BANK OF MAURITIUS

MASTER AGREEMENT FOR
REPURCHASE TRANSACTIONS
WITH DELIVERY OF SECURITIES
(“OPERATIONS DE PENSION”)

JANUARY 2007
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**APPENDIX II** Summary Calculation Table of the Close-Out Balance 21
Between the undersigned:

The Bank of Mauritius

whose registered place of business is at Sir William Newton Street, Port Louis;

represented by its First Deputy Governor

of the first part,

AND:

whose registered place of business is at________________________;

represented by________________________

of the second part,

hereinafter referred to as "the Parties".

The Parties have entered into this Master Agreement (the "Agreement") in order to have their present and future Repurchase Transactions governed by and brought under a single agreement.

Article 1 - General Principles of the Agreement

1.1 The general principles of this Agreement (the "General Principles") are as follows:

- the Repurchase Transactions governed by this Agreement relate solely to those Securities set out in Article 3.1 hereof;

- the Repurchase Transactions governed by this Agreement shall constitute a whole for termination and netting purposes;

- upon an Event of Default by either Party, the other Party shall be entitled to terminate all Repurchase Transactions governed by this Agreement, to set off reciprocal liabilities and claims thereunder and establish the Close-out Balance due to or payable by it; and
- such Close-out Balance shall be calculated on the basis of a calculation method, laid down in the Agreement, that reflects the economic value of the Repurchase Transactions at the date of their termination and takes into account the Margin deposited by one Party with the other.

1.2 The Parties may, in accordance with the General Principles, amend the terms of this Agreement by using for such purpose Appendix I, which forms an integral part of this Agreement, or by entering into a supplementary agreement. Such amendments or supplementary agreement shall then take precedence over this Agreement.

**Article 2 - Definitions**

"**Amount Due**"

In relation to a terminated Repurchase Transaction and a specific Party, the sum of any amounts that were payable by such Party and which have not been paid for whatever reason at the Termination Date, together with accrued Late Interest, calculated from the due date for payment to the Termination Date;

"**Business Day**"

A day on which the Bank of Mauritius is open for the settlement of transactions with the banks in Mauritius in the financial centre referred to in Appendix I A;

"**Calculation Agent**"

A person (a Party or a third party) referred to in Appendix I A, whose function is set out in Article 7.2;

"**Change in Circumstances**"

An event mentioned in Article 10.2.1;

"**Close-out Balance**"

Amount established on the Termination Date by the Non-Defaulting Party or the Non-Affected Party, in accordance with the provisions of Article 11.1;

"**Confirmation**"

A document evidencing the agreement of the Parties on the terms and details of a Repurchase Transaction entered into by them, and setting out specific terms and details thereof;
"Currency"

The Mauritian rupee or such other currency as may be prescribed by the Bank of Mauritius;

“Delivery of Securities”

The transfer of the full title to the Securities underlying the Repurchase transaction as evidenced by entries made in the relevant Books and Records of the Bank of Mauritius or by such other means as may be prescribed by the Bank of Mauritius;

"Event of Default"

An event mentioned in Article 10.1.1;

"Haircut" or “Initial Margin”

The adjustment level agreed to by the Parties at the time a Repurchase Transaction is entered into, thus allowing the Purchase Price of the Securities subject to such Repurchase Transaction to be established by reference to the remaining life of those Securities;

"Late Interest"

Interest calculated on any or all amounts, due from one Party to the other and not paid, at the Late Interest Rate as defined in Appendix I A;

"Margin"

Any Security and/or, in the event no Securities are available, any sum of money, full title to which has passed to one Party in accordance with the provisions of Article 7 and Appendix I C;

"Margin Transaction"

Any Repurchase Transaction other than those in respect of which the Parties have expressly excluded, in the relevant Confirmations, the application of the provisions of Article 7 and Appendix I C;

"Purchase Date"

Date of commencement of a particular Repurchase Transaction as specified in the relevant Confirmation;
"Purchase Price"

The amount paid by the buyer on the Purchase Date, after taking into account the Haircut, if any, in respect of a given Repurchase Transaction;

“Reference Rate”

The interest rate used for establishing the cost of maintaining any cash margin, as set out in Appendix I A;

"Reference Yield"

The weighted yield used for the valuation of the securities as set out in Appendix I A;

