



Compagnie de Beau Vallon Limitée

Listing Particulars

Listing Particulars pursuant to the Listing Rules, in respect of the admission by way of introduction of:

1. 236,529 MUR Class A Bonds of a nominal value of MUR1,000 totalling MUR 236,529,000, and
2. 797,477 MUR Class B Bonds of a nominal value of MUR1,000 totalling MUR 797,477,000

for a total aggregate nominal amount for MUR 1,034,006,000.

31st March 2016

COMPAGNIE DE BEAU VALLON LIMITEE

(“Beau Vallon”, the “Issuer” or the “Company”)

Duly incorporated on 10 January 1921 (BRN C06000236) as a public company limited by shares under the laws of Mauritius. The duration of the Company is unlimited.

Registered office: Riche-en-Eau, St Hubert

Listing Particulars in respect of:

The admission to listing of 1,034,006 Redeemable Secured Floating Rate Bonds (“**Bonds**”) comprising 236,529 Class A Bonds, and 797,477 Class B Bonds of a nominal value of MUR1,000 each by way of introduction, for a total Aggregate Nominal Amount of MUR 1,034,006,000

31 March 2016

LEC/I/01/2016

Sponsoring Broker
MCB Stockbrokers Ltd

Transaction Advisor
MCB Capital Markets

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1. DECLARATION OF DIRECTORS

These Listing Particulars (“LP”) include particulars given in compliance with the Stock Exchange of Mauritius Ltd Rules governing the Official Listing of Securities for the purpose of giving information with regard to the Issuer.

Application for the listing of the Redeemable Secured Floating Rate Bonds of Beau Vallon has been made under Chapter 18 Part B of the Listing Rules of The Stock Exchange of Mauritius Ltd. The Bonds were targeted towards Eligible Investors (as defined hereinafter) who understand the risk of investing in such specialist debt instruments. Permission has been granted by the Listing Executive Committee for the Bonds to be admitted for listing on the Official Market of the SEM on 18 April 2016.

Neither the Listing Executive Committee of The Stock Exchange of Mauritius Ltd (the “LEC”), nor The Stock Exchange of Mauritius Ltd (the “SEM”), nor the Financial Services Commission (the “FSC”) assume any responsibility for the contents of these LP. The LEC, SEM and the FSC make no representation as to the accuracy or completeness of any of the statements made or opinions expressed in these LP and expressly disclaim any liability whatsoever for any loss arising from or in reliance upon the whole or any part thereof.

The LEC, SEM and the FSC do not vouch for the financial soundness of the Company or for the correctness of any statements made or opinions expressed with regard to it.

The Company has not and does not intend to apply for listing of the Bonds on any other securities exchanges in Mauritius or abroad.

The financial results are consolidated and have been prepared in accordance with law and, in all material respects, with International Financial Reporting Standards. The results have been independently audited in accordance with International Standards on Auditing and have been reported without qualification.

A copy of these LP has been filed with the FSC.

The directors, whose names appear on page 30, collectively and individually accept full responsibility for the accuracy or completeness of the information contained in these LP and confirm, having made all reasonable enquiries that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

Mr. Gérard Garrioch
Chairman and Director

Mr. Thierry Merven
Chief Executive Officer and Director

2. PRINCIPAL TERMS OF THE BONDS

	Terms	
1.	Nature of Instrument	Redeemable Secured Floating Rate Bonds
2.	Issuer	Compagnie de Beau Vallon Limitée
3.	Date of Issue	27 October 2015
4.	Currency	Mauritius Rupees (“ MUR ”)
5.	Total Nominal Amount for Class A Bonds	236,529,000
6.	Total Nominal Amount for Class B Bonds	797,477,000
7.	Total Aggregate Nominal Amount	1,034,006,000
8.	Issue Price	100% of Nominal Amount
9.	Redemption Price at the option of the holders of Class A Bonds	MUR 1,050 per Bond (subject to clause 5.7.3)
10.	Redemption Price at Maturity	Class A : MUR 1,029 per Bond Class B : MUR 1,000 per Bond
11.	Redemption Price at the option of the Issuer	MUR 1,000 per Bond (applicable to class B Bonds only)
12.	Tenor	5 years for each Class
13.	Interest Rate	Class A: Reference Rate + 1.10 % p.a. (currently totalling 5.50% p.a.) Class B: Reference Rate + 1.60 % p.a. (currently totalling 6.00% p.a.) <i>Refer to section 5.6 for further details</i>
14.	Day Count Fraction	180/360 days
15.	Guarantee of Interest	Interests due to Bondholders is guaranteed by MCB through the Bank Guarantee
16.	Interest Payment Date	Semi-annually on 27 April and 27 October every year
17.	Timetable	
	• Issue Date	27 October 2015
	• Listing Date	18 April 2016
	• First day of trading	18 April 2016
	• Maturity Date	27 October 2020
18.	Early Redemption at the option of holders of Class A Bonds	Applicable to Class A Bonds only. Holders of Class A Bonds may redeem their Bonds either partly or wholly at a premium of 5%

	Terms	
		when the proceeds are applied towards any payment in respect of the Real Estate Developments
19.	Early Redemption at the option of the Issuer	Applicable for Class B Bonds only. The Issuer may, at its sole discretion, redeem either partly or wholly the Class B Bonds as from 27 October 2018 at a price per Bond equal to MUR 1,000 by giving two months' notice to Bondholders
20.	Form of the Bonds	The Bonds have been issued in inscribed form. Legal ownership is reflected in book entries recorded by the Registrar on the Register. Upon admission to listing on the Official Market of the SEM, legal ownership of the Bonds will be reflected in book entries recorded by the CDS and such records shall constitute the definitive evidence of the title of the Bondholder to the number of Bonds shown in its CDS account.
21.	Status of the Bonds	Secured by way of a floating charge over all the assets of the Issuer. The Bonds rank at the level of the Issuer: <ul style="list-style-type: none"> • Junior to the Senior Lender; • <i>Pari passu</i> without any preference among themselves; • Senior to (i) any unsecured creditors of the Issuer; and (ii) to holders of all classes of share capital of the Issuer
22.	First Day of Trading on the SEM	On the first day of trading of the Bonds on the Official Market of the SEM, the Issuer has undertaken to make available at least 500 Bonds of each Class for trading. The selling price shall be MUR 1,025 for Class A and MUR 1,020 for Class B.
23.	Taxation	<ul style="list-style-type: none"> • Interest paid by the Issuer to a Bondholder which is a resident company is subject to income tax at the current rate of 15% p.a. • Interest paid by the Issuer to a Bondholder who is an individual, société, succession or non-resident company, is exempt from income tax. • where interest is paid to a Bondholder (other than an individual, société, succession or non-resident company) which is a non-resident, the Issuer will be required by the Income Tax Act to deduct income tax at the current rate of 15% p.a. (subject to any double taxation agreement in force between Mauritius and the foreign country where the Bondholder is resident)
24.	Bondholders' Representative	Fincorp Investment Limited
25.	Sponsoring Broker	MCB Stockbrokers Ltd
26.	Registrar, Transfer, Calculation and Paying Agent	MCB Registry & Securities Ltd
27.	Governing Law	The laws of the Republic of Mauritius
28.	Dispute Resolution	As per LCIA-MIAC procedures

3. RISK FACTORS

An investment in the Bonds involves some degree of risk and should be made only after consulting an independent professional (investment, legal, tax, accounting or other) advice. A non-exhaustive list of these risks is provided below:

3.1 Risks associated with the Issuer

The Board of directors reviews and agrees policies for managing risks which are summarised below:

- **Agricultural risk:** is the risk that the Issuer's agricultural segment can be adversely impacted by droughts, cyclones, fires and floods and risks related to pests and diseases.
- **Market risk:** is the risk that the future cash flows of the Issuer will fluctuate because of changes in market conditions. The Group is exposed to changes in the price of sugar as negotiated by the Mauritius Sugar Syndicate for the account of all cane growers and millers, demand for and price of hotel rooms and demand for and the selling price of the Real Estate Developments.
- **Interest rate risk:** is the risk that the cost of servicing borrowings will fluctuate because of changes in market interest rates. The Issuer's exposure to the risk of changes in market interest rates relates primarily to the Issuer's long-term debt obligations with floating interest rates.
- **Foreign currency risk:** The Group is exposed mainly to fluctuations in the EUR/MUR exchange rate, as all sugar proceeds are denominated in EUR and around 65% of hotel revenues are also in EUR.
- **Credit risk:** is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Issuer's credit risk is primarily attributable to its receivables. It trades only with credit worthy third parties.

3.2 Risks associated with Class A Bonds

The allocation of reservation rights to holders of Class A Bonds who are also Qualified Investors shall follow the procedure set out under clause 5.8. In addition, the following non-exhaustive risks associated with Class A Bonds should be seriously considered:

- **Real Estate Developments permits:** The Class A Bonds offer Qualified Investors the opportunity to reserve a plot of land in any of the Real Estate Developments in priority to the general public. Although land conversion permits have been obtained for all the projects under consideration, the realisation of the Real Estate Developments is still dependent *inter alia* upon other regulatory permits, licences and other such clearances which have not yet been obtained by the Issuer as at the date of this LP.
- **Priority Reservation:** The Class A Bonds offer only a priority reservation ahead of the general public which Bondholders may exercise on the Real Estate Developments. This

should not be construed in any way whatsoever as a sale, offer for and/or promise of sale of immovable property by the Issuer.

- **No guarantee of allocation:** Since the number of available plots of land is limited and may be smaller than the potential number of Qualified Investors, the Issuer offers no guarantee whatsoever that a Qualified Investor would be allocated any plot of land. The Issuer shall give priority of reservation to those Qualified Investors holding the largest outstanding nominal amount at each reservation window as per Clause 5.8.

