

The Mauritius Union Assurance Cy. Ltd

INFORMATION NOTE

Principal terms of the Share Option Scheme to be set up by
The Mauritius Union Assurance Cy. Ltd

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR ATTENTION

For a full appreciation of this document, it should be read in its entirety. If you are in doubt about the action you should take, you should consult your financial adviser, your investment dealer or any other independent adviser immediately.

This document is not an invitation to the public to subscribe for shares in The Mauritius Union Assurance Cy. Ltd (“MUA” or the “Company”). An application has been made for the listing of up to 1,156,000 ordinary shares (the “Shares”) on the Official Market of the Stock Exchange of Mauritius Limited (“SEM”) by way of block listing in terms of the Share Option Scheme.

The SEM and Listing Executive Committee assume no responsibility for the contents of this document, make no representation as to the accuracy or completeness of any of the statements made or opinions expressed therein and expressly disclaim any liability whatsoever for any loss arising from or in reliance upon the whole or any part of the contents of this document.

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TABLE OF CONTENTS

1 Introduction	2
2 Purpose	2
3 Administration	2
4 Participation	2
5 Shares Available For The SOS	2
6 Terms Of The SOS	2
7 Rights Attached To The Shares Issued Pursuant To SOS	3
8 Retention Period	3
9 Taxation	3
10 Glossary	3
Notice of Meeting to Shareholders	4

1. INTRODUCTION

On 30 March 2018, the board of directors of MUA (the “Board”) has approved the setting up of a Share Option Scheme (“SOS”) to selected members of its executive management team, subject to the approval of the relevant authorities and that of the shareholders of MUA (the “Shareholders”).

In line with the above, an application has been made for the listing of up to 1,156,000 ordinary shares on the Official Market of the SEM by way of block listing in terms of the SOS.

2. PURPOSE

The objectives of the SOS are as follows:

- Focusing key staff on long-term objectives to build sustainable value;
- Delivering value to Shareholders by focussing the executive management team on growth of the share price;
- Aligning the objectives of management with those of the Shareholders; and
- Encouraging the adoption of a team environment and business culture.

3. ADMINISTRATION

The SOS will be administered by the Company in line with the terms of the present document. The Board shall be entitled to establish such rules and regulations as they deem necessary for the proper administration of the SOS.

4. PARTICIPATION

The Board may, in its absolute discretion, select members (referred to as the “Eligible Members”) of the executive management team of MUA and its subsidiaries (collectively referred to as the “Group”) to grant an option to subscribe for Shares in MUA (the “Option”).

The Company must issue to such Eligible Members a letter (“Offer Letter”) inviting him to become a Participant in the SOS.

On acceptance of an Offer Letter, an Eligible Member becomes a Participant to the SOS and an agreement comes into effect between the Company and the Participant on the terms of the Offer Letter.

The number of Options, which may be offered for subscription to an Eligible Member, shall be at the discretion of the Board. The allocation of any Option made to each Eligible Member by the Board shall be separate, independent and confidential.

Any Option offered to a Participant cannot be assigned, transferred, encumbered or disposed of.

5. SHARES AVAILABLE FOR THE SOS

The SOS is subject to an aggregate maximum number of Shares which may be utilised and the SOS would be allowed to grant Shares up to a maximum dilution of 2.5% of Shareholders (“Maximum SOS Allocation”). Based on the current capital structure, this represents a maximum of 1,156,000 Shares, which can be issued to Participants. Should the capital structure change, an approval for listing will be sought from the SEM for any additional Shares issued in connection with the SOS.

The Maximum SOS Allocation shall be adjusted in the case of a change in the capital structure of the Company, in such a manner that gives a Participant entitlement to the same proportion of Options as that to which he was entitled before the change in capital structure.

Shares to be allocated in the context of exercise of Options will be newly issued ordinary shares by the Company. An application has been made to the SEM for the listing of the Shares to be issued upon the exercise of the Options. Upon approval of the SEM, a copy of the present document shall be filed with the Financial Services Commission.

6. TERMS OF THE SOS

The proposed SOS will be implemented as from 1 January 2018 and Participants shall be granted options to subscribe for Shares in MUA as from 1 April 2021 up to 31 March 2023 (the “Exercise Period”); the duration of the SOS will be spread over 5 years. Any Option not exercised up to 21 March 2023 shall be forfeited.

The exercise price per share will be equivalent to the weighted average of the market price of the last three months as from the date of the implementation of the Option (the “Exercise Price”), as may be adjusted to reflect any change in capital structure.

Participants who have exercised their Options will either have their ordinary shares credited to their CDS accounts or have their share certificates posted to them.

If there is termination of employment with the Group by the Participant prior to the Exercise Period, any Option granted shall be forfeited by the Participant. This is not applicable in case of normal retirement or otherwise decided by the Board.

7. RIGHTS ATTACHED TO THE SHARES ISSUED PURSUANT TO SOS

The ordinary shares acquired pursuant to the SOS will rank *pari passu* in all respects with existing ordinary shares issued, including for voting purposes and in full for all dividends and distributions on ordinary shares declared, made or paid after their issue and for any distributions made on a winding up of the Company. Each ordinary share acquired pursuant to the SOS shall confer upon its holder the right to one vote on a poll at a meeting of the Company on any resolution.

Prior to exercise of an Option, the Participant has no right as a shareholder of MUA.

8. RETENTION PERIOD

There is no retention period attached to the Shares acquired pursuant to the SOS and these will be eligible for trading as from 1 April 2021.

9. TAXATION

Participants will be wholly and solely liable for any tax liability that may arise from exercising share options granted under the SOS.

10. GLOSSARY

Term	Definition
Board	The Board of Directors of MUA
Company	The Mauritius Union Assurance Cy. Ltd
Eligible Members	Selected members of the executive management team who are eligible for Options under the SOS
Exercise Period	From 1 April 2021 up to 31 March 2023
Group	MUA and its subsidiaries
Maximum SOS Allocation	Granting of Shares up to a maximum dilution of 2.5% of Shareholders
MUA	The Mauritius Union Assurance Cy. Ltd
Offer Letter	Letter issued by the Company inviting an Eligible Member to become a Participant in the SOS
Option	Option to subscribe to MUA Shares based on the terms of the SOS
Participant	An Eligible Member who has accepted the terms of the Offer Letter
SEM	Stock Exchange of Mauritius Limited
Share	Ordinary shares of MUA
SOS	Share Option Scheme
Shareholders	Shareholders of MUA