"Repurchase Date"

The date on which the Securities subject to a Repurchase Transaction are sold back against payment to the buyer;

"Repurchase Price"

The amount paid by the seller on the Repurchase Date, in respect of a given Repurchase Transaction, against the delivery of the relevant Securities by the buyer;

"Repurchase Rate"

The interest rate agreed upon between the Parties at the time a given Repurchase Transaction is entered into, pursuant to which the Repurchase Price will be calculated;

"Repurchase Transaction"

Transaction pursuant to which one Party transfers to the other full title to Securities in consideration for an agreed price, with the seller irrevocably undertaking to repurchase the Securities, and the buyer irrevocably undertaking to sell them back to the seller on an agreed date and at an agreed price;

"Securities"

The securities referred to in Article 3.1;
"Termination Date"

The date on which Repurchase Transactions entered into by the Parties are terminated either at maturity or due to an event of default or due to a change in circumstances affecting a Repurchase Transaction.

Such date will be:

a) in the case of an Event of Default as referred to in Article 10.1.1.5, the date of the judgement commencing the reorganisation or winding up proceedings or any equivalent proceedings or, if the Non-Defaulting Party cited in the termination notice so elects, the date of publication of such judgement or proceedings, or the date on which the Company passes a resolution for the voluntary winding up of the Company or the Company commits any act of insolvency;

b) in all other cases, the Business Day selected by the Party giving notice of termination, being any one of the five Business Days following the date of receipt of the notice;

"Valuation Date"

Date on which the Valuation Deficiencies of all Margin Transactions are established, as set out in Appendix I A;

"Valuation Deficiency"

The exposure, not taking into account any deposited Margin, of one Party to the other on a given Valuation Date, as a result of the change in the Value of the Securities subject to a given Repurchase Transaction, as defined in Appendix I C;

"Value of the Margin"

On any Valuation Date:

- for that portion of the Margin consisting of Securities, the Value of such Securities on the relevant Valuation Date; and

- for that portion of the Margin consisting of cash, if and whenever applicable, the value of such margin on the preceding Valuation Date, plus any accrued interest, calculated at the Reference Rate for the period from the preceding Valuation Date up to such Valuation Date;

"Value of the Security(ies)"

On any given date the relevant Security valued at current price calculated according to a formula determined by the Bank of Mauritius;
Article 3 - Eligible Securities and Substitution of Securities

3.1 The Parties agree that the Repurchase Transactions entered into between them may be in respect of the following securities:

(i) Government of Mauritius Treasury Bills; and

(ii) Any other Government Securities as may be prescribed by the Bank of Mauritius.

(iii) Bank of Mauritius Bills

3.2 The Parties may at any time agree to substitute other Securities for any Securities subject to a Repurchase Transaction, provided that at the time on which they opt for such substitution, the Value of the new Securities be at least equal to the Value of the original Securities for which they are being substituted. The substitution is to be made, in accordance with the provisions of Article 6.2, by the transfer of title to the new Securities by the seller to the buyer and transfer of title to the original Securities by the buyer to the seller. The substitution will have no novation effect on the relevant Repurchase Transaction or any Margin that may already have been deposited. Accordingly, the Parties remain bound by the terms and conditions of the relevant Repurchase Transaction, with the undertaking to repurchase applying thenceforth to the new Securities.

Article 4 - Events Relating to Securities

In the event of any payment of interest or any other sum during the course of a Repurchase Transaction, the buyer will pay to the seller a cash amount equal to the sum so paid. Such cash payment will take place on the same day as that on which the payment is made. The provisions of Article 8.2.3 will apply in cases of delay.

Article 5 - Initiation of Repurchase Transactions

5.1 Repurchase Transactions may be entered into by any system of communication, electronic or other, considered sufficiently reliable by the Parties, and will take effect immediately after each has informed the other of its consent. To this end, each Party authorises the other to record any telephone conversations relating to the initiation of their Repurchase Transaction.

5.2 The initiation of each Repurchase Transaction shall be followed by an exchange of Confirmations by letter, or any system of electronic communication considered sufficiently reliable by the Parties. In the event of disagreement over the terms of a Confirmation, which disagreement shall be notified immediately to the other Party, each Party may adduce its telephone conversation recordings as evidence to prove the terms of the relevant Repurchase Transaction.
5.3 Subject to the General Principles, in respect of any Repurchase Transaction, the Parties may incorporate special provisions in the relevant Confirmation. Such provisions shall apply solely to the Repurchase Transaction in question and shall take precedence over this Agreement.