3.3 General Risks

- **Reference Rate risk:** changes in the Reference Rate will have a direct impact on the interest amounts payable on the Bonds.
- **Guarantor Risk:** Interest payments on the Bonds bear the credit risk of the Issuer and the Guarantor. Bondholders shall be aware that they may not be able to obtain their interest coupons should the Issuer and the Guarantor become both unable to pay the interest payments.
- **Changes in laws or regulations:** Legal and regulatory changes could occur that may adversely affect, in quantum, value or otherwise, the profitability of the Issuer and/ or any pay-out or such other income that may be or become payable in respect of the Bonds.
- **Changes in taxation legislation:** Any change in the tax status of the Issuer or in taxation legislation in Mauritius or elsewhere may affect, in quantum, value or otherwise, any pay-out or such other income that may be or become payable in respect of the Bonds. Investors are urged to consult their own tax advisers with respect to their particular tax situations and the tax effects of an investment in the Bonds.

3.4 Legal Risk

Under Article 2202-2 of the Mauritius Civil Code and the Institutions Agréées Regulations 1988, the holder of a floating charge needs to be an Institution Agréée. As at the date of this LP, Fincorp Investment Limited is recognised as an Institution Agréée. The Companies Act 2001 of Mauritius prescribes some criteria for a debenture holder representative and states that a qualified debenture holder representative has the power to create a floating charge in its own name and for the benefit of the Bondholders. As at the date of these LP, the Issuer is not aware of the existence of any judgment of Mauritian courts restricting an Institution Agréée to hold a floating charge for the benefit of Bondholders.

4. OVERVIEW OF THE ISSUER

4.1 Beau Vallon

The Issuer was incorporated on January 10, 1921 under the laws of Mauritius as a public company limited by shares. Beau-Vallon bears business registration number C06000236 and its registered office is situated at Riche-en-Eau, St Hubert, Mauritius. It has been in operation for over 90 years. The duration of the Company is unlimited.

The Issuer is the owner of one of the largest sugar estates of the island, Riche-en-Eau Sugar Estate with 3,500 hectares of land which sprawls between the sea at Pointe d'Esny and Chemin Français 300m higher and 14km away next to Le Val and Midlands.

The Issuer started operations as a sugarcane grower and miller in the early 1800's and has since diversified its agricultural activities into potato, onion and palm heart production, nursery and deer farming to quote only a few.

With its rich soil and advantageous climate, Riche-en-Eau counts amongst the most productive estates of the island in terms of cane yield and sugar yield and has constantly ranked among the top 5 sugar estates of the island for the past decades.

The Issuer also controls 50% of Copésud (including 25% owned by Union) which is the largest potato producer of the island with more than 25% of the total local production.

In addition, the Issuer has diversified its activities during the past 15 years in land and property development with the successful realisation of several residential projects of various categories totalling more than 2000 plots over 300 arpents of land.

Besides, the Company has also further diversified its activities by acquiring a 16-key boutique hotel on the prime beach of Pointe d'Esny which has been renovated and is now trading under the name of Astroe Beach.

With its great diversity of landscapes, climates, natural features, proximity to the sea and a land bank of around 3,500 hectares strategically located in the south eastern region of Mauritius, the estate offers fantastic opportunities and considerable potential for land development and real estate activities, as well as for future developments in agro-industry, hospitality and tourism, leisure and nature sports.

4.2 Restructuring with Union Sugar Estates Company Limited

In line with its expansion and diversification strategy, the majority shareholding of Union Sugar Estates Company Limited ("Union") was acquired, through a Special Purpose Vehicle, in April 2011. The Issuer completed its restructuring on September 21, 2015 and now controls Union with a 60.72% indirect stake.

Union is a public company incorporated on July 4, 1913, listed on the Development & Enterprise Market (DEM) of the SEM since August 4, 2006. Union, which was initially set up as a sugarcane miller-planter, is now primarily engaged in the growing and cultivation of sugarcane and in tourism with an increasing presence in the hospitality sector through the Southern Cross group of hotels.

Union has also diversified its agricultural activities with the production of potato, onion and groundnut as well as melon and fine vegetables cultivated in greenhouses. Besides being a 25% shareholder of Copésud, the largest potato producer of the island, Union is also engaged, in association with Inicia Ltée, in the production of the whole range of duck products under the brand name of 'Terracine Foie Gras' through a vertically integrated enterprise, Gourmet Foods Ltd. Furthermore, Union has also diversified its activities in land and property development during the last ten years with the successful realisation of several residential projects around Souillac.

With a land bank of around 1,450 hectares which stretches between the cliffs overlooking the ocean at Andrea and the high lands of Bois Sec several kilometres away, Union also offers great potential for land development and real estate activities.

This business combination enables the direct consolidation of the agricultural, hospitality and property development segments under a single entity and will provide the Issuer with:

- a more robust balance sheet (both sugar estates represent a total of around 4,950 hectares which is equivalent to more than 11,500 arpents)
- operational economies of scale in order to improve the profitability of the cane activity
- increased exposure and diversification into the hospitality sector, to partially mitigate the impact of changes in the global sugar prices

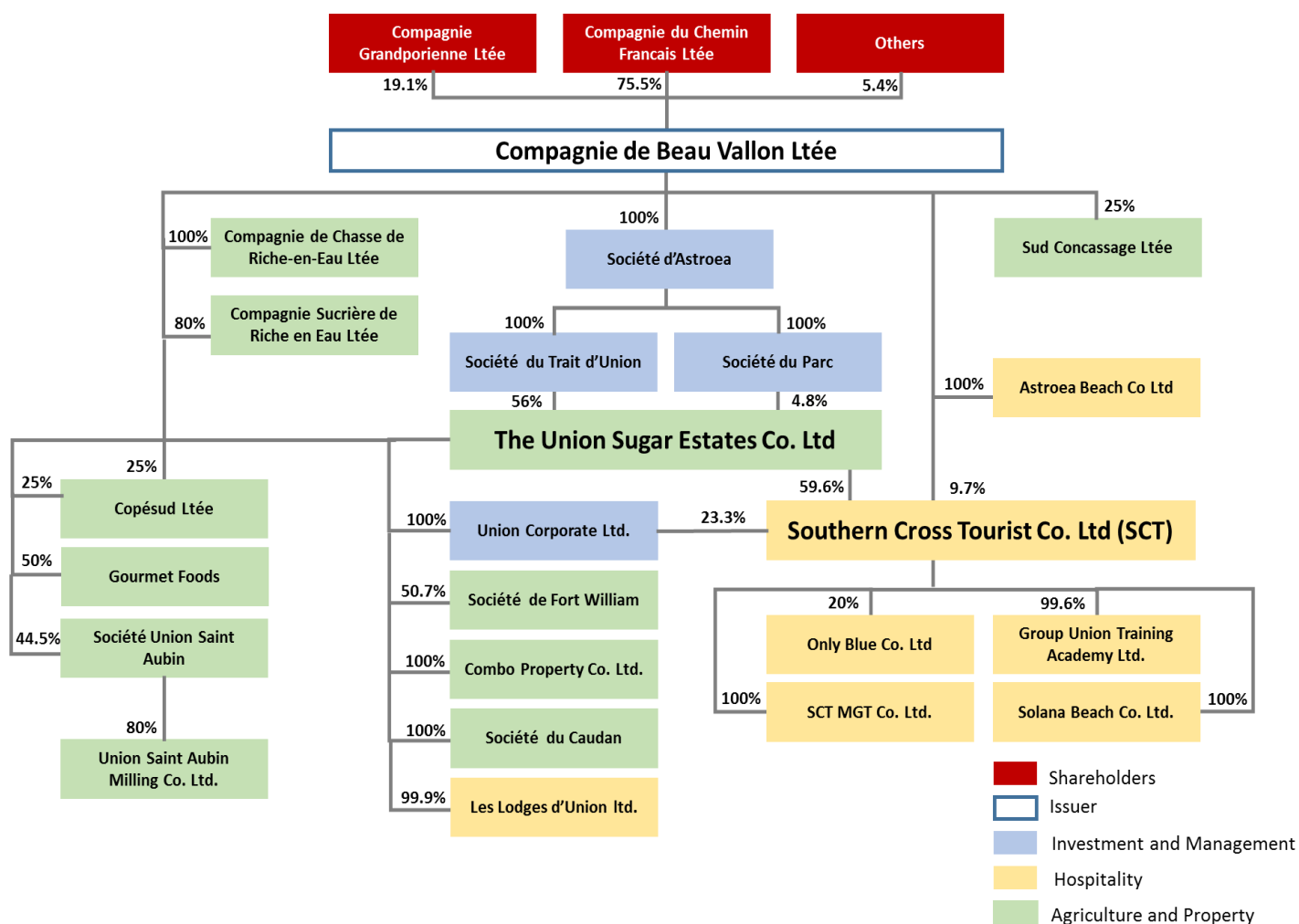
4.3 Diversification into the hospitality sector

Union has paved its way into the hospitality sector over the years and owns an effective 82.86% stake in Southern Cross Tourist Company Limited ("SCT"), a public company incorporated on April 5, 1985 and which is also listed on the DEM since August 4, 2006.

SCT owns two 4-star hotels namely 'Le Preskil Beach Resort', a 200-room resort situated at Pointe Jérôme, Mahebourg and 'Solana Beach', a 117-room resort located in Belle Mare which was acquired from Blue Horizon Hotel Limited, a subsidiary of Valtur in September 2013. Following a refurbishment, the hotel is operational since April 2014.

In addition to the above, SCT has also a management contract for the operations of 'Astroea Beach' (owned by the Issuer) which is situated near Le Preskil Beach Resort. The three hotels are marketed under the brand name of Southern Cross Hotels since May 2014 and the Issuer now has effective control on all three hotels.

4.4 Summarised Group structure



5. TERMS AND CONDITIONS OF THE BONDS

5.1 Rationale behind the admission of the Bonds

As approved by the Board, the Bonds were issued by way of a private placement to institutional and retail investors, in line with the Issuer's debt restructuring and Real Estate Development project. The Bonds are no longer available in whole or in part to the public prior to the listing date. Application is now being made for the listing of the Bonds on the Official Market of the SEM to provide liquidity to the Bondholders.

