder Registration No.	[•]	No. of Bonds (Units)	[•]	Bond Certificate No.	[•]
Issue Date of the Bond Certificate	[•]	Total Principal Amount (Baht)	[•]		

This Bond Certificate is subject to the Terms and Conditions of the Bonds dated 27 October 2010 (as amended) submitted to the Office of the Securities and Exchange Commission (the "SEC") (the "Terms and Conditions").

The Bonds constitute direct, unconditional and (subject to Condition 7.4 of the Terms and Conditions) unsecured obligations of the Issuer which rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured (subject to Condition 7.4 of the Terms and Conditions) and unsubordinated obligations of the Issuer, save for such as may be preferred by mandatory provisions of applicable law.

The Issuer has registered a transfer restriction of the Bonds with the SEC and is bound by such transfer restriction to procure that no Bond will be transferred to any person other than those qualified as "Institutional Investors" or "High Net Worth Investors" as respectively defined in Clause 3(2)(a) and Clause 3(2)(b) of the Notification of the Securities and Exchange Commission No. Gor Jor. 5/2552 Re: Determination of Definitions Used in the Notifications on the Issue and Sale of All Types of Debt Instruments dated 13 March 2009 (as amended). As a result, the Issuer and/or the Registrar will not accept or register any transfer of Bonds to any person who is not qualified as such Institutional Investor or High Net Worth Investors referred to above.

Authorized signatory / Registrar

Unless otherwise specified in this Bond Certificate, the defined terms used in this Bond Certificate shall have the meaning given to them in the Terms and Conditions.

Summary of the terms relating to payments and redemption of the Bonds.

1. The Bonds are unsecured and unsubordinated with a Bondholders' Representative in the name-registered Bond Certificate.

Bondholders' Representative: TMB Bank Public Company Limited

Registrar: Thailand Securities Depository Company Limited

2. Interest calculation period and procedures for interest payment and redemption of the Bonds

2.1 Interest shall be payable semi-annually and shall be paid on 1 May and on 1 November of each year throughout the term of the Bonds and the first payment of interest shall be made on 1 May 2011. If the Interest Payment Date is not a Business Day, such payment shall be made on the following Business Day.

2.2 The Issuer shall redeem the Bonds on the Maturity Date by making payments of all outstanding principal under the Bonds and the final interest. If the Maturity Date is not a Business Day, such payment shall be made on the following Business Day.

2.3 The Issuer shall pay interest in each installment (specified in Clause 2.1) and principal (specified in Clause 2.2) to the Bondholders by: (i) a Baht crossed check marked "A/C Payee Only" drawn on a bank in Bangkok in the name of the Bondholder mailed to the address of the relevant Bondholder; or (ii) such other way as may be agreed from time to time by the Issuer, the Bondholders' Representative and the Registrar. In this regard, for the payment of such principal and final interest, the Issuer shall not be required to make such payment until the Bondholders whose Bonds are not deposited with TSD have surrendered the Bond Certificate at the head office of the Registrar. Such Bondholders may surrender the Bond Certificate prior to the payment date and the Registrar shall issue a written acknowledgement of receipt thereof as evidence.

3. The closure of the Register Book

The Issuer shall cause the Registrar to close the Register Book for one day on the 14th day prior to the interest payment date, the maturity date or the meeting date of the Bondholders or any other date for any other purpose as specified in the Terms and Conditions in order to suspend the transfer of the Bonds for the purpose of determining the rights of the Bondholders. If the closure date of the Register Book is not a Business Day, the Register Book shall be closed on the following Business Day.