**Article 6 - Sale and Repurchase of Securities**

6.1 On the Purchase Date, the seller will deliver or have delivered to the buyer the Securities subject to a Repurchase Transaction against payment of the Purchase Price by the buyer. On the Repurchase Date, the buyer will deliver or have delivered to the seller the relevant Securities against payment of the Repurchase Price by the seller.

6.2 Any delivery of Securities will be made in such a way as to vest full title to the securities being delivered in accordance with the procedures set out by the Bank of Mauritius and will be recorded and evidenced by book entries made in the relevant Books and Records of the Bank of Mauritius.

**Article 7 - Margin Call and Maintenance Provisions**

7.1 Unless provided otherwise on the date when it is entered into, each Repurchase Transaction will result, in accordance with the provisions set out in Appendix I C, in Margin being deposited or, as the case may be, released to take into account any change in the Value of the Securities subject to Repurchase Transactions. The Parties irrevocably agree that any Margin so deposited shall apply to all outstanding Repurchase Transactions, be they Margin Transactions or not.

7.2 On each Valuation Date, the Calculation Agent will be responsible for establishing the Valuation Deficiency of each Transaction and the Margin to be deposited or released and will inform the Parties as soon as possible after they have been established. Such information and calculations will be conclusive upon notification and, in the absence of any manifest error, will not be open to dispute. Each Party undertakes to proceed with any deposit or release of Margin required from it within the time limits set out in Appendix I C.

7.3 For the purposes of the provisions of Article 7 and Appendix I C, the deposit of Margin is to be construed as the passing, in full title, of Securities (by transfer of the securities without a corresponding cash payment) or, if the recipient so accepts, cash (taking the form of an irrevocable transfer order) to such Party. When Margin has been deposited with one Party, its release is to be construed as the passing, in full title, of Securities, by transfer of the securities without a corresponding cash payment or, if the margin has been deposited in the form of cash (taking the form of an irrevocable transfer order).

In the event of a partial release of Margin, priority will be given to cash. Any such release will reduce pro tanto the Value of any remaining Margin.
Article 8 - Late Payment or Delivery

8.1 Late Payment or Delivery on the Purchase Date

8.1.1 In the event of late payment of the Purchase Price, the Repurchase Transaction is to be maintained without change, and that also applies to its Purchase and Repurchase Prices, even if the Securities have not been delivered on the due date by the seller as a result of the late payment. In any event the buyer undertakes to pay, in addition to the Purchase Price, Late Interest which will become due immediately, *ipso jure* and without any prior notice, and will be calculated on the Purchase Price from (and including) the Purchase Date up to (and excluding) the date on which payment is actually made.

8.1.2 In the event of late delivery of the Securities subject to a Repurchase Transaction, such Repurchase Transaction is to be maintained without change, and that also applies to its Purchase and Repurchase Prices, even when the Purchase Price has not been paid on the due date by the buyer as a result of the late delivery of the securities. If however the Purchase Price was paid to the seller, the seller undertakes, in addition to delivering the Securities, to pay Late Interest which will become due immediately, *ipso jure* and without prior notice, and will be calculated on the Purchase Price from (and including) the date on which it is paid up to (and excluding) the date on which the relevant Securities are actually delivered.

8.2 Late Payment or Delivery on the Repurchase Date

8.2.1 In the event of late payment of the Repurchase Price, the Repurchase Price is to be recalculated as if the Repurchase Transaction had been due from the start to expire on the date on which the Repurchase Price is actually paid, even if the Securities have not been delivered on the due date by the buyer as a result of the late payment. In any event, the seller undertakes to pay, in addition to the recalculated Repurchase Price, Late Interest which will become due immediately, *ipso jure* and without prior notice, and will be calculated on the Repurchase Price from (and including) the Repurchase Date as initially stipulated up to (and excluding) the date on which payment of the Repurchase Price is actually made.