These LP are based on the PPM, with some amendments (but no material changes) made to ensure compliance with the Listing Rules of the SEM.

5.2 Proceeds of the private placement

The Total Aggregate Nominal Amount of MUR 1,034,006,000 is as follows:

	No of Bonds	Nominal Amount per Bond	Total
Class A Bonds	236,529	1,000	236,529,000
Class B Bonds	797,477	1,000	797,477,000
Total	1,034,006		1,034,006,000

5.3 Use of Proceeds

Proceeds have been applied to repay Senior Secured Liabilities for an amount of MUR 1,034,006,000 to enable the Issuer to carry out its Real Estate Development projects through the applicable structured financing system for its projects.

Bondholders acting through the Bondholders' Representative have the right to monitor the utilization of the proceeds of the private placement and the Bondholders' Representative is entitled to put written questions to the Issuer on work progress or utilization of monies borrowed.

5.4 Form of the Bonds

The Bonds have been issued in inscribed form and accordingly no certificates have been issued. Legal ownership of the Bonds is reflected in book entries recorded by the Registrar on the Register.

Upon admission to listing of the Official Market of the SEM, legal ownership of the Bonds will be reflected in book entries recorded by the CDS and such records shall constitute the definitive evidence of the title of the Bondholder to the number of Bonds shown in its CDS account. On transfer of the Bonds, title thereto shall pass upon compliance with the transfer procedures set forth in Clause 5.17.

As the issue has already been privately placed, no underwriting will be required.

5.5 Status of the Bonds

The Bonds constitute secured debt obligations of the Issuer, and accordingly rank:

- (a) Junior to the Senior Lenders;
- (b) *pari passu* without any preference among themselves; and
- (c) senior to (i) any unsecured creditors of the Issuer and (ii) to holders of all classes of share capital of the Issuer.

5.6 Interest

5.6.1 Interest Rate

The Bonds shall bear interest until repaid or redeemed from the Issue Date at the following rate of interest and will be payable in arrears on each Interest Payment Date:

- i. in respect of Class A Bonds, Reference Rate + 1.10% p.a. (currently totalling **5.50%** per annum); and

- ii. in respect of Class B Bonds, Reference Rate + 1.60% p.a. (currently totalling **6.00%** per annum).

If during the course of an Interest Period, there is a change in the Reference Rate, the interest rate for that Interest Period will be calculated using the weighted average of the Reference Rate for that Interest Period based on the actual number of days elapsed (including the first day and excluding the last day in the Interest Period). The Issuer undertakes to inform the SEM whenever changes in the Repo Rate have taken place.

5.6.2 Interest Payment Dates

Interest will be paid semi-annually on the 27 April and 27 October of each year, commencing on 27 April 2016 (subject to the Business Day Convention).

Interest will be payable in arrears based on the outstanding Nominal Amount.

Interest will be paid on each Interest Payment Date to Bondholders on the Register on the date falling three (3) days prior to the relevant Interest Payment Date in respect of the period ending on that Interest Payment Date. Interest shall accrue at the Default Interest Rate on any amount which is due but for the time being unpaid (after as well as before judgment) until paid.

5.6.3 Calculation of Interest Amount

For each Interest Period, the Interest Amount payable will be calculated by multiplying the applicable Interest Rate by the then applicable outstanding Nominal Amount, then multiplying the product by the applicable Day Count Fraction and rounding the resultant figure to the nearest cent.

5.6.4 Bank Guarantee in respect of Interest payment

Payment of interest due to Bondholders is guaranteed by MCB through a formal on demand bank guarantee issued by MCB to the benefit of the Bondholders' Representative.

5.7 Redemption

5.7.1 Redemption at Maturity

Unless previously redeemed as contemplated hereinafter, both Classes will be automatically redeemed at the Maturity Date, at their Aggregate Nominal Amount in respect of Class B Bonds and at a price per Bond equal to MUR 1,029 in respect of Class A Bonds. The redemption proceeds will be paid to the Bondholders as specified in Clause 5.9. Once redeemed, the Bonds will be cancelled and will not be reissued.

5.7.2 Early Redemption at the option of the Issuer

The Issuer may, at its sole discretion but only in respect of Class B Bonds and upon giving two months' notice to Bondholders, redeem as from 27 October 2018, the whole or part only of the Class B Bonds at a price per Bond equal to MUR 1,000. The redemption proceeds will be paid to the Bondholders in accordance with Clause 5.9

5.7.3 Early Redemption at the option of the holders of Class A Bonds

Subject to the conditions below and the procedures set forth herein, the holders of Class A Bonds may, at their discretion, request for the early redemption of the whole or part only of the Class A Bonds they hold at a price per Bond equal to MUR 1,050 together with interest accrued thereon up to the redemption date. No redemption request will be entertained by the Issuer unless:

- the applicant for the redemption is, at the time the request is made, a Qualified Investor; and
- the redemption proceeds are fully applied towards payments in relation to the Real Estate Developments.

For the purpose of exercise of the rights of Priority Reservation, the Issuer will instruct the Registrar to, subject to the conditions the SEM may impose, close the Register on a specified date (the "Reservation Start Date"). The Issuer shall inform the public through a communiqué (the "Communiqué") of the closure of the Register at least ten (10) Business Days before the Reservation Start Date.

Only holders of Class A Bonds on the Register on the Reservation Start Date shall be entitled to exercise their rights of Priority Reservation in accordance with Clause 5.8 below.

Only holders of Class A Bonds:

- (i) who exercised their right of Priority of Reservation in respect of the Real Estate Development concerned and
- (ii) whose names have remained on the Register at a date specified in the Communiqué (the Redemption Processing Date") will be entitled to redeem any outstanding Bonds at a 5% premium and apply the redemption proceeds towards the payment of that Real Estate Development.

After the Redemption Processing Date, the Issuer will instruct the Registrar to update the Register according to redemptions made.

5.8 Priority Reservation

Holders of Class A Bonds who are also Qualified Investors shall be entitled to reserve up to 3 plots of land per Real Estate Development in priority to the general public. The Issuer shall give priority of reservation to those Qualified Investors holding the largest outstanding nominal amount at each reservation window. Exercise of the Priority Reservation shall be effected by Qualified Investors through prescribed forms released by the Issuer. Thereafter, any reservation, sale, offer for and/or promise of sale of land shall be documented in the form of private deeds or authentic deeds (as the case may be) drawn up by a notary public of the Issuer's choice.

In the event Qualified Investors having the same outstanding nominal amount exercise their Priority Reservation on the same plot(s) of land in any of the Real Estate Developments, allocation of the plot(s) of land will be done through a draw.

Since the number of available plots of land is limited and may be smaller than the potential number of Qualified Investors, the Issuer offers no guarantee whatsoever that a Qualified Investor would be allocated any plot of land. In the event that a Class A Bondholder is not

allocated a plot of land and that he holds his Bond to maturity, he will obtain a redemption price of MUR 1,029 which will bring the yield to that of a Class B Bond.

Holders of class B bonds are not entitled to priority reservation on the Real Estate Development projects.

5.9 Covenants to repay and payments

- (a) The Issuer covenants that it will repay on the Maturity Date, the Nominal Amount in respect of the Bonds together with any accrued interest, or additional payments in accordance with the terms of these LP. [
- (b) The Issuer covenants that it shall adhere fully to its additional obligations with respect to Class A Bonds highlighted under Clauses 5.7.3 and 5.8
- (c) Any payments required to be effected under the Bonds will be effected by the Registrar by wire transfer to the bank account nominated in the Application Form or associated with the CDS account of the Bondholders or by cheque drawn to the order of the Bondholders and such cheque will be sent by post at the risk of the Bondholders to the address specified in the Application Form or associated with the CDS account of the Bondholders.

5.10 Taxation of the Bonds

Interest paid by the Issuer to a Bondholder Noteholder which is a company is subject to income tax at the current rate of 15% p.a.

Interest paid by the Issuer to a Bondholder who is an individual, société, succession or a non-resident company, is exempt from income tax.

Where interest is paid to a Bondholder (other than an individual, société, succession or a non-resident company) which is a non-resident, the Issuer will be required by the Income Tax Act to withhold income tax at the current rate of 15% p.a. (subject to any double taxation agreement in force between Mauritius and the foreign country where the Bondholder is resident).

Gains derived by a Bondholder which is an individual or société resident in Mauritius from the sale of Bonds are treated as capital gains and are not subject to tax.

Gains derived by a Bondholder which is company resident in Mauritius from the sale of Bonds held for a period of 6 months or more, are considered as capital gains and are not subject to tax. Gains derived by a Bondholder which is company resident in Mauritius from the sale of Bonds held a period of less than 6 months are subject to income tax if these are held as trading assets. Where the Bonds are held as fixed assets, gains/losses derived from the disposal are treated as capital gains/losses.

Gains made by a Bondholder who is not a resident in Mauritius are not subject to income tax in Mauritius.

5.11 Undertakings

The Issuer undertakes, at its own costs, to do everything necessary to:

- maintain the Security Interests covered by the Charge in full force and effect at all times; and
- preserve and protect the Security Interests and protect and enforce its rights and title and Bondholders' rights and title to the Security Interests created by the Charge.

The Issuer undertakes, unless waived in writing by the Bondholders' Representative, to promptly give notice to the Bondholders' Representative of any Event of Default and any event which, with the lapse of time, giving of notice or occurrence of another event, would be an Event of Default as soon as it becomes aware of it.

5.12 Negative Covenants

The covenants in this Clause 5.12 shall remain in force during the whole tenor of the Bonds.

Financial Indebtedness. The Issuer shall not, without the prior written consent of the Bondholders' Representative, which consent shall not be unreasonably withheld or delayed, incur or permit to remain outstanding, any Financial Indebtedness other than the Permitted Financial Indebtedness

Disposals. The Issuer shall not, without the prior written consent of the Bondholders' Representative, which consent shall not be unreasonably withheld or delayed, transfer or otherwise dispose of immovable assets exceeding 1,000 arpents at arm's length in any financial year and except in the Normal Course of Business.

