
SERIES 1 TRUST DEED

BETWEEN

DUFIL PRIMA FOODS PLC
RC No. 438802

AND

ARM TRUSTEES LIMITED
RC No. 322271

AND

STANBIC IBTC TRUSTEES LIMITED
RC 846900

IN CONNECTION WITH THE

**₦10,000,000,000 (TEN BILLION NAIRA) UNSUBORDINATED AND
UNSECURED 18.25 % FIXED RATE BONDS DUE 2022 (SERIES I)
ISSUANCE BY DUFIL PRIMA FOODS PLC**

DATED 18TH SEPTEMBER, 2017

Prepared by:



St. Nicholas House (10th & 13th floors),
Catholic Mission Street,
Lagos

**THE TRUSTEES WILL BE LIABLE FOR BREACH OF THEIR DUTIES WHERE THEY FAIL TO CARRY OUT
THEIR RESPONSIBILITIES UNDER THIS TRUST DEED OR TO REPORT ANY BREACH OF THE TERMS TO
THE SECURITIES AND EXCHANGE COMMISSION.**

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THIS SERIES 1 TRUST DEED is made this 18th September, 2017

BETWEEN

DUFIL PRIMA FOODS PLC with RC No. 438802, a company duly incorporated in Nigeria and having its registered office at 44 Jimoh Odutola Street, off Eric-Moore, Surulere-Lagos State (hereinafter referred to as the "Issuer" which expression shall, where the context so admits, include its successors-in-title and assigns) of the first part;

AND

ARM TRUSTEES LIMITED a private company duly incorporated in Nigeria with RC No. 322271 and having its registered office at 1, Mekunwen Road, Off Oyinkan Abayomi Drive, Ikoyi, Lagos (hereinafter referred to as "ARM Trustees" which expression shall, where the context so admits, include its successors-in-title and assigns); and

STANBIC IBTC TRUSTEES LIMITED a private company duly incorporated in Nigeria with RC No. 846900 and having its principal office at The Wealth House, Plot 1678 Olakunle Bakare Close, Off Sanusi Fafunwa Street, Victoria Island, Lagos State (hereinafter referred to as "Stanbic IBTC Trustees" which expression shall, where the context so admits, include its successors-in-title and assigns) both of the second part

ARM Trustees and Stanbic IBTC Trustees are jointly referred to as the "Trustees" while the Issuer and the Trustees are hereinafter referred to, individually, as the "Party" and, collectively, as the "Parties".

WHEREAS:

- (1) Pursuant to Clause 3.21 of the Issuer's memorandum of association, Article 118 of the Issuer's articles of association (as amended) and by virtue of the resolutions passed by the shareholders at the annual general meeting of the Issuer on 20th May, 2016 and the board of directors of the Issuer on 23rd May, 2016, the Issuer authorised the establishment of the ₦40,000,000,000.00 (forty billion Naira) Bond Issuance Programme for the issuance of the bonds (hereinafter called the "Programme") in such series to be constituted under the Programme Trust Deed and this Trust Deed for the purposes set out in Clause 3 of this Trust Deed.
- (2) The Parties have entered into a Programme Trust Deed dated 16th May, 2017 (which is to be shelf registered) for the raising of funds not exceeding the Programme Limit.
- (3) The Issuer intends to establish the Series 1 Bonds to be issued under the Programme subject to any approvals or authorisations required by law and the Directors have approved the issuance of the Series 1 Bonds in the sum of up to ₦20,000,000,000.00 (twenty billion Naira) through its resolution dated 12th April, 2017.

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Duties

- (4) The Issuer has appointed the Trustees, and the Trustees have also agreed to act as trustees under this Deed, in relation to the ₦10,000,000,000 (Ten Billion Naira) Series 1 Bonds, for the benefit of the Bondholders on the terms and subject to the conditions herein contained.

NOW THIS TRUST DEED WITNESSES as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Programme Trust Deed

The terms of the Programme Trust Deed (including without limitation, the definitions, rules of construction and the miscellaneous provisions) shall apply in this Series 1 Trust Deed and to the Bonds constituted by this Series 1 Trust Deed except to the extent modified in this Series 1 Trust Deed. To that extent or in the event of any conflict between the provisions of this Series 1 Trust Deed and those of the Programme Trust Deed, the provisions of this Series 1 Trust Deed shall prevail over those of the Programme Trust Deed.