8.2.2 In the event of late delivery by the buyer of the Securities subject to a Repurchase Transaction and when the Repurchase Price has not been paid on the due date as a result of the buyer's failure to return such Securities, the Repurchase Price is not to be modified in any way, so that on the date on which the relevant Securities are actually returned, the original seller will only be liable to pay the Repurchase Price initially agreed upon. In case of late delivery by the buyer of the Securities subject to a Repurchase Transaction and in the event the Repurchase Price has been paid to the buyer, the buyer undertakes, in addition to returning the Securities, to pay Late Interest calculated on the Repurchase Price, at a rate equal to the sum of the Repurchase Rate and the Late Interest Rate, which will become due immediately, *ipso jure* and without any prior notice, from (and including) its payment date up to (and excluding) the date on which the relevant Securities are actually returned.
8.2.3 The provisions of Article 7 will apply to any Repurchase Transaction until the date on which the Repurchase Price is actually paid (in the event referred to in Article 8.2.1) or the date on which the relevant Securities are actually returned (in the event referred to in Article 8.2.2).

8.3 - Reimbursement of other costs and penalties; effect on the application of the provisions of Articles 10 & 11

8.3.1 Without prejudice to the provisions of Articles 8.1 and 8.2, the Party failing to deliver or pay on the due Purchase or Repurchase Date will bear all evidenced costs, damages, interest and penalties for which the other Party might be liable as a result of the late payment or delivery, to the extent that they are foreseeable on the date on which the Repurchase Transaction was entered into.

8.3.2 The provisions of this Article will not restrict in any way the application of the provisions of Articles 10 & 11, and in particular Article 10.1.1.1.

Article 9 - Representations

Each Party, other than the Bank of Mauritius, represents and warrants at the time of entering into this Agreement:

9.1 that it has been properly incorporated and is conducting its business in accordance with the laws, regulations and articles of association (or other instruments of incorporation) that are applicable to it;

9.2 that it has full authority and capacity to enter into this Agreement and any Repurchase Transaction relating thereto, and that this Agreement and any such Repurchase Transaction have been duly and properly authorised by its management bodies or any other duly authorised body;

9.3 that the entry into and performance of this Agreement and each Repurchase Transaction relating thereto do not contravene any provision of the laws, regulations and articles of association (or instruments of incorporation) that apply to it;

9.4 that all permits, licences and authorisations which may be necessary for entering into and carrying out this Agreement and any Repurchase Transaction relating thereto have been obtained and remain in effect;

9.5 that this Agreement and each Repurchase Transaction entered into pursuant hereto constitute a corpus of rights and obligations that are binding on the Party in all their respective terms and conditions;

9.6 that there is no Event of Default in respect of the Party;

9.7 that it has the necessary knowledge and experience to assess the benefits arising from and risks incurred in connection with each Repurchase Transaction and has not relied on the other Party for such purpose; and
9.8 that no arbitration or judicial actions or proceedings have been initiated or administrative or other measures taken against it that could result in a clear and material deterioration in such Party's business, net worth or financial condition or which could affect the validity or the proper implementation of this Agreement or of any Repurchase Transaction.

**Article 10 - Termination of Repurchase Transactions**

10.1 *Termination in Events of Default*

10.1.1 Any one of the following events will constitute an Event of Default in respect of one of the Parties (the "Defaulting Party"):

10.1.1.1 Failure to comply with any provisions whatsoever of this Agreement (relating to a payment, a delivery or otherwise) shall constitute an Event of Default upon notice of non-performance served by the Non-Defaulting Party;

10.1.1.2 any representation made under Article 9 proves to have been incorrect when made by such Party, or ceases to be correct, in any material respect;

10.1.1.3 a declaration from such Party to the other Party of its inability or unwillingness to pay all or any part of its debts or meet its obligations, the granting of a moratorium by the administrative or judicial authorities, a voluntary general arrangement with assignment to creditors, the appointment of an administrator at the request of the courts, the appointment of a Receiver or Manager on any of the assets of the party, a ban imposed by any regulatory authority on the raising of capital on a market, or any equivalent procedure;

10.1.1.4 the *de facto* cessation of activities, the commencement of voluntary winding-up proceedings or any other equivalent proceedings;

10.1.1.5 the commencement of court-ordered reorganisation or winding-up proceedings or any equivalent proceedings concerning the head-office or any branch of such Party, wherever in the world situated;