Dividends. The Issuer shall not agree to declare or pay any dividend if any interest payment on the Bonds is due and unpaid.

Negative pledge. Except as created or permitted by the Charge, the Issuer shall not, without the prior written consent of the Bondholders' Representative, which consent shall not be unreasonably withheld or delayed, create or permit to subsist any Security Interests over any of its assets other than Security Interests that relate directly to Permitted Financial Indebtedness.

Corporate Restructuring. The Issuer shall not enter into any amalgamation, demerger, merger or corporate reconstruction, public offering of shares (other than those disclosed under Clause 4 and those that relate to transaction(s) between entities of the Group) without the prior written consent of the Bondholders' Representative (such consent not to be unreasonably withheld or delayed).

Change of business. The Issuer shall procure that no substantial change is made to the general nature or scope of the business of the Issuer and of its Subsidiaries from that carried on at the date of these LP.

Insurance. The Issuer shall not take any action or omit to take any action if such action or omission would render any insurance void or incapable of being effected, maintained or renewed or permit any insurer to cancel such insurance.

Loans and Guarantees. The Issuer shall not, unless with the prior written consent of the Bondholders' Representative which consent shall not be unreasonably withheld or delayed, make any loans, provide any guarantee or grant any credit to or for the benefit of any person exceeding in aggregate MUR 25 million, other than in the Normal Course of Business.

Pari Passu Clause. Save for the Permitted Financial Indebtedness and unless consented in writing by the Bondholders' Representative, the Issuer shall not incur any debt which, on liquidation, shall rank *pari passu* and/or ahead for payment, with the obligations of the Issuer with respect to these LP.

Ownership and Control. The Issuer shall procure that at all times no change is made to its legal and beneficial ownership and of its Control, unless the Bondholders' Representative has consented to the change in writing.

Further Issues of bonds or other debt securities. The Issuer shall not, in relation to the Priority Reservation, issue bonds or other debt securities that would rank ahead of subscriber of Class A Bonds.

5.13 Event of Default

Any of the following shall be deemed to be an Event of Default:

5.13.1 Payment Default

The Issuer does not, or is unable to, pay when due, any amount payable under these LP at the place and in the currency in which it is expressed to be payable unless its failure to pay is caused by administrative or technical error which is not its fault and payment is made within 7 (seven) Business Days of its due date.

5.13.2 Insolvency Default

Any corporate action, legal proceedings or other procedure or step is taken (including the making of an application, the presentation of a petition, the filing or service of a notice or the passing of a resolution) in relation to:

- the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, receivership or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Issuer;
- a composition, compromise, assignment or arrangement with any creditor of the Issuer;
- the appointment of a liquidator, supervisor, receiver, administrative receiver, administrator, compulsory manager, trustee or other similar officer in respect of the Issuer or any of its assets;
- enforcement of any Security Interest over any assets of the Issuer; or
- any analogous procedure or step is taken in any jurisdiction, other than proceedings which are in any event discharged within 60 Business Days.

5.13.3 Non-Compliance

The Issuer repeatedly fails to comply with, or defaults in respect of, its financial obligations and material covenants.

5.13.4 Misrepresentation

Any representation, warranty or statement made or given or deemed to be made or given by the Issuer under these LP and/ or the Charge instrument is or proves to have been incorrect or misleading in any material respect when made or deemed to be made so long as it was a misrepresentation known to the Issuer at time of signing the Transaction Documents.

5.13.5 Creditors' Process

Any expropriation, attachment, sequestration, distress or execution which affects any asset or assets of the Issuer, unless the relevant process is contested in good faith and by appropriate means by the Issuer and is discharged or stayed within 10 Business Days.

5.13.6 Cross-default

Any of the following shall be deemed to be a Cross-Default:

- Any Financial Indebtedness of the Issuer (other than the Financial Indebtedness contemplated hereunder) is not paid when due nor within any originally applicable grace period.
- Any Financial Indebtedness of the Issuer (other than the Financial Indebtedness contemplated hereunder) is declared to be or otherwise becomes due and payable before its specified maturity as a result of an event of default (however described).
- Any commitment for any Financial Indebtedness of the Issuer (other than the Financial Indebtedness contemplated hereunder) is cancelled or suspended by a creditor of the Issuer as a result of an event of default (however described).
- Any creditor of the Issuer becomes entitled to declare any Financial Indebtedness of the Issuer due and payable before its specified maturity as a result of an event of default (however described).

5.14 Consequence of Event of Default

Upon the occurrence of an Event of Default which is continuing, the Bondholders' Representative may do any of the following:

- bring proceedings to recover any amount then due and payable but unpaid pursuant to the Bonds (subject to the Issuer being able to make the payment and remain solvent);
- initiate any Insolvency Proceedings; or
- by written notice to the Issuer, declare all amounts payable under the Bonds to be forthwith due and payable and may, subject to the ranking of the Bonds, prove the claim in any of the Insolvency Proceedings.

For the purpose of this Clause 5.14, an Event of Default is continuing if it has not been remedied within 30 (thirty) days (or such other extended period as approved by the Bondholders' Representative in writing) of occurrence of such Event of Default. Where the Issuer becomes aware of the occurrence of any Event of Default, the Issuer shall forthwith notify the Bondholders' Representative.

5.15 Further Issues

The Issuer has the right, in its absolute discretion, from time to time without the consent of the Bondholders or Bondholders' Representative, to create and issue further bonds that may be subordinated to the Bonds. The Issuer may not create and issue bonds (or any similar or assimilated instruments) that rank or may rank *pari passu* or senior to the Bonds unless with the written consent of the Bondholders' Representative.

5.16 Register

The Register of Bondholders shall in respect of each Class:

- (a) be kept at the registered office of the Registrar or such other person as may be appointed for the time being by the Issuer to maintain the Register;
- (b) reflect the number of Bonds issued to such Bondholders;
- (c) contain the name and the address of the Bondholders;
- (d) set out the Nominal Amount of the Bonds issued to such Bondholders and shall show the date of such issue; and
- (e) be open for inspection, subject to a written notice of 72 hours, during the normal business hours of the Registrar to any Noteholder or any person authorised in writing by any Noteholder.

5.17 Transfer of Bonds

The Bonds shall be freely transferable and will be effected through the market infrastructure of the SEM in accordance with the Applicable Procedures.

5.18 Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained by the Issuer and/or the Registrar shall, in the absence of wilful deceit, bad faith, manifest error or dispute, be binding on the Issuer, the Registrar, and all Bondholders, and no liability shall attach to the Issuer and/or Registrar in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

5.19 Data Collection and Protection

The Issuer shall, for the performance of its obligations hereunder, collect and, where necessary or required, process, information voluntarily communicated by a Bondholder (the "Personal Data"). The Issuer undertakes to treat the Personal Data confidentially and securely in line with the provisions of the Data Protection Act 2004, as amended from time to time.

Bondholders have the right of access to, the possibility of correction and destruction of, the Personal Data which is in the custody or control of the Issuer. Save as otherwise herein provided, the Issuer warrants not to reveal or otherwise disclose the Personal Data to any external body, unless (i) the Issuer has obtained the express consent of the relevant Bondholder, or (ii) it is under either a legal obligation or any other duty to do so, or (iii) where the Personal Data is disclosed to any agent, third party service provider, professional adviser or any other person under a duty of confidentiality to the Issuer's group (its affiliates and parent company), as well as to certain service providers within the Issuer's group. It is drawn to the attention of Bondholders that the foregoing disclosures may require that the Personal Data be transferred to parties located in countries which do not offer the same level of data protection as the Republic of Mauritius.

Where personal information relating to the officers, employees and directors of Bondholders is, or is required to be, collected by the Issuer, Bondholders shall procure to do all such things that may be required by the Issuer to ensure that its officers, employees and directors are made aware of the data protection provisions herein and that such officers, employees and directors give their consent with regard to the collection, processing and transfer of such personal information by the Issuer.

5.20 Liquidity

A Bondholder shall be able to trade the Bonds on the Official Market of the SEM on a daily basis during trading hours.

5.21 CDS Account

The Bonds will be credited directly to CDS accounts of Bondholders where those Bondholders have CDS accounts. Bondholders who do not hold a CDS account, may open a CDS account with the investment dealer of their choice.

5.22 Transaction costs

There are transaction costs related to the trading of Bonds on the SEM. As at the date of this document, the following brokerage fees are applicable to transactions relating to the Bonds.

Transaction amount	Brokerage fees (%)
Amount equal or above to MUR 75,000	0.10%
Amount less than MUR 75,000	MUR 75.00

5.23 Rights of the Bondholders

The Bondholders will have the following powers which shall be exercised by Special Resolution:

- a) to bind the Bondholders to any compromise or arrangement to be made between the Issuer and the Bondholders or any of them;

- b) to provide specific instructions to Agent and whereupon the Agent will (if properly indemnified by the Bondholders) be bound to act or refrain from acting as specified by the resolution;
- c) to agree to any variation or modification of any of the rights of the Bondholders, in each case subject to the consent or concurrence of the Issuer; and
- d) to discharge or exonerate the Agent from liability in respect of any specific breach of its obligations under the Agency Agreement

5.24 Bondholders' Representative and meetings of Bondholders

The Issuer has appointed Fincorp Investment Limited to act as Bondholders' Representative by virtue of the Agency Agreement.

The Bondholders are deemed to have notice of, are entitled to the benefit of, and are subject to, all the provisions of the Agency Agreement.

The Agency Agreement contains the duties and powers of the Bondholders' Representative and provisions for convening meetings of the Bondholders to consider any matter affecting their interests. Such meetings may be convened by the Issuer or Bondholders holding not less than 10% in Principal Amount of the Bonds in issue. The quorum for the meeting shall be any such number of Bondholders representing at least 50% of the total nominal value of Bonds in issue.