1.2 Definitions

In this Series 1 Trust Deed, the terms “Bonds” and “Bondholder” have the meanings given to them in the Programme Trust Deed but, in this Series 1 Trust Deed, refer only to the Bonds of this Series 1, and to the Bondholders of those Bonds in relation to this Series, and in addition:

“**Conditions**” means the terms and conditions of the Series 1 Bonds as set out in the Schedule (*Terms and Conditions*) to this Deed;

“**Coupon Payment Date**” means the date which falls six (6) months after the Issue Date, and every six months thereafter, up to and including the Final Maturity Date;

“**Event of Default**” means the events of default as described in the Programme Trust Deed;

“**Final Maturity Date**” means the date which falls five (5) years after the Issue Date;

“**Issue Date**” means 18th September, 2017;

“**Payment Account**” means the bank account, into which the Issuer shall remit the funds for the payment of the Coupon and Principal Amount to the Bondholders, which is further described in Condition 2.4 of the terms and conditions applicable to the Bonds;

conditions applicable to the Bonds;

“**Pricing Supplement**” means the Supplementary Shelf Prospectus or Pricing Supplement in relation to this Series 1 Bonds;

“**Redemption Date**” means the Final Maturity Date; and

“**Trust Deed**” or “**Deed**” means this Series 1 Trust Deed and includes any document supplemental to this Deed or executed in pursuance of this Deed or any amendments thereof.

1.3 Interpretation

1.3.1 The provisions of Clause 1.2 (Interpretation) of the Programme Trust Deed shall apply to this Deed, *mutatis mutandis*.

1.3.2. The schedule to this Deed forms part of this Deed as if the same were set out and contained in this Deed and shall be read and construed as one document.

1.3.3 Business Day Convention

- (a) When a Coupon Payment Date or a Redemption Date is not a Business Day, then such Interest Payment Date or Redemption Date shall be automatically changed to the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).
- (b) When the day on or by which a payment (other than a payment of principal or interest) is due to be made is not a Business Day, that payment shall be made on or by the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

2. THE BONDS

2.1 The Issuer shall issue and offer the Series 1 Bonds in an aggregate nominal amount of ₦10,000,000,000 (ten billion Naira) and the Bonds issued hereunder shall be constituted by this Deed without further formality.

2.2 The Series 1 Bonds shall constitute a single class and shall be direct unconditional, fixed rate, unsubordinated and unsecured obligations of the Issuer.

2.3 The Bonds constitute an irrevocable obligation of the Issuer and the aggregate amount of the Bonds to be issued hereunder is limited to ₦10,000,000,000 (ten billion Naira) (“Principal Amount”).

- 2.4 The Bonds shall be issued by way of an offer for subscription through a book building process.
- 2.5 Subject to the approval of the Exchange, the Bonds shall be listed on the Exchange and the Issuer undertakes to ensure that the Bonds are listed on the Exchange.
- 2.6 The Bonds will be issued in denominations of ₦1,000.00 (one thousand Naira) each with a minimum subscription of ₦10,000,000.00 (ten million Naira) and multiples of ₦1,000,000.00 (one million Naira) thereafter.
- 2.7 The tenor of the Bonds shall be for a period of 5 (five) years.
- 2.8 The Bonds shall rank pari passu among themselves and equally with all other existing unsubordinated and unsecured obligations of the Issuer, from time to time outstanding, except for obligations mandatorily preferred by law applying to companies generally.

3. PURPOSE

The purpose for which the proceeds of the Bonds are to be utilised shall be as set out in the Pricing Supplement.

4. RATE OF COUPON

Coupon shall be payable on the Bonds at a fixed rate of 18.25% per annum.

5. COVENANTS, REPRESENTATIONS AND WARRANTIES

5.1 Covenants

5.1.1 The covenants of the Issuer in Clause 7 of the Programme Trust Deed shall be read as part of this Trust Deed and unless the context otherwise requires, the Programme Trust Deed and the terms and conditions specified therein shall, except to the extent revised by the terms hereof, remain in force and shall be binding on the parties.

5.1.2 The Issuer shall be responsible for the payment of the rating review/maintenance fee in the manner agreed upon by the Issuer and the Rating Agency.

5.2 Representations and Warranties

5.2.1 The representations and warranties of the Issuer and the Trustees in Clause 10 of the Programme Trust Deed shall be read as part of this Trust

Deed unless the context otherwise requires.

5.2.2 In addition to clause 5.2.1 above, the Issuer represents and warrants to the Trustees that as at the date of this Deed and the Closing Date of this Series 1 Bond:

- (a) it has due power and authority to own its assets and to carry on its business as it is being conducted; and
- (b) none of the Events of Default contained in Condition 18 of the Second Schedule to the Programme Trust Deed has occurred and is continuing.

6 EVENTS OF DEFAULT

Upon the occurrence of an Event of Default (as defined in the Programme Trust Deed), the Trustees may at their discretion, or shall upon request in writing by the Majority Bondholders present and voting at a special meeting duly convened for that purpose, and in each case is indemnified to its satisfaction, give notice in writing to the Issuer, (a “**Bond Acceleration Notice**”) declaring the Bonds to be immediately due and payable. When a Bond Acceleration Notice is given, all Bonds will become immediately due and payable in accordance with the terms of this Trust Deed at their Principal Amount Outstanding together with accrued but unpaid interest without further action or formality.