10.1.1.6 failure to meet any payment obligation when due with respect to the Non-Defaulting Party or any third party, other than such obligations arising out of this Agreement or a Repurchase Transaction save in the event of any manifest error and unless the payment of such sum is subject to a serious substantive dispute; or

10.1.1.7 any event likely to result in any collateral or security granted separately in favour of the Non-Defaulting Party in respect of one or more Repurchase Transactions becoming void, unenforceable or ceasing to exist, or any of the events mentioned in Articles 10.1.1.3 to 10.1.1.6 affecting a third party that has issued a personal guarantee in respect of this Agreement or a Repurchase Transaction.
10.1.2 Upon the occurrence of an Event of Default, the Non-Defaulting Party will be entitled, simply by serving notice on the Defaulting Party, to suspend performance of its payment and to terminate all Repurchase Transactions outstanding between the Parties, irrespective of the place they were entered into or their place of performance. Such notice will specify the Event of Default being cited and the applicable Termination Date.

10.2 Termination by Reason of a Change in Circumstances

10.2.1 Subject to Article 10.2.1.3, any one of the following events will constitute a Change in Circumstances for a Party (the "Affected Party"):

10.2.1.1 the entry into force of a new law or new regulation, the amendment of any law or any other legislation of mandatory effect or any change in the judicial or administrative interpretation of any such legislation which results in a Repurchase Transaction becoming unlawful for such Party, or which results in any new deduction or withholding of tax on a sum receivable from the other Party under such Repurchase Transaction; or

10.2.1.2 any merger or demerger affecting such Party or any transfer of assets affected by it which results in a material deterioration in its business, net worth or financial condition;

10.2.1.3 Articles 10.2.1.1 and 10.2.1.2 shall not apply to the Bank of Mauritius.

10.2.2 On the occurrence of any Change in Circumstances as referred to in Article 10.2.1.1, any Party which obtains knowledge thereof will notify the other Party as soon as possible, identifying the Repurchase Transactions affected by such Change in Circumstances. The Parties shall then suspend performance of their payment and delivery obligations under the affected Repurchase Transactions only, and will attempt in good faith for a period of 15 days to find a mutually satisfactory solution for making such Repurchase Transactions lawful or avoiding such deduction or withholding. If at the end of such period no mutually acceptable solution can be found, each of the Parties (in the event of any unlawfulness) or the Party receiving an amount less than that provided for (in the event of deduction from or withholding on a sum paid by the other Party) will have the right to serve notice on the other Party of the termination of only those Repurchase Transactions affected by the Change in Circumstances. Such notice will specify the applicable Termination Date.

10.2.3 In the event of the occurrence of any Change in Circumstances referred to in Article 10.2.1.2, all Repurchase Transactions will be deemed to be affected. The other Party (the "Unaffected Party") shall then be entitled, simply by serving notice on the Affected Party, to suspend performance of its payment and delivery obligations and to terminate all the outstanding Repurchase Transactions between the Parties irrespective of the place they were entered into or their place of performance. Such notice will specify the applicable Termination Date.

10.2.4 If a Change in Circumstances results directly in the occurrence of an Event of Default, such Event of Default will be deemed not to have occurred and only the provisions of Article 10.2 shall then apply.
10.3 Effect of Termination

With effect from the Termination Date, the Parties will no longer be bound by any payment or delivery obligations in respect of the terminated Repurchase Transactions. Termination does however entitle the relevant party in respect of such Repurchase Transactions to payment of the Close-out Balance and when it results from the occurrence of an Event of Default, to reimbursement of the expenses referred to in Article 12.4.

Article 11 - Calculation and Payment of the Close-Out Balance

11.1 Calculation of the Close-out Balance

11.1.1 On the Termination Date, the Non-Defaulting Party or the Unaffected Party (hereafter the "Calculation Party") shall have sole responsibility for establishing the Close-out Balance.

11.1.2 To this end, the Calculation Party will establish the Valuation Deficiency of each terminated Repurchase Transaction on the Termination Date together with the Amounts Due, if any, from each Party with respect to such Repurchase Transaction. Such calculation will take place whether or not the relevant Repurchase Transaction is a Margin Transaction.