The Bondholders are entitled to provide specific binding instructions to the Agent and have the power to discharge or exonerate the Agent from liability in respect of any specific breach of its obligations under the Agency Agreement. All such powers shall be exercised by special resolution of the Bondholders.

5.25 Notices

All notices to Bondholders shall be sent by email where same have been provided or otherwise by normal post to their addresses appearing in the Register or in the CDS account. Any notice given shall be deemed to have been given on the seventh (7th) day after the day on which it is mailed, on the day of delivery if delivered and on the day it is emailed if sent by email.

All notices (including all communication documents) by a Bondholder to the Issuer shall be sent by registered post to its registered address. Save as otherwise specified herein, any such notice shall be deemed to have been given on the seventh (7th) day after the day on which it is posted.

5.26 Amendments to Terms and Conditions

The terms and conditions contained in these LP (and in relation to Security Interests, the Agency Agreement and the Charge) set out all the rights and obligations relating to the Bonds and, subject to the further provisions of this paragraph, no addition, variation or consensual cancellation of these conditions shall be of any force or effect unless effected in writing and signed by or on behalf of the Issuer and the Bondholders. The present terms and conditions may be amended by the Issuer without the consent of the Bondholders for the purpose of curing any ambiguity or of curing, correcting or

supplementing any defective provision contained therein, provided that the interests of the Bondholders are not prejudiced by any such amendment. Save as otherwise provided herein, the Issuer may, only with the prior approval of the Bondholders' Representative, amend the present terms and conditions.

5.27 Estimated costs of the listing

The total expenses of the Issue and listing are estimated at MUR 500,000. The breakdown of the fees is as follows:

Cost description	Amount
Advisory Services fees	MUR 300,000
SEM Introduction fees	MUR 100,000 per Class

Expenses relating to the admission to listing of the Bonds shall be borne solely by the Issuer.

5.28 Prescription

Where after five (5) years from the date of redemption of the Bonds, any payment/cheque issued for the payment of redemption proceeds has not been claimed, such redemption proceeds will revert to the Issuer and the relevant Bondholders shall have no right whatsoever thereto.

5.29 Governing Law

The terms and conditions of the Bonds, and all the rights and obligations to the Bondholders shall be governed by, and construed in accordance with the laws of Mauritius.

5.30 Dispute Resolution

In the event of a dispute arising out of or relating to these LP, including any question regarding its existence, validity or termination, the parties shall first seek settlement of that dispute by mediation in accordance with the LCIA-MIAC Mediation Rules, which Rules are deemed to be incorporated by reference into this clause.

If the dispute is not settled by mediation within 30 days of the appointment of the mediator, or such further period as the parties shall agree in writing, the dispute shall be referred to and finally resolved by arbitration under the LCIA-MIAC Arbitration Rules, which Rules are deemed to be incorporated by reference into this clause. In any arbitration commenced pursuant to this clause:

- a) the number of arbitrators shall be one; and
- b) the seat, or legal place, of the arbitration shall be Port-Louis, Mauritius.

The language to be used in the mediation and in the arbitration shall be English.

6 FINANCIAL TRENDS AND ANALYSIS

6.1 Financial Highlights

6.1.1 Summarized Financial Performance

MUR'm	FY15 Audited	FY14 Proforma	FY14 Audited	FY13 Audited
Revenue	1,031	765	241	360
Operating Loss	(99)	(267)	(124)	(6)
Loss before tax	(281)	(352)	(234)	(119)

6.1.2 Summarised Financial Position

MUR'm	FY15 Audited	FY14 Proforma	FY14 Audited	FY13 Audited
ASSETS				
Non-current assets	8,153	8,058	5,743	5,237
Current Assets	825	1,083	1,147	1,131
Assets held for sale	41	100	45	15
Total assets	9,018	9,240	6,935	6,383
EQUITY AND LIABILITIES				
Owner's interest	4,434	5,035	4,747	4,372
Non-controlling interests	1,021	1,071	7	7
Total equity	5,455	6,106	4,754	4,379
Non-current liabilities	2,450	2,355	1,728	1,631
Current liabilities	1,114	779	452	373
Total liabilities	3,564	3,134	2,181	2,004
Total equity and liabilities	9,018	9,240	6,935	6,383

6.1.2.1 Working capital

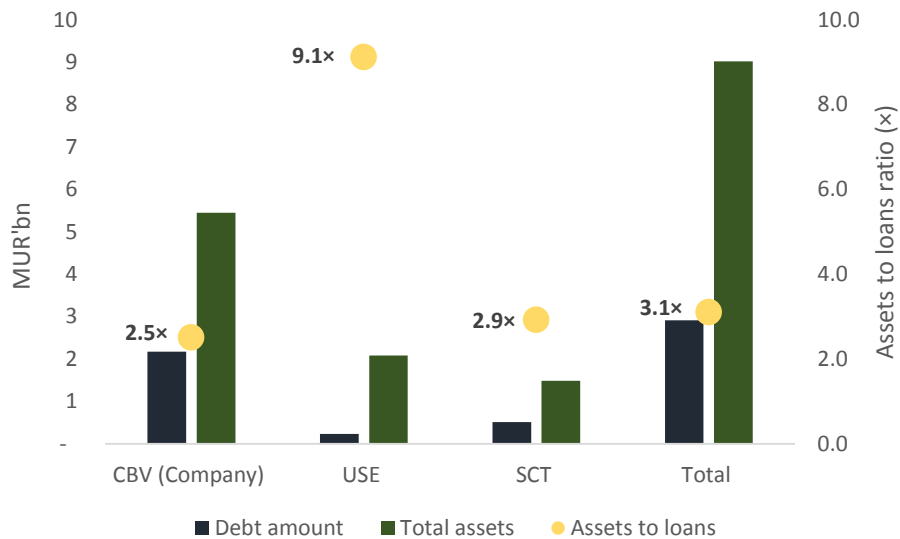
The directors of the Issuer, after due and careful enquiry, certify that the working capital available to the Company is sufficient for its present requirements, that is 12 months from the date of admission of the Bonds.

6.1.2.2 Material adverse change

There has been no material adverse change in the financial or trading position of the Issuer since the last audited financial statements as at 31 December 2015.

6.1.2.3 Focus on debt and assets

The Group has total borrowings of MUR 2,911m against total assets of MUR 9,018m. The chart below depicts the assets to borrowings ratio per company/ segment:

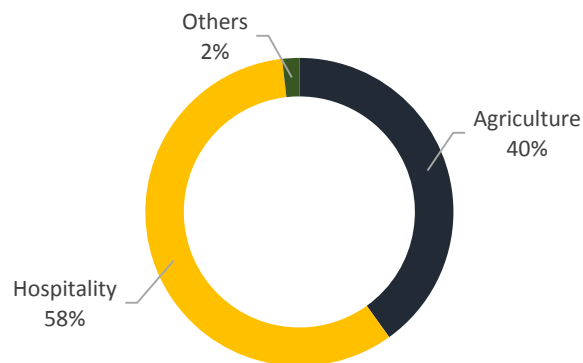


Most of the debt within the Group has been used to finance acquisitions such as:

- Acquisition of stake in Union Sugar Estate;
- Acquisition of Astroea Beach leasehold rights and hotel property;
- Acquisition of stake in Southern Cross Tourist Hotel;
- Acquisition of Solana Beach leasehold rights and hotel property along with renovation costs and
- Acquisition of some 350 arpents of land.

6.2 Sources of revenues

The Group derives most of its revenues from the Agriculture and Hospitality segments. The split of revenues for 2015 are shown below:



6.3 Overview

Agriculture

Revenue derived from sugar is dependent on two main components:

- Movement in sugar price which is subject to the combined effect of the fluctuation of the commodity price in Europe coupled with the variation of the EUR, the trading currency.

- Tonnage of sugar accruing per year resulting from the tonnage of cane harvested and the extraction rate. The tonnage of cane harvested will vary depending on the area of cane being harvested as well as the yield.

The volatility of the sugar price remains a major issue and has a substantial bearing on the financial performance of the sugar operations. A fall in the sugar price has a dual impact in the sense that it not only reduces the sugar proceeds for the current year crop but also gives rise to an accounting loss arising from a reduction in the fair value of the standing cane. On the other hand, a rise in the price has the reverse effect and positively impacts the financial performance.

Over the past five years, the Issuer has implemented various measures to improve the efficiency of its cane operations which has increased the cane yield (tonnage of cane harvested per hectare) and sugar yield (tonnage of sugar per hectare). This has contributed to partially mitigate the adverse impact of the fall in sugar prices and a reduction in the area under cane cultivation and harvest which have occurred due to factors such as utilisation of land for other agricultural activities and conversion of agricultural land into residential and commercial development projects. It should be noted however that such disposal of non-core land brought additional revenues which contributed in improving the historical financial results.

Hospitality

Revenue derived from hotel operations is dependent on the following:

- Occupancy rate

The SCT's resorts have consistently performed well above the industry average and have achieved a sustained occupancy rate over the last five years despite the fierce competition encountered both at national level characterised by an excess room availability on the market and at regional level through increased attractiveness of some neighbouring destinations. This performance is attributable to the maintenance of a diversified market mix ensuring a constant inflow of clients at different periods of the year.

- Room rates

The Group managed to maintain a good average room rate which is constantly put under pressure due to the competitive environment and the volatility of the exchange rates of the major currencies in which the resorts trade. Room rates also vary depending on the market mix and is different for each specific season. It has been quite challenging over the last years to maintain the right mix and proportion of clients in order to generate an adequate yield.

6.4 Agriculture

The 2015 sugar harvest was affected by the adverse climatic conditions which prevailed during the year and which impacted on the cane and sugar yield as well as on the extraction rate.

