**ANNEX I**

**Supplemental Terms or Conditions**

Paragraph references are to paragraphs in the Agreement.

The following elections shall apply –

[(a) paragraph 1(c)(i). Buy/Sell Back Transactions **may** be effected under this Agreement, and accordingly the Buy/Sell Back Annex **shall** apply.]∗

[(b) paragraph 1(c)(ii). Transactions in Net Paying Securities **may** be effected under this Agreement, and accordingly the following provisions **shall** apply.

(i) The phrase “other than equities and Net Paying Securities” shall be replaced by the phrase “other than equities”.

(ii) In the Buy/Sell Back Annex the following words shall be added to the end of the definition of the expression “IR”: “and for the avoidance of doubt the reference to the amount of Income for these purposes shall be to an amount paid without withholding or deduction for or on account of taxes or duties notwithstanding that a payment of such Income made in certain circumstances may be subject to such a withholding or deduction”.]\*

[(c) Agency Transactions **may not** be effected under this Agreement, and accordingly the Agency Annex **shall not** apply.]\*

(e) paragraph 2(e). The Base Currency shall be **US dollar.**

(f) paragraph 2(p).

**Party A’s Designated Offices**

**Bank of Zambia Head Office**

**Bank Square , Cairo Road**

**P.O. Box 30080,**

**Lusaka**

Party B’s Designated Offices:

……………………………………………………………………………………………………………………………………………………………..

……………………………………………………………………………………………………………………………………………………………..

……………………………………………………………………………………………………………………………………………………………..

(g) paragraph 2(xx): **Transaction Exposure method (B) applies**

(h) paragraph 3(b). **seller/buyer/both seller and buyer\*** to deliver Confirmation.

(i) paragraph 4(f). **Interest rate on Cash Margin to be at the Bank of Zambia Policy Rate for ZMW currency.**

Interest to be payable ( …..**payment intervals and dates**).

(j) paragraph 4(g). Delivery period for margin calls to be:

**The same day if the request is made before 12 noon (Lusaka time) on a Business Day and if requested after such time o such \business Day, the next business day.**

**Margin Transfer shall be comprised of Cash Margin.**

[(k) paragraph 6(j). Paragraph 6(j) shall apply.]∗

[(l) paragraph 10(a)(ii). Paragraph 10(a)(ii) shall apply.]\*

[(m) paragraph 10(b). Automatic Early Termination shall apply with respect to **party A party B** ]\*

(n) paragraph 14. For the purposes of paragraph 14 of this Agreement –

(i) Address for notices and other communications for Party A –

**Address: Bank of Zambia, Head Office, ………………………**

**Attention: Director Financial Markets**

**Telephone: +260 211 399300**

(ii) Address for notices and other communications for Party B –

Address:………………………………………………………………………………………………………………………………………..

Attention: ……………………………………………………………………………………………………………………………………

Telephone:………………………………………………………………………………………………………………………………………..

Facsimile: ……………………………………………………………………………………………………………………………………..

Electronic Messaging System:……………………………………………………………………………………………………….

Answerback: …………………………………………………………………………………………………………………………………..

Other:……………………………………………………………………………………………………………………………………………….

[(o) paragraph 17. For the purposes of paragraph 17 of this Agreement –

(i) Party A appoints ……………………………………………………………………………..as its agent for service of process;

(ii) Party B appoints……………………………………………………………………………. as its agent for service of process.]∗

2. The following supplemental terms and conditions shall apply –

**Existing Transactions**

(a) The parties agree that this Agreement shall apply to all transactions which are subject to the Global Master Repurchase Agreement between them dated…………………………………… and which are outstanding as at the date of this Agreement so that such transactions shall be treated as if they had been entered into under this Agreement, and the terms of such transactions are amended accordingly with effect from the date of this Agreement.]\*

**Negative rate transactions**

(b) In the case of Transactions in which the Pricing Rate will be negative, the parties agree that if Seller fails to deliver the Purchased Securities on the Purchase Date then –

(i) Buyer may by notice to Seller terminate the Transaction (and may continue to do so for every day that Seller fails to deliver the Purchased Securities); and

(ii) for every day that Seller fails to deliver the Purchased Securities the Pricing Rate shall be zero.]\*

**Forward Transactions**

(c) The parties agree that Forward Transactions (as defined in sub-paragraph (i)(A) below) may be effected under this Agreement and accordingly the provisions of sub-paragraphs (i) to (iv) below shall apply.

(i) The following definitions shall apply –

(A) “Forward Transaction”, a Transaction in respect of which the Purchase Date is at least [three] Business Days after the date on which the Transaction was entered into and has not yet occurred;

(B) “Forward Repricing Date”, with respect to any Forward Transaction the date which is such number of Business Days before the Purchase Date as is equal to the minimum period for the delivery of margin applicable under paragraph 4(g).

(ii) The Confirmation relating to any Forward Transaction may describe the Purchased Securities by reference to a type or class of Securities, which, without limitation, may be identified by issuer or class of issuers and a maturity or range of maturities. Where this paragraph applies, the parties shall agree the actual Purchased Securities not less than two Business Days before the Purchase Date and Buyer or Seller (or both), as shall have been agreed, shall promptly deliver to the other party a Confirmation which shall describe such Purchased Securities.