11.1.3 The aggregate of all positive Valuation Deficiencies for the Calculation Party and all Amounts Due from the other Party, less the aggregate of all negative Valuation Deficiencies for the Calculation Party and all Amounts Due from it shall constitute the overall exposure of the Calculation Party (hereafter the “Overall Exposure”).

11.1.4 The Calculation Party shall then compare its Overall Exposure with the Value of the Margin (if Margin has been deposited) on the Termination Date and establish the Close-out Balance in the following manner:

a) If no Margin has been deposited, the close-out Balance will be equal to the Calculation Party's Overall Exposure and will be due from the Defaulting or Affected Party if it is positive and from the Calculation Party if it is negative.

b) if Margin has been deposited with the Calculation Party and if such Party shows a positive Overall Exposure, the Close-out Balance will be equal to the difference between the Overall Exposure and the Value of the Margin and be due from the Defaulting or Affected Party if it is positive and from the Calculation Party if it is negative. If, however, the Calculation Party shows a negative Overall Exposure, the Close-out Balance will be equal to the sum of the absolute value of the Overall Exposure and the Value of the Margin and will be due from the Calculation Party.

c) if Margin has been deposited with the Defaulting or Affected Party and if the Calculation Party shows a negative Overall Exposure, the Close-out Balance will be equal to the difference between the absolute value of the Overall Exposure and the Value of the Margin and be due from the Calculation
Party if it is positive and from the Defaulting or Affected Party if it is negative. If, however, the Calculation Party shows a positive Overall Exposure, the Close-out Balance will be equal to the sum of the Overall Exposure and the Value of the Margin and be due from the Defaulting or Affected Party.

A summary calculation table of the Close-out Balance is shown in Appendix II, which forms an integral part of this Agreement.

11.1.5 If following the occurrence of any Change in Circumstances referred to in Article 10.2.1.1, only some (but not all) Repurchase Transactions outstanding are affected, the Margin will in that case be established by reference to those Margin Transactions that are affected, if any.

11.2 Notification and Payment of Close-out Balance

11.2.1 The Calculation Party will notify the other Party as soon as possible of the Close-out Balance and of the details of the calculations on which it was based. These calculations will become final as soon as the other Party is notified of them and, in the absence of manifest error, shall not be open to dispute.

11.2.2 The Party owing the Close-out Balance will pay it to the other Party within three Business Days from receipt of the notice referred to in Article 11.2.1. However, in the event that such payment is owed by the Non-Defaulting Party to the Defaulting Party following the occurrence of an Event of Default, the Non-Defaulting Party will be irrevocably authorised to set off such amount against any other amount due to it by the Defaulting Party for any reason whatsoever.

11.2.3 In the event of late payment of the Close-out Balance, the sum in question will be increased by the relevant Late Interest which shall become due, ipso jure and without any prior notice, and will be calculated on the Close-out Balance from (and including) the Termination Date up to (and excluding) the date on which the Close-out Balance is actually paid.
Article 12 - Miscellaneous

12.1 Notices

Any notice given pursuant to this Agreement will be made by letter, or any system of electronic transmission considered by the Parties to be sufficiently reliable, and will have effect as of the date of receipt. Notices will be sent in accordance with the provisions of Appendix I B.

12.2 No Waivers

The failure to exercise or late exercise by a Party of any right, power or privilege deriving from this Agreement shall not constitute a waiver of the particular right, power or privilege.

12.3 Assignment to a Third Party

This Agreement, any Repurchase Transaction and any one of the rights and obligations deriving therefrom may not be transferred or assigned by either Party without the prior consent of the other Party.

12.4 Costs and Expenses

The Non-Defaulting Party alone shall have the right, upon termination of the Repurchase Transactions, to reimbursement of any evidenced costs and expenses, including legal costs, if any, that it may have incurred as a result of the occurrence of an Event of Default.

Article 13 - Term of The Agreement

13.1 This Agreement is entered into for an indefinite period. It may be terminated at any time, by registered letter with acknowledgement of receipt. Such termination will take effect three Business Days after receipt of such registered letter.

13.2 However, this Agreement will continue to govern relations between the Parties in respect of all Repurchase Transactions entered into prior to termination becoming effective.

Article 14 - Waiver of Immunity

This Agreement is of a commercial nature. The Parties hereby irrevocably waive any immunity from suit or execution that they might enjoy in respect of themselves or their present or future assets.
Article 15 - Guidelines and Procedures

The Bank of Mauritius may from time to time issue guidelines and establish procedures for the conduct of Repurchase Transactions.