The combined statistics for the two sugar entities were however better than those recorded island wise. As a matter of fact, at national level, cane yield and sugar yield stood at 82.5 tonne/hectare and 7.6 tonne/hectare respectively whereas extraction rate was at 9.22%

sugar per tonne of cane. In addition to the unfavourable climatic conditions, crop 2015 was also impacted by the extension of crop 2014 up to January 2015 and this late harvest had the effect of hindering the maturing period of the current crop hence affecting the yields and sucrose content.

It is to be noted that the Group is the largest supplier of cane to Omnicane, accounting for more than 20% of the total tonnage of cane delivered to the mill. With regards to cane and sugar yields, the Group is ranked amongst the top five sugar estates of the island.

The table below shows the combined statistics of the two sugar estates:

	Units	2010	2011	2012	2013	2014	2015
Sugar Revenues	MUR m	323.4	481.1	438.7	399.9	244.5	378.3
Diversification Revenues	MUR m	56.3	74.0	64.9	62.3	68.2	55.0
Area harvested	Ha	3,221	3,369	3,085	3,088	2,964	3,242
Cane tonnage	Tonnes	276,534	301,915	265,934	269,838	288,024	280,631
Cane yield	Tonnes cane/ ha	85.9	89.6	86.2	87.4	97.2	86.6
Sugar yield	Tonnes sugar/ ha	9	9.4	9.2	9.3	9.8	8.0
Extraction rate	%Sugar/ Tonne cane	10.5	10.5	10.7	10.6	10.1	9.3

6.5 Hospitality

Since May 2014, the operation and marketing of the three hotels have been regrouped under the Southern Cross Hotels brand. The hospitality segment generated revenues of MUR 589 m in 2015.

The hospitality segment performed significantly better during year 2015 due to an improved occupancy rate registered in all the resorts. The combined occupancy rate stood at 87.40% and was higher than the industry rate of 70%. It is to be noted that the newly renovated 4-star resort Solana Beach in Belle Mare was in operation for a full year in 2015 compared to only part of the year in 2014 following its soft opening on 18 April of that year.

	Units	2010	2011	2012	2013	2014*	2015
Revenues	MUR m	361	382	381	384	432	589
Number of rooms	No.	200	216	216	216	333	333
Number of room nights	No.	73,000	73,000	78,896	78,840	109,143	121,545
Occupancy rate	%	81.10%	85.90%	78.50%	76.00%	65.10%	87.40%
Occupancy rate (Industry)	%	68.00%	65.00%	62.00%	63.00%	65.00%	70.00%
Revenue per occupied room	MUR	6,095	6,098	6,154	6,404	6,076	5,538

*includes Solana Beach which only started operations on 18 April 2014. Preskil Beach Resort and Astroea Beach have had an average occupancy rate of 75% and 68% respectively in 2014.

6.6 Property Development

Given the cyclical challenges that face both the cane and hospitality industry, the Company aims to unlock extensive value from the prime land that it owns. The Company is an experienced and well-established land developer and has, over the past 12 years, successfully realised the following property developments:

Project Type	Year	Location	Description
Residential Morcellement	2003	Beau Vallon	90 plots over 10 arpents
Residential Morcellement	2003	Mahebourg	255 plots over 28 arpents
Residential Morcellement	2005	Pointe d'Esny	Le Pointe d'Esny, 36 plots over 7 arpents, high class operation with construction guidelines, underground services and syndic
Residential Morcellement (VRS)	2005	Ville Noire	406 plots over 40 arpents
Residential Morcellement (VRS)	2005	St Henri-St Hilaire	29 plots over 3 arpents
Residential Morcellement (VRS)	2006	Grand Bel Air	152 plots over 15 arpents
Residential Morcellement	2011	Beau Vallon	Le Beau Vallon-Le Mahé, 437 plots over 113 arpents, a combination of medium and high class operations with construction guidelines, underground services, landscaped green spaces and syndic. These two projects have generated sales proceeds of over
Residential Morcellement (VRS)	2014	Ville Noire	603 plots for VRS and Blue Print beneficiaries over 76 arpents combining spacious greenspaces, health and river track, multipurpose sports amenities

The Company is entitled to Land Conversion rights following the implementation of the Blue Print/ VRS/ ERS schemes of the sugar industry. Prime spots have been identified for the development of four residential morcellement projects in Riche-en-Eau and Beau Vallon and a high-class integrated mixed-use project in Pointe d'Esny. Land conversion permits have already been obtained and the company is in the process of seeking other regulatory approvals from the authorities. The Company plans to start the first three projects in June 2016 and complete the last one by March 2019 (see section 6.7).

6.7 Outlook and FY16 Trading Prospects

The Agriculture sector will remain under pressure with total revenue per ton of sugar for crop 2016 being expected to be somehow similar to that of year 2015. In view of the many challenges facing the industry and in the wake of the dismantling of the sugar quota regime in Europe which will be effective as from year 2017, the pursuit of the restructuring of the industry is crucial and will be driven by the implementation of the measures mentioned in the Landell Mills report commissioned by the Mauritius Cane Industry Authority in year 2015. There will also be more value creation with the production of additional special sugars as well as diversification towards more remunerative markets such as countries forming part of the SADC and COMESA bloc.

The Group is resolutely focused on the future and on its diversification strategy. Operational results in the hospitality segment is expected to improve further due to the resurgence noted in the tourism industry in Mauritius during the recent months and which is an indicator of stronger performance for the coming years. Encouraging prospects for the hospitality sector include the more liberalised approach regarding the air access policy for instance Austrian Airline which has started operating a weekly flight to Mauritius as from October 2015 and Lufthansa operating two weekly flights as from December 2015. There is

also the Air Corridor agreement signed between Air Mauritius and Changi airport of Singapore effective as from mid-March 2016 and which is expected to transform Mauritius into an important aviation hub in the Indian Ocean linking Asia to Africa and vice versa. This hub will allow Mauritius to tap further into the Asia Pacific region providing access to a growing tourism market with increasing spending power.

However, with the recent spike in the Company's indebtedness to mainly finance acquisitions, the Company is taking steps to generate additional cash flows, the main one being the Real Estate Developments.

The Company has identified three sites and has already obtained land conversion permits for the realisation of four property development projects as per hereunder:

Project Type	Location	Description
Residential Morcellement	Beau Vallon	Le Beau Vallon 2 – a high-class residential development of 84 plots over 26 arpents with construction guidelines and underground services
Residential Morcellement	Beau Vallon	Le Mahé 2 – a medium-class residential development of 320 plots over 68 arpents with construction guidelines and underground services
Residential Morcellement	Riche en Eau	Riche-en-Eau is a high-class residential development located in the heart of the sugar estate at Riche en Eau and consists of 71 plots over 25 arpents with construction guidelines and underground services
Integrated mixed-use Project	Pointe d'Esny	Pointe d'Esny is an integrated mixed-use high-class project developed over 142 arpents around natural ponds in Pointe d'Esny. The project consists of 148 residential plots, apartments, duplex, restaurants and cafés, line shops and extensive (24 arpents) landscaped green spaces

The funds raised from the issue of the Bonds have been used to refinance the existing bank debt and provide the Company with the requisite time, financial strength and support it needs up to the completion of these projects.

The first three projects are expected to be completed by mid-2018 and the last one by March 2019. These projects are expected to raise net proceeds of around MUR 2bn. The proceeds shall be used to repay the outstanding Bonds and to further reduce the financing from banks.

The Issuer is confident that, following the restructuring with Union, the financing from Bondholders, the continued support of its bankers and the future realisation of the Real Estate Developments, it will have the necessary resources to overcome the current economic conditions and renew with profitability.

6.8 Main factors affecting historical performance

	Agriculture	Hospitality	Property
2010	<ul style="list-style-type: none"> Agricultural activities were negatively impacted by a 8% weakening of the Euro and an increase in salaries in the industry following an agreement between the 	<ul style="list-style-type: none"> The Hospitality segment was also impacted by the 8% decline in the EUR as well as a 5.2% increase in operating costs 	<ul style="list-style-type: none"> Beau Vallon successfully weathered a difficult year by generating MUR 358m of profits from the launch of Le Beau Vallon and Le Mahé residential morcellements

	trade unions and MSPA in January 2010		
	<ul style="list-style-type: none"> The Group however increased its diversification into potatoes, onion and palm heart, generating additional revenues and profits from these activities 		
2011	<ul style="list-style-type: none"> The sugar sector performed well in 2011, with sugar prices rising to MUR 15,800 per tonne. Cane tonnage and cane yield were also higher than 2010 The Group pursued its agricultural diversification strategy 	<ul style="list-style-type: none"> Despite the adverse conditions prevailing in the Eurozone, the tourism sector performed well due to improved occupancy rates and better monitoring of expenses Beau Vallon also strengthened its stake in SCT and acquired Astroea Beach 	<ul style="list-style-type: none"> Sale of plots from Le Beau Vallon and Le Mahé continued in 2011, generating MUR 116m of profits Union also generated a gain of MUR 101m from the sale of non-core assets to reduce its overall indebtedness
2012	<ul style="list-style-type: none"> An increase in the average sugar price to MUR16,800 per tonne partly compensated a very difficult production year, with 2012 being the 5th driest year over the past 40 years thus driving down revenues from sugar 	<ul style="list-style-type: none"> The Hospitality sector was negatively impacted by a weaker Euro and a decline in occupancy rate and which also affected the industry as a whole 	<ul style="list-style-type: none"> As part of its financial restructuring, Beau Vallon sold a substantial stake in Omnicare Holding to partly reduce its indebtedness. The two groups remain however important partners in their core business
2013	<ul style="list-style-type: none"> Despite a better harvest with an improved cane and sugar yield, a fall in the price of sugar to MUR 16,500 per tonne impacted revenues, which also had a knock-on effect on the fair value of biological assets, leading to fair value losses for both Union and Beau Vallon 	<ul style="list-style-type: none"> Union group acquired the hotel property of Blue Horizon Hotel Ltd, which it rebranded Solana Beach This segment was also impacted by a fall in occupancy but which was mitigated by higher room rates 	<ul style="list-style-type: none"> Union's financial performance was supported by marginal land disposal generating c. MUR 20m
2014	<ul style="list-style-type: none"> The continued impact of the declining sugar prices and the related fair value adjustments led to a further drop in sugar revenues, partly compensated by the SIFB. In addition, both Union and Beau Vallon faced salary costs increases of ~10% following an agreement between the MSPA and trade unions These factors were the main contributors towards the negative results of 2014 	<ul style="list-style-type: none"> Results were significantly impacted by the pre-operational expenses of the Solana Beach and its reopening in April 2014 coincided with the low season 	<ul style="list-style-type: none"> Beau Vallon and Union recorded a combined profit of MUR 89 million from the sale of marginal land which contributed to mitigate the adverse operating results
2015	<ul style="list-style-type: none"> Operational results are still negative but improve to a large extent compared to year 2014. This is mainly due to a significant positive variance on the fair value movement on biological assets which out weighted the impact of a lower sugar production due to adverse climatic conditions. There was an additional compensation receivable from the SIFB of Rs 2,000 per ton of sugar which brought the total revenue per ton of sugar to Rs 15,000. 	<ul style="list-style-type: none"> Significant improvement in the operational results due to higher occupancy rates registered in all 3 hotels and better cost containment. There was also the positive impact of the operation of Solana Beach for a full year in 2015 compared to only part of the year in 2014. Launching of an aggressive marketing campaign for the off peak season was very beneficial. The additional revenue generated following special rates being offered, contributed in further amortising the fixed costs of operations. 	<ul style="list-style-type: none"> Beau Vallon and Union recorded a combined profit on sale of land of Rs 20.4m