4. Other details and conditions are as specified in the Terms and Conditions.

Please read	<p>(1) An applicant for the registration of a Bond transfer must complete the Bond transfer registration form for each transfer, and deliver such form to the Registrar.</p> <p>(2) For the first transferee of the Bonds from the Bondholder whose name appears on the front of this Bond Certificate, a certified copy of the affidavit issued by the Ministry of Commerce which is not more than 1 (one) year old and (a) certified copy(ies) of the I.D. card of the authorised person(s) must be submitted together with this Bond Certificate.</p> <p>(3) When a transferee wishes to transfer the Bonds, such transferee must affix exactly the same signature as when he acquires the transfer of such Bonds. Any change of authorised signatory(ies) must be substantiated by the documents referred to in item (2) above.</p>
-------------	---

Signature of Transferor	Signature of Transferee (who wishes to have his name entered in the Register Book)	Authorised Signature of the Registrar with the seal of the Registrar/Issuer (if any)
	Full Name of Transferee in Block Letters	
1 Signature of Transferor	(Signature of Transferee)	
	(Block Letters)	
2 Signature of Transferor	Signature of Transferee)	
	(Block Letters)	
3 Signature of Transferor	(Signature of Transferee)	
	(Block Letters)	

ANNEX B

REQUIREMENTS FOR THE MEETING OF BONDHOLDERS

1. Calling Meetings

The Issuer or the Bondholders' Representative may call a meeting of the Bondholders by requesting the Registrar to send notice of the meeting by registered mail to the Bondholders and the Issuer or the Bondholders' Representative (who is not the person calling for the meeting) at least 7 (seven) days (excluding the date of delivery of such notice of the meeting and the meeting date) prior to the proposed meeting date. Such notice shall be in the English and Thai languages and shall specify the date, time and place for the meeting, the agenda of the meeting and the identity of the party calling the meeting. The Registrar shall deliver notice of the meeting to all Bondholders whose names and addresses appear in the Register Book on the Record Date.

2. Eligibility to Attend Meetings

The following persons are eligible to attend each meeting of the Bondholders:

- (a) the Bondholders, the Issuer and the Bondholders' Representative;
- (b) the Bondholders may appoint another Bondholder(s) or any person ("**Proxy**") to attend the meeting and vote on their behalf, by executing a written proxy appointment in the form as set out by the Registrar, available at the principal office of the Registrar, provided that the original proxy form and the notice calling the meeting must be submitted to the Registrar prior to the time scheduled for the meeting;
- (c) on the request of the Issuer and/or the Bondholders' Representative, financial advisors, legal advisors or other persons involved with the matters to be discussed at the meeting; and
- (d) any person permitted by the chairman of the meeting to attend the meeting for observation.

3. Quorum Requirements

- 3.1 Except with respect to meetings of Bondholders convened to approve the matters set out in Clause 6.3 and Clause 6.4, a quorum of a meeting of Bondholders shall be constituted by the presence of at least two Bondholders holding in aggregate not less than 25 (twenty-five) per cent. of the outstanding Bonds.
- 3.2 If a meeting is adjourned due to the lack of a quorum as required by Clause 3.1, the quorum for a subsequent meeting shall be constituted by the presence of two or more Bondholders, regardless of the aggregate number of Bonds held by them.
- 3.3 A quorum of a meeting of the Bondholders convened to consider the matters set out in Clause 6.3 shall be constituted by the presence of at least two Bondholders holding in

aggregate not less than 50 (fifty) per cent. of the outstanding Bonds. If a meeting is adjourned due to the lack of a quorum as required by this Clause 3.3, the quorum for a subsequent meeting shall be constituted by the presence of at least two Bondholders holding in aggregate not less than 25 (twenty-five) per cent. of the outstanding Bonds.

- 3.4 A quorum of a meeting of the Bondholders convened to consider the matters set out in Clause 6.4 shall be constituted by the presence of at least two Bondholders holding in aggregate not less than 66 (sixty-six) per cent. of the outstanding Bonds. If a meeting is adjourned due to the lack of a quorum as required by this Clause 3.4, the quorum for a subsequent meeting shall be constituted by the presence of at least two Bondholders holding in aggregate not less than 33 (thirty-three) per cent. of the outstanding Bonds.

4. Chairman of the Meeting

The Bondholders' Representative or such person authorized by the Bondholders' Representative shall preside as chairman of the meeting. Should the chairman of the meeting be absent upon a lapse of 45 (forty-five) minutes from the time scheduled for the meeting, the meeting shall elect any Bondholder to preside over such meeting.