Article 16 - Governing Law - Jurisdiction

16.1 This Agreement is governed by the Laws of Mauritius.

16.2 Any dispute, particularly in respect of its validity, interpretation or performance will be subject to the jurisdiction of the courts within the Republic of Mauritius.

DRAWN UP AND EXECUTED IN 2 ORIGINALS, ONE FOR EACH PARTY ON THIS________DAY OF _________ 20__.

BANK OF MAURITIUS [Name and Seal of Party]

By :________________________ By :__________________________

Title :________________________ Title :________________________
PARAMETERS AND TECHNICAL PROVISIONS
APPLICABLE TO THE AGREEMENT
Appendix I A

FINANCIAL PARAMETERS

Calculation Agent: Bank of Mauritius.
(see definition & Art.7)

Financial Centre for the determination of business days: Port Louis - Mauritius
(see Business Day definition)

Valuation Date: Any business day as may be decided by the Calculation Agent.
(see definition & Art. 7)

Reference Rate: The latest weighted average overnight interbank money market rate as calculated by the Bank of Mauritius or the Discount and Advances Rate of the Bank of Mauritius, whichever is the lower.
(see definition, Art. 7 & 11)

Reference Yield The latest Weighted Yield of the Securities as published by the Bank of Mauritius.

Late Interest Rate: The rate as may be prescribed by the Bank of Mauritius.
(see Late Interest definition)

Margin Adjustment Trigger Points: The Trigger Point, the threshold indicating the constitution or release of a margin, will be governed by an express agreement between the Bank of Mauritius and its counterparties.
(see Appendix I C)
Appendix I B

ADMINISTRATIVE PARAMETERS

Administrative Parameters with respect to Party A

Address to which notices are to be sent: (unless otherwise specified, the registered place of business)

Department: (unless otherwise specified, the registered place of business)

Telex number: (unless otherwise specified, the registered place of business)

Fax number: (unless otherwise specified, the registered place of business)

Telephone number: (unless otherwise specified, the registered place of business)

Names of persons authorised to enter into Repurchase Transactions: (unless otherwise specified, the company’s authorised representative)

Name of hierarchical superior: (optional)

Administrative Parameters with respect to Party B

Address to which notices are to be sent: (unless otherwise specified, the registered place of business)

Department: (unless otherwise specified, the registered place of business)

Telex number: (unless otherwise specified, the registered place of business)

Fax number: (unless otherwise specified, the registered place of business)

Telephone number: (unless otherwise specified, the registered place of business)

Names of persons authorised to enter into Repurchase Transactions: (unless otherwise specified, the company’s authorised representative)

Name of hierarchical superior: (optional)
Appendix I C

MARGIN MAINTENANCE PROVISIONS

C.1 Establishment of the Valuation Deficiency of a Margin Transaction and of the Net Deficiency of Each Party

C.1.1 On each Valuation Date, the Calculation Agent will establish in respect of each Margin Transaction outstanding on such date, the difference, whether positive or negative, between:

(a) the Value of the Securities subject to the relevant Repurchase Transaction, as adjusted by the Haircut, if any; and

(b) the Purchase Price of such Securities, together with accrued interest, calculated at the Repurchase Rate from, and including, the Purchase Date up to, and excluding, the relevant Valuation Date.

C.1.2 Once this difference has been ascertained, the Calculation Agent will, in respect of each outstanding Margin Transaction, establish the Valuation Deficiency for each Party, which will be equal to:

- For each Repurchase Transaction in which the Party concerned is the seller: the difference between the two above-mentioned amounts, and will have the same sign;

- For each Repurchase Transaction in which the Party concerned is the buyer: the difference between the two above-mentioned amounts, but will have the opposite sign.

C.1.3 Once the Valuation Deficiency of each Margin Transaction has been ascertained, the Calculation Agent will establish the net Valuation Deficiency of each Party (hereafter the "Net Deficiency"), which will be equal to the algebraic sum of all such Party's Valuation Deficiencies for all outstanding Margin Transactions.