6.9 Legal and arbitration proceedings

Save and except for notice of assessments made by the Mauritius Revenue Authority on Union Corporate Ltd in respect of VAT and Corporate Taxes totalling MUR 101,540,000. which is disputed and currently under review, the Issuer is neither in presence of any other legal or arbitration proceedings which may have or have had in the past 12 months (with respect to the date of these LP), a significant effect on the Group's financial position and nor a party to any pending legal or arbitration proceedings which may have a significant effect on the Group's financial position.

7 CORPORATE INFORMATION

7.1 Executive Director

Mr. Thierry Merven – Group Chief Executive Officer

Nationality: Mauritian

Business address: Riche-en-Eau, St Hubert, Mauritius

Mr. Merven holds a “Maîtrise en Aménagement du Territoire” and a “ Diplôme d’Études Supérieures Spécialisées (DESS) en Aménagement et Développement Local” from l’Institut d’Aménagement Régional d’Aix-en-Provence (France). He is currently the Chief Executive Officer of Compagnie de Beau Vallon Ltée and of the Union Group of companies which comprises of sugar estates, land development activities and the Southern Cross Group of Hotels. He joined the sugar sector in 2004 as General Manager of Compagnie de Beau Vallon Ltée which manages Riche en Eau S.E. He started his career in France where he practiced between 1987 and 1996 as a Town Planner and an Environmental Specialist. Upon his return to Mauritius in 1996, he successively held office as Manager of Société de Traitement et d’Assainissement des Mascareignes Ltée (STAM) and of IBL Environment Ltd. He was the President of the Mauritius Chamber of Agriculture between 2008 and 2011 and is a Board member of several sugar-sector institutions and companies involved in agricultural production, sugar, hospitality and power generation.

Other directorships

Omnican Limited

Southern Cross Tourist Company Limited

The Union Sugar Estates Company Limited

7.2 Non-Executive Directors

Mr. Jacques Marrier D’Unienville

Nationality: Mauritian

Business address: Omnican Ltd, Anglo Mauritius House, Port Louis, Mauritius

Mr. D’Unienville holds a Bachelor’s degree in Commerce and has 17 years’ work experience in France, the Seychelles and Mauritius. His expertise lies in the strategic development of new projects in the following sectors: sugar production and refining, independent power production, waste and environment management and renewable energy projects. He joined Société Usinière du Sud in 2005 as Chief Executive Officer. He is currently the Chief Executive Officer of Omnican Limited and the Chairperson of Omnican Thermal Energy Operations (La Baraque) Limited and Omnican Thermal Energy Operations (St Aubin) Limited. He is a Board member of several sugar sector institutions. He was the President of

the Mauritius Sugar Syndicate in 2012 and has served as President of the Mauritius Sugar Producers' Association in 2005/2006 and 2009/2010.

Other directorships

Omnicane Limited,
Southern Cross Tourist Company Limited,
The Union Sugar Estates Company Limited

Mr. Bertrand Thévenau

Nationality: Mauritian

Business address: Tropic Knits Ltd – Royal Road, Forest Side, Mauritius

Mr. Bertrand Thévenau is the holder of a University diploma in Technology – International Marketing from Aix En Provence, France. Mr. Thévenau has been working for the past 26 years mainly in the textile sector. He is currently the Executive Director of Tropic Knits Ltd, which forms part of the CIEL group of companies.

Other directorships

Omnicane Limited

7.3 Non-Executive Independent Directors

Mr. Gérard Garrioch – Group Chairman

Nationality: Mauritian

Business address: Cernol Chemicals – Black River Road, Rivière Noire, Mauritius

Mr. Garrioch is the holder of a Master in Business Administration with Distinction from the University of Surrey, UK and a BSc (1st Class Honours) Biochemistry, from the University of Bath, UK. He has 37 years' experience and is currently the Executive Director of the Cernol Group, involved in the manufacturing of industrial and consumer detergents. He is also a Director of ENL Commercial and Précigraph Ltée. He was the President of the Association of Mauritian Manufacturers, President of the Mauritius Employers Federation and Chairman of the Joint Economic Council. He was also a member of the National Economic and Social Council and Human Resource Development Council.

Other directorships

ENL Commercial,
Southern Cross Tourist Company Limited,
The Union Sugar Estates Company Limited

Mr. Jacques Harel

Nationality: Mauritian

Business address: Birger– 18, Jules Koenig Street, 11328, Port Louis, Mauritius

Mr. Harel is a holder of a Bachelor of Arts in Business Studies from the University of Westminster. Mr. Harel is also a Member of the Institute of Chartered Accountants in England and Wales. Since April 2007, he has been the Chief Executive Officer of Blanche Birger, an investment technology group operating primarily in the Indian Ocean region.

Mr. Harel does not hold any directorships in other listed companies as at date of these LP.

Mr. Didier Maigrot

Nationality: Mauritian

Business address: 1st Floor, 35 Labama House, Sir William Newton, Port-Louis, Mauritius

Mr. Didier Maigrot holds a French “Maitrise en Droit” from l’Université d’Aix Marseille III. Mr. Didier Maigrot was appointed Notary Public in 1996 and has been in practice ever since.

Other directorships

Omnicane Limited

Mr. Patrice Doger de Spéville

Nationality: Mauritian

Business address: Level 5, Chancery House, Rue Lislet Geoffroy, Port Louis, Mauritius

Mr. Doger de Spéville graduated in Law at the Council of Legal Education School of Law of London and is also the holder of a French “Licence & Maitrise en Droit”. He was called to the Mauritian Bar in 1978, is a member of the Middle Temple and is a door tenant at Courtyard Chambers, London. He was the President of the Mauritius Bar Council in 2008, was promoted to the rank of Senior Counsel in June 2010 and is currently in charge of the local “New Bar Chronicle”. He is a litigation lawyer and is the legal advisor to several banking, financial, insurance, industrial and commercial institutions as well as hotels. He has given opinions on several financial agreements and various contractual matters. He is also on the Board of Directors of domestic companies.

Other directorships

Southern Cross Tourist Company Limited,
The Union Sugar Estates Company Limited

7.4 Directors’ interest

Name of Director	No. of Bonds held
Mr. Thierry Merven	500
Mr. Jacques Marrier D’Unienville	-
Mr. Bertrand Thévenau	-
Mr. Gérard Garrioch	1,000
Mr. Jacques Harel	-
Mr. Didier Maigrot	-
Mr. Patrice Doger de Spéville	-

7.5 Material interest

The Directors of the Issuer have not entered into any contract or arrangement at the date of these LP which is significant in relation to the business of the group.

7.6 Loans and guarantees to Directors

There are no loans or guarantees which have been provided by the Issuer or any member of the Group to the Directors.

7.7 Third party information

Company Secretary	Navitas Corporate Services Ltd Robinson Road, Floréal, Mauritius
Principal Bankers	The Mauritius Commercial Bank Ltd MCB Head Office, 9-15 Floor Sir William Newton Street, Port-Louis, Mauritius

Auditors	BDO & Co 10, Frere Felix de Valois Street Port Louis, Mauritius
	Ernst & Young 9 th Floor, Nexteracom Tower 1, Ebene, Mauritius
Transaction Advisor	MCB Capital Markets MCB Head Office, 9th Floor, Sir William Newton Street, Port-Louis, Mauritius
Registrar, calculation, transfer and paying agent	MCB Registry and Securities MCB Head Office, 9th Floor, Sir William Newton Street, Port-Louis, Mauritius
Sponsoring Broker	MCB Stockbrokers Ltd MCB Head Office, 9th Floor, Sir William Newton Street, Port-Louis, Mauritius
Bondholders' Representative	Fincorp Investment Limited Sir William Newton Street, Port-Louis, Mauritius
Legal Advisors	Mr André Robert 8 George Guibert Street, Port-Louis, Mauritius
	Me Patrice de Spéville Chancery House, Lislet Geoffroy Street Port-Louis, Mauritius

8 NO TAX OR PROFESSIONAL ADVICE

The Issuer makes no representation and gives no advice concerning the appropriate accounting treatment or possible tax consequences of subscribing to the Bonds. Prior to any subscription to the Bonds, the investor should discuss with his professional advisers as to how such subscription would or could affect him. Investors with any questions regarding the impact of an investment in the Bonds on their tax or accounting position should consult their tax or other professional advisers.