7 COMPLIANCE WITH THE ISA

The Trustees in exercise of the powers and discretions vested in them pursuant to these presents shall comply with the provisions of the ISA.

8 GOVERNING LAW AND JURISDICTION

This Trust Deed shall be governed by and construed in accordance with Nigerian law and the Courts of the Federal Republic of Nigeria shall have exclusive jurisdiction to determine any dispute arising out of or in connection with this Trust Deed.

9 COUNTERPARTS

This Trust Deed may be executed simultaneously in any number of counterparts, each of which shall be deemed to be an original, but all of which taken together, shall constitute one and the same instrument.

10 PAYMENT CURRENCY

The currency for repayment of the Bonds shall be in Nigerian Naira, and this

clause shall not be amended without the written confirmation of the Parties.

SCHEDULE - TERMS AND CONDITIONS

The following is the text of the general terms and conditions which, (save for the italicised text), will apply to the Bonds.

Words and expressions defined in the Series 1 Trust Deed (as same may be amended, varied or supplemented from time to time with the consent of the Parties thereto) are expressly and specifically incorporated into and shall apply to these Conditions.

Capitalised terms used but not defined in these Conditions shall have the meanings attributed to them in the Series 1 Trust Deed unless the context otherwise require or unless otherwise stated.

1. FORM, DENOMINATION AND TITLE

1.1 Form and Denomination

The Bonds shall be issued in registered form in denominations of ~~N~~1,000.00.00 (one thousand Naira), and the Bonds issued under this Trust Deed shall be fixed rate bonds.

The Bonds will be issued in uncertificated (dematerialised or book-entry) form, which shall be registered with a separate securities identification code with the CSCS in addition to being registered in the Register of Bondholders.

1.2 Title

Title to the Bonds shall be effected in accordance with the rules governing transfer of title in securities held in the CSCS.

In these Conditions, the terms 'Bondholders' and (in relation to a Bond) 'holder' means the person in whose name a Bond is registered in the Register of Bondholders in relation to the Series 1 Trust Deed.

1.3 Status of the Bonds

The Bonds are direct, unconditional, unsubordinated and unsecured obligations of the Issuer as set out in this Condition, which shall at all times rank pari passu and without any preference among themselves. The payment obligations of the Issuer under the Bonds and in respect of principal and any Coupon thereon shall at all times rank equally with all other unsubordinated and unsecured obligations of the Issuer, present and future but in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

2. REPAYMENT

2.1 Repayment of Principal

Subject to Clause 1.3.3 of this Trust Deed (*Business Day Convention*), the Principal Amount on the Bonds will be repaid as a lump sum on the Final Maturity Date.

2.2 Coupon

2.2.1 The rate of the Coupon applicable to the Bonds in relation to the Principal Amount shall be a fixed rate of 18.25%

2.2.2 Coupon shall be payable semi-annually, in arrears on the Coupon Payment Date in each year. The first Coupon Payment Date shall be the date which falls six months after the Issue Date.

2.2.3 The Coupon shall be calculated on the basis of the actual number of days elapsed divided by the actual number of days in a year.

2.3 Method of Payment of Principal Money, Coupon and Premium

The provisions of Condition 15 (*Method of Payment of Principal Money, Coupon and Premium*) of the Second Schedule to the Programme Trust Deed will apply mutatis mutandis to the Series 1 Bonds.

2.4 Payment Mechanism

2.4.1 The Issuer shall establish an account which shall be referred to as the Payment Account no later than 7 (seven) Business Days after the Issue Date which shall be pledged in favour of the Bondholders and which shall be under the custody and administration of the Trustees.

2.4.2 The Issuer shall ensure that the amount to meet any of its payment obligations under this Trust Deed, i.e. Principal Amount and Coupon, shall be paid into the Payment Account at least 4 (four) Business Days before the next Coupon Payment Date or Final Maturity Date as the case may be.

3. Redemption

3.1 Unless previously repaid (in accordance with Condition 2.1) or purchased (in accordance with Condition 4) and cancelled, the Issuer will redeem the Bonds in accordance with Condition 3.2.

3.2 Pro rata Redemption

Any redemption of the Bonds required to be made under this Deed, pursuant to Condition 3 (*Redemption*) of the Second Schedule to the Programme Trust Deed, shall be on a pro rata basis.

4. Purchase of Bond by The Issuer

The Issuer may at any time and from time to time purchase any part of the Bonds through the market or by tender (available to all Bondholders alike