

## REPURCHASE AGREEMENT TERM SHEET

**BUYER**

**ACCOUNT NUMBER**

**CLIENT ID**

**SELLER**

**First Citizens Investment Services**

**INVESTMENT DETAILS**

<b>Investment Amount</b>	<b>Term of Transaction</b>	<b>Contractual Currency</b>
<b>Purchase</b>	<b>Repurchase</b>	<b>Repurchase</b>
<b>Date</b>	<b>Date</b>	<b>Rate</b>

**PURCHASED SECURITIES**

SECURITY ISSUER	SECURITY TYPE	MARGIN RATIO	CURRENCY	FACE VALUE	MARKET VALUE

**CUSTODIAN OF PURCHASED SECURITIES**

**SUBSTITUTION OF PURCHASED SECURITIES**

If the Seller requests, and the Buyer agrees, the Purchased Securities stated herein may be substituted for Equivalent Securities of similar credit risk or better. Equivalent Securities may also include cash. In the event that the Seller is unable to contact the Buyer, the Buyer agrees that the Seller may proceed with the substitution.

**RISKS OF TRANSACTION**

See overleaf of Term Sheet

**EARLY TERMINATION**

If the Buyer terminates the transaction prior to the Repurchase Date, the Buyer agrees-

- (i) To provide fourteen(14) days' notice to the Seller of such early termination; and
- (ii) To be subject to a revised Repurchase Price that reflects 50% of the stated Repurchase Rate if termination occurs after half of the agreed tenor has elapsed and a 0% Repurchase Rate otherwise.

**MATURITY OF AGREEMENT**

If First Citizens Investment Services is unable to contact the buyer by the maturity date, we reserve the right to roll the investment on terms based on available securities and prevailing market conditions.

**DOCUMENTATION**

1. Executed Term Sheet
2. KYC documentation
3. Other documents required by the Seller

**GOVERNING LAW**

Saint Vincent and the Grenadines

**Signed on Behalf of the Seller:**

Authorised Signatory 1	Authorised Signatory 2	Date
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**Signed and Accepted on Behalf of the Buyer:**

Name	Signature	Date
Name	Signature	Date



## REPURCHASE AGREEMENT TERM SHEET

### RISK DISCLOSURE STATEMENT

1. The risks highlighted below represent the principal risk inherent in the Repurchase Agreement. Each of the risks highlighted below could have a material adverse effect on the Buyer's business, operations, financial conditions or prospects. Buyers should note that the risks described below are not the only risk that the Buyers may face or that may arise. The Seller has described only those risks that it considers to be material. There may be additional risks that the Seller currently considers not to be material or of which it is not currently aware and any of these risks could have negative effects for the Buyer. Because of these and other risk factors, Repurchase Agreements may not be suitable for all investors. The value of any securities purchased or sold in connection with a Repurchase Agreement may vary significantly from time to time and may be influenced by many factors including changes in interest rates, foreign exchange rates, default rates, operational or financial conditions of companies, regulatory changes, general market events, world events and other factors. Prior to entering into any such transaction, the Buyer should determine, with the help of investment, legal, tax, regulatory and accounting advisors, the economic risks and merits, as well as the legal, tax, regulatory and accounting characteristics and consequences, of the Transaction.
2. First Citizens Investment Services Limited is a broker/dealer registered under the Securities Act CAP 261 of the revised laws of Saint Vincent and the Grenadines (2009) and therefore authorized as a Repurchase Agreement Seller. Repurchase Agreements are not deposits.
3. The Buyer is exposed to the following risks arising from the Repurchase Agreement:
  - a. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Buyer is exposed to interest rate risk through the effect of fluctuations in the prevailing levels of interest rate which may result in changes in the fair value of the underlying security associated with the Repurchase Agreement.

The Seller is obliged to provide additional security for the invested amount of the Repurchase Agreement by way of security substitution or additional margin in the event of adverse changes in the fair value of the underlying security associated with the Repurchase Agreement.
  - b. Credit Risk

Credit risk is the risk of loss of principal or loss of interest stemming from the Seller's failure to meet a contractual obligation. The Buyer faces the risk of loss in the event that the Seller defaults on its financial obligations under the terms of the Repurchase Agreement. In the event of a default by the Seller the Buyer faces the risk of loss in the event that the Issuer of the underlying security associated with the Repurchase Agreement fails to meet its obligations as specified in the terms and conditions of the underlying security.

The Buyer's credit exposure at any time is equivalent to the amount invested plus accrued interest. This exposure is offset by the market value of the underlying security (plus additional margin) identified in the Repurchase Agreement.
  - c. Counterparty Risk

Counterparty risk is the risk to each party of a contract that the counterparty will not adhere to its contractual obligations in the specified timeframes. The Buyer faces the risk of loss in the event that the Seller fails to adhere to its contractual obligations over the life of the Repurchase Agreement.
  - d. Liquidity Risk

Liquidity risk is the risk stemming from the lack of marketability of an investment that cannot be bought or sold in a timely manner to prevent or minimize a financial loss. The Buyer faces this risk of loss in the event that the Seller defaults on its financial obligations under the terms of the Repurchase Agreement.
  - e. Operational Risk

Operational risk is the risk that is derived from the deficiencies relating to the Seller's information technology and control systems as well as the risk of human error and natural disasters. The Buyers faces the risk of loss due to the Seller's failure to continuously evaluate, maintain and upgrade existing systems and processes.
  - f. Compliance Risk

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of Saint Vincent and the Grenadines. The Buyer faces risk of loss due to the Seller's failure to continuously monitor controls to ensure compliance with laws and regulations of Saint Vincent and the Grenadines.
4. The Seller would be the sole determinant of the fair market value of the underlying security as specified in the Repurchase Agreement. The Seller may determine the fair market value by asking for quotations from brokers or the Seller can employ the use of an internal valuation for the purposes of determining the fair market value.