C.2 Margin Deposits and Releases resulting from the Net Deficiency

C.2.1 On each Valuation Date, the Calculation Agent will request the Party showing a negative Net Deficiency to deposit with the Party showing a positive Net Deficiency Margin of a Value equal to such Net Deficiency, subject to the provisions of Articles 7.2 and C.

C.2.2 If on any Valuation Date, Margin has already been deposited by one Party with the other, the Calculation Agent will compare the Value of the Margin on such date with the Net Deficiency, and:

(a) in the event that such Margin has been deposited with the Party showing a positive Net Deficiency and if the Value of the Margin is lower than such Net Deficiency, the Calculation Agent will request the Party showing a
negative Net Deficiency to deposit additional Margin of a Value equal to the difference. If however the Value of the Margin is higher than the Net Deficiency, the Calculation Agent will request the Party showing a positive Net Deficiency to release the surplus Margin (as established on the relevant Valuation Date) over the Net Deficiency;

(b) in the event that such Margin has been deposited with the Party showing a negative Net Deficiency, the Calculation Agent will request such Party to release such Margin in full and to deposit with the Party showing a positive Net Deficiency new Margin of a Value equal to such Net Deficiency.

C.2.3 The Party with whom Margin is to be deposited or to whom it is to be released on any given date may notify the Party having to deposit or release such Margin that it will agree to a reduction in the Value of the Margin to be so deposited or released on such date. In the case of release of Margin, priority will be given to cash.

C.2.4 Any Margin deposit or release notified by the Calculation Agent with respect to a given Valuation Date will take place on the following Business Day.

C.3 Trigger Point for the deposit and release of Margin

C.3.1 No deposit or release of Margin will take place on any Valuation Date unless the Value of the Margin so deposited or released exceeds the Trigger Point, as defined in Appendix I A above, and will then be made for its full amount, without exemption. However, if the Margin consists solely of Securities, the Margin adjustment will be rounded down to the nearest unit of the relevant Securities. In the case referred to in Article C.2.2 b, the Trigger Point will be assessed by reference to the aggregate of the release and deposit of Margin.

C.3.2 The above provisions do not apply to the full release of the Margin that takes place at the end of the last Repurchase Transaction outstanding between the Parties.
Appendix II

**SUMMARY CALCULATION TABLE OF THE CLOSE-OUT BALANCE**

<table>
<thead>
<tr>
<th>MARGIN</th>
<th>OE_{cp} &gt; 0</th>
<th>OE_{cp} &lt; 0</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO DEPOSITED MARGIN</td>
<td>CoB = OE_{cp}</td>
<td>CoB = IOE_{cp}I</td>
</tr>
<tr>
<td></td>
<td>CoB due from the Defaulting or Affected Party</td>
<td>CoB due from the Calculation Party</td>
</tr>
<tr>
<td>MARGIN DEPOSITED WITH THE CALCULATION PARTY</td>
<td>M &lt; OE_{cp}</td>
<td>CoB = OE_{cp} - M</td>
</tr>
<tr>
<td></td>
<td>CoB due from the Defaulting or Affected Party</td>
<td>CoB due from the Calculation Party</td>
</tr>
<tr>
<td></td>
<td>M &gt; OE_{cp}</td>
<td>CoB = M - OE_{cp}</td>
</tr>
<tr>
<td></td>
<td>CoB due from the Calculation Party</td>
<td></td>
</tr>
<tr>
<td>MARGIN DEPOSITED WITH THE DEFAULTING OR AFFECTED PARTY</td>
<td>CoB = OE_{cp} + M</td>
<td>M &lt;</td>
</tr>
<tr>
<td></td>
<td>CoB due from the Defaulting or Affected Party</td>
<td>CoB =</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CoB due from the Calculation Party</td>
</tr>
<tr>
<td></td>
<td>M &gt;</td>
<td>OE_{cp}</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CoB due from the Calculation Party</td>
</tr>
</tbody>
</table>

**Calculation Party:** Non-Defaulting or Non-Affected Party, as the case may be.

**OE_{cp}:** Overall Exposure of the Calculation Party.

OE_{cp} = \Sigma \text{positive Valuation Deficiencies of such Party plus Amounts Due from the other Party} - \Sigma \text{negative Valuation Deficiencies of such Party plus Amounts Due from such Party}.

**M:** Deposited Margin, as valued on the Termination Date.

**CoB:** Close-out Balance.