(iii) At any time between the Forward Repricing Date and the Purchase Date for any Forward Transaction the parties may agree either –

(A) to adjust the Purchase Price under that Forward Transaction; or

(B) to adjust the number of Purchased Securities to be sold by Seller to Buyer under that Forward

*Paragraph 17 ( Governing law) of this Agreement shall be deleted and replaced by the following:*

*17. Governing Law*

*This Agreement and any non-contractual obligation arising out of or in connection with this Agreement shall be governed by , and interpreted in accordance with , the laws of the Republic of Zambia.*

*The Zambian courts shall have exclusive jurisdiction in relation to all disputes ( including claims for set-oof and counterclaims) arising out of or in connection with this Agreement including, without limitation disputes arising out of or in connection with: (i) the creation , validity, effects, interpretation, performance or non-performance or non-performance of, or the legal relationships established by, this Agreement; and (ii) any non-contractual obligations arising out of or in connection with this Agreement. For such purposes, each of Party A and Party B hereby irrevocably submit to the jurisdiction of the High Court of Zambia.*

Transaction.

(iv) Where the parties agree to an adjustment under paragraph (iii) above, Buyer or Seller (or both), as shall have been agreed, shall promptly deliver to the other party a Confirmation of the Forward Transaction, as adjusted under paragraph (iii) above.

(d) Where the parties agree that this paragraph shall apply, paragraphs 2 and 4 of the Agreement are amended as follows.

(i) Paragraph 2(xx) is deleted and replaced by the following –

“(xx) “Transaction Exposure” means –

(i) with respect to any Forward Transaction at any time between the Forward Repricing Date and the Purchase Date, the difference between (A) the Market Value of the Purchased Securities at the relevant time and (B) the Purchase Price;

(ii) with respect to any Transaction at any time during the period (if any) from the Purchase Date to the date on which the Purchased Securities are delivered to Buyer or, if earlier, the date on which the Transaction is terminated under paragraph 10(h), the difference between (A) the Market Value of the Purchased Securities at the relevant time and (B) the Repurchase Price at the relevant time;

(iii) with respect to any Transaction at any time during the period from the Purchase Date (or, if later, the date on which the Purchased Securities are delivered to Buyer or the Transaction is terminated under paragraph 10(h)) to the Repurchase Date (or, if later, the date on which Equivalent Securities are delivered to Seller or the Transaction is terminated under paragraph 10(i)), the difference between (A) the Repurchase Price at the relevant time multiplied by the applicable Margin Ratio (or, where the Transaction relates to Securities of more than one description to which different Margin Ratios apply, the amount produced by multiplying the Repurchase Price attributable to Equivalent Securities of each such description by the applicable Margin Ratio and aggregating the resulting amounts, the Repurchase Price being for this purpose attributed to Equivalent Securities of each such description in the same proportions as those in which the Purchase Price was apportioned among the Purchased Securities) and (B) the Market Value of Equivalent Securities at the relevant time.

In each case, if (A) is greater than (B), Buyer has a Transaction Exposure for that Transaction equal to the excess, and if (B) is greater than (A), Seller has a Transaction Exposure to Buyer equal to the excess.”(ii) In paragraph 4(c) –

(ii) In paragraph 4(c) –

(aa) the words “any amount payable to the first party under paragraph 5 but unpaid” are deleted and replaced by “any amount which will become payable to the first party under paragraph 5 during the period after the time at which the calculation is made which is equal to the minimum period for the delivery of margin applicable under paragraph 4(g) or which is payable to the first party under paragraph 5 but unpaid”; and

(bb) the words “any amount payable to the other party under paragraph 5 but unpaid” are deleted and replaced by “any amount which will become payable to the other party under paragraph 5 during the period after the time at which the calculation is made which is equal to the minimum period for the delivery of margin applicable under paragraph 4(g) or which is payable to the other party under paragraph 5 but unpaid”.]∗

**ANNEX II**

**Form of Confirmation**

To: From:

Date:

Subject: **(purchase) (buy /sell back)** Transaction

(Reference Number: )

Dear Sirs,

The purpose of this **letter** , a “Confirmation” for the purposes of the Agreement, is to set forth the terms and conditions of the above repurchase transaction entered into between us on the Contract Date referred to below.

This Confirmation supplements and forms part of, and is subject to, the Global Master Repurchase Agreement as entered into between us as of…………………………………………………. as the same may be amended from time to time (the “Agreement”). All provisions contained in the Agreement govern this Confirmation except as expressly modified below. Words and phrases defined in the Agreement and used in this Confirmation shall have the same meaning herein as in the Agreement.

1. Contract Date: …………………………………………………………………………………………………………..

2. Purchased Securities [state type[s] and nominal value[s]]: ………………………………………..

3. ISIN or other identifying number[s]: ………………………………………………………………………….

4. Buyer: ………………………………………………………………………………………………………………………

5. Seller:…………………………………………………………………………………………………………………………

6. Purchase Date: ……………………………………………………………………………………………………………

7. Purchase Price:……………………………………………………………………………………………………………

8. Contractual Currency: …………………………………………………………………………………………………

[9. Repurchase Date]:∗………………………………………………………………………………………………

[10. Terminable on demand]:\*………………………………………………………………………………………….

11. Pricing Rate:…………………………………………………………………………………………………………

[12. Sell Back Price]:∗ ………………………………………………………………………………………………

13. Buyer's Bank Account[s] Details: …………………………………………………………………………………….

14. Seller's Bank Account[s] Details:……………………………………………………………………………………..

[15. The Transaction is an Agency Transaction. … (name of agent)…is acting as agent for **name …..of principal**..

[16. Additional Terms]:\*……………………………………………………………………………………………………….

Yours faithfully,