5. Adjournment of the Meeting

- 5.1 At any meeting of the Bondholders, upon a lapse of 45 (forty-five) minutes from the time scheduled for the meeting, should the number of the Bondholders attending the meeting remain insufficient to constitute a quorum, the chairman of the meeting shall adjourn the meeting as follows:

- (a) If the meeting was called by the Issuer or the Bondholders' Representative, the chairman of the meeting shall adjourn the meeting to the date, time and place as specified by the chairman. The date for the adjourned meeting shall not be less than 7 (seven) days but not more than 14 (fourteen) days from the previous meeting date, unless the Issuer and the Bondholders' Representative agree not to call another meeting. In addition, the matters to be considered and resolved at the adjourned meeting must be only those pending from the previous meeting;
- (b) If the meeting was called by the Bondholders, no adjourned meeting shall be called as provided by paragraph (a) above; and
- (c) If the meeting was called due to the absence of a quorum at the previous meeting, no adjourned meeting shall be called as provided by paragraph (a) above.

- 5.2 The Registrar shall deliver the notice of any adjourned meeting to the Issuer, the Bondholders' Representative and the Bondholders who were sent notices of the previous meeting, not less than 3 (three) days prior to the adjourned meeting (excluding the date of the notice of the meeting and the meeting date). Such notice of

the meeting shall specify the date, time and place for the meeting, the agenda of the meeting and quorum required for the adjourned meeting.

6. Resolutions of the Meeting

- 6.1 Resolutions on any matters by the meeting of the Bondholders shall be decided by a show of hands or casting of votes as selected by the chairman of the meeting. The votes held by each of the Bondholders will be equal to the number of Bonds held by them and one unit of Bonds shall be entitled to one vote. In the case of an equal vote, the chairman of the meeting shall have a decisive (casting) vote (for both a show of hands and secret ballot) in addition to the votes that the chairman of the meeting may be entitled to cast in his or her capacity as a Bondholder or a Proxy.
- 6.2 Resolutions of the meeting of the Bondholders on any matters other than those specified in Clauses 6.3 and 6.4 shall be decided by a majority of votes representing not less than 50 (fifty) percent of all votes of the Bondholders attending the meeting and casting their votes.
- 6.3 Resolutions of the meeting of the Bondholders on any of the following matters shall be decided by a majority of votes representing not less than 66 (sixty-six) percent of all votes of the Bondholders attending the meeting and casting their votes.
- (a) any amendment or waiver to the Conditions other than those matters specified in Clause 6.4; and
 - (b) any replacement of the Bondholders' Representative and the appointment of new Bondholders' Representative.
- 6.4 Resolutions of the meeting of the Bondholders on any of the following matters shall be decided by a majority of votes representing not less than 75 (seventy-five) per cent. of all votes of the Bondholders attending the meeting and casting their votes.
- (a) the repayment of Bonds by way of conversion of the Bonds into shares, other Bonds or other property of the Issuer or any person;
 - (b) any amendment to the Maturity Date or the due date for any payment in respect of the Bonds;
 - (c) any amendment to, reduction, cancellation, or change of the security, the amount of principal, interest and/or any other sum due or payable in respect of the Bonds;
 - (d) a change of the currency of any payment to be made in respect of the Bonds;
 - (e) any amendment to the requirements for the meeting of the Bondholders in relation to quorum (Clause 3) and resolutions of the meeting (Clause 6); and
 - (f) any amendment to the Conditions to enable any actions relating to (a) to (e) above.

6.5 Any Bondholder that has any conflict of interest with respect to any matter to be decided at a meeting of Bondholders shall not be entitled to vote on such matter.

7. Minutes of the Meeting

Within 14 (fourteen) days after the date of the meeting of the Bondholders, the Bondholders' Representative shall prepare the minutes of the meeting. The chairman of the meeting shall certify such minutes as accurate and the Bondholders' Representative shall keep the original minutes and make copies available for inspection by the Bondholders at its principal office during normal business hours.