9 DOCUMENTS AVAILABLE FOR INSPECTION

The following documents will be available for inspection during normal business hours at the registered office of the Company Secretary for at least 14 days as from the date of these LP:

- a) The Transaction Documents;
- b) Constitution of Beau-Vallon;
- c) The audited financial statements, and annual reports of the Issuer for the periods ending 31 December 2013, 2014 and 2015; and
- d) The audited financial statements, and annual reports of the Guarantor for the periods ending 31 December 2013, 2014, and 2015.

10 GLOSSARY OF TERMS

In these LP the words in the first column of the following table shall bear the meanings set opposite them respectively in the second column, if not inconsistent with the subject or context:-

Term	Meaning
Accounting Principles	In relation to the Issuer, the International Financial Reporting Standards issued or adopted by the International Accounting Standards Board
Act	The Companies Act 2001
Affiliate	In relation to any person, a Subsidiary/Associate of that person or a holding company of that person or any other Subsidiary/Associate of that holding company
Associate	Has the same meaning ascribed to it under the Accounting Principles
Agency Agreement	The agency agreement executed between the Issuer and the Bondholders' Representative in accordance with Section 121 of the Act
Aggregate Nominal Amount	The total Nominal Amount raised pursuant to the private placement of the Bonds
Applicable Procedures	The rules, guidelines and operating procedures of the SEM and/ or CDS, as the case may be
Bank Guarantee	Has the same meaning as under Clause 5.6.4
Board	The board of Directors of the Issuer
Bondholders	The holders of Bonds as recorded (i) before the listing, by the Registrar in the Register; and (ii) upon listing, by the CDS
Bondholders' Representative	Fincorp Investment Limited or such other person appointed in that capacity by the Issuer
Bonds	Redeemable Secured Floating Rate Bonds
Business Day	Any day (other than a Saturday or Sunday or public holiday) on which commercial banks are normally open for business in Mauritius
Business Day Convention	If any date referred to in these LP would otherwise fall on a day that is not a Business Day, such date shall be postponed to the next day that is a Business Day
CDS	The Central Depository & Settlement Co. Ltd.
Charge	A floating charge granted by the Issuer over all its assets, to the benefit of the Bondholders' Representative to secure the money borrowed under the PPM
Class A Bonds	The Bonds issued by the Issuer and having the specific terms set forth in these LP
Class B Bonds	The Bonds issued by the Issuer and having the specific terms set forth in these LP
Classes	Any of Class A Bonds or Class B Bonds

Term	Meaning
Control	Has the same meaning as under the Act and Controls, Controlled and similar expressions shall be construed accordingly
Day Count Fraction	180/360 days
Default Interest Rate	In relation to overdue amounts, 2% per annum which applies over and above the Interest Rate
Directors	The Directors of the Issuer
Eligible Investors	Retail Investors, Sophisticated Investors, Corporate Investors, Qualified Investors and such other persons as may be designated as such by the Issuer
Event of Default	An event of default by the Issuer as set out in Clause 5.13
Financial Indebtedness	In relation to the Issuer, any indebtedness for or in respect of: <ul style="list-style-type: none"> a) moneys borrowed; b) any amount raised by acceptance under any credit facility; c) any amount raised (other than under the private placement) pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument; d) the amount of any liability as lessee in respect of any lease or hire purchase contract which would, in accordance with relevant Accounting Principles, be treated as a finance or capital lease; e) any advance payment or other trade credit received more than 60 days before the scheduled delivery date for the consignment of goods to which it relates; f) receivables sold or discounted (other than any receivables sold on a non-recourse basis); g) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; h) any amount raised pursuant to an arrangement whereby an asset sold or otherwise disposed of by the relevant person may be leased or re-acquired by that person or an Affiliate of that person (whether following the exercise of an option or otherwise); i) any counter-indemnity or reimbursement obligation in respect of any guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; j) any shares which are expressed to be redeemable; and the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (j) above
First Interest Payment Date	27 April 2016
FSC	The Financial Services Commission of Mauritius
Gearing	On a Group basis, total borrowings divided by total borrowings plus equity
Group	The Issuer and its Subsidiaries and Associates
Guarantor	The Mauritius Commercial Bank Limited
Insolvency Proceedings	Any of the proceedings referred to in the Insolvency Act 2009 (as amended)

Term	Meaning
Interest Amount	The amount of interest payable in respect of each Bond, as determined in accordance with Clause 5.6
Interest Payment Date	Has the meaning ascribed to it in Clause 5.6
Interest Period	The period beginning on (and including) the Payment Date and ending on (but excluding) the First Interest Payment Date, and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date
Interest Rate	Has the meaning ascribed to it in Clause 5.6
Issue Date	27 October 2015
Issue Price per Bond	MUR 1,000
Issuer	Compagnie de Beau Vallon Limitée
LCIA-MIAC	The dispute resolution procedures under the London Court International Arbitration – Mauritius International Arbitration Centre
LEC	Listing Executive Committee of The Stock Exchange of Mauritius Ltd
Listing Rules	The rules governing the Official Market of the SEM (as amended)
LP	The present Listing Particulars
Maturity Date	27 October 2020 in respect of both Classes
MCB	The Mauritius Commercial Bank Limited
Nominal Amount	MUR 1,000 per Bond
Normal Course Of Business	Without limiting its market practice ordinary meaning, normal course of business shall include the Issuer's and Union's strategy to leverage on their extensive land bank to generate cash or opportunities through morcellements, strategic sales or developments or otherwise
PPM	Means the private placement memorandum dated 23 September 2015 by virtue of which the Bonds were issued by the Issuer
Permitted Financial Indebtedness	<p>a) Financial Indebtedness incurred by the Company and existing before the date of these LP and includes amounts raised under these LP;</p> <p>b) Any future Financial Indebtedness that does not cause Gearing to exceed 45% at the time the Financial Indebtedness is contracted; and</p> <p>such other Financial Indebtedness that the Issuer and the Bondholders' Representative may from time to time categorise as Permitted Financial Indebtedness</p>
Priority Reservation	c) Has the meaning ascribed to it in Clause 5.8
Qualified Investor	With respect to Class A Bonds, an investor eligible to purchase immovable property in Mauritius in accordance with the Non-Citizens (Property Restriction) Act 1975
Real Estate Developments	The real estate developments under consideration consist of 4 different projects:

Term	Meaning
	<ol style="list-style-type: none"> 1) Le Beau Vallon phase 2 which is an extension of the existing Le Beau Vallon morcellement, consists of a high-class residential development of 84 plots over 26 arpents 2) Le Mahé phase 2 which is an extension of the existing Le Mahé morcellement, consists of a medium-class residential development of 320 plots over 68 arpents 3) Riche-en-Eau is a high-class residential development located in the heart of the sugar estate at Riche-en-Eau and consists of 71 plots over 25 arpents
	<p>Pointe d'Esny is an integrated mixed use high class project developed over 142 arpents around natural ponds at the back of Pointe d'Esny. The project consists of 148 residential plots, apartments, duplex, restaurants and cafés, line shops and extensive landscaped green spaces</p>
Redeemable Secured Floating Rate Bonds	Collectively the Class A Bonds and Class B Bonds issued by the Issuer under the PPM and having the specific terms set forth in these LP
Register	The register maintained by the Registrar as per Clause 5.14
Registrar	MCB Registry and Securities Ltd appointed under the Registrar Agreement
Registrar Agreement	The agreement entered into by the Issuer and the Registrar for the purposes of appointing the latter as calculation agent, paying agent and registrar and transfer agent pertaining to the issue of the Bonds
Reference Rate	The repo rate as determined by the Bank of Mauritius and currently at 4.40%
Security Interest	Any mortgage, charge, encumbrance, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement (whether conditional or otherwise) having or intended to have a similar effect
SEM	The Stock Exchange of Mauritius Ltd
Senior Lender	MCB in respect of the Senior Secured Liabilities
Senior Secured Liabilities	All principal, interest and any other amounts owed (wholly or partly) by the Issuer to the Senior Lender and secured by fixed and/or floating charge(s) ranking ahead of the Charge as at the date of the PPM
Sophisticated Investors	Has the meaning ascribed to it in the Securities Act 2005
Subsidiary	Has the meaning ascribed to it in the Accounting Principles
Total Aggregate Nominal Amount	The amount raised by the Company which is MUR 1,034,006,000
Transaction Documents	<p>The following documents:</p> <ol style="list-style-type: none"> a) these LP (together with all schedules hereto); b) the Charge; c) the Bank Guarantee; d) the Agency Agreement; and

Term	Meaning
	any other document designated a "Transaction Document" by the Issuer and the Bondholders' Representative
US Person	<p>a) any natural person resident in the United States, including any U.S. resident who is temporarily outside the United States;</p> <p>b) any corporation, partnership, limited liability company or other entity organised or incorporated under the laws of the United States;</p> <p>c) any estate of which any executor or administrator is a U.S. Person;</p> <p>d) any trust of which any trustee is a U.S. Person;</p> <p>e) any agency or branch of a foreign entity located in the United States;</p> <p>f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person;</p> <p>g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident, in the United States; and</p> <p>h) any corporation, partnership, limited liability company or other entity if (1) organised or incorporated under the laws of any non-U.S. jurisdiction and (2) formed by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) promulgated under the U.S. Securities Act) which are not natural persons, estates or trusts</p>
	Notwithstanding the foregoing, the following persons do not constitute "U.S. Persons" for purposes of these LP:
	<p>a) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident, in the United States;</p> <p>b) any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person if (i) an executor or administrator of the estate which is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate and (ii) the estate is governed by non-U.S. law;</p> <p>c) any trust of which any professional fiduciary acting as trustee is a U.S. Person shall not be deemed a U.S. Person if a trustee who is not a U.S. Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. Person;</p> <p>d) an employee benefit plan established and administered in accordance with the laws of a country other than the United States and customary practices and documentation of such country;</p> <p>e) any agency or branch of a U.S. Person located outside the United States if (i) the agency or branch operates for valid business reasons and (ii) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and</p>

Term	Meaning
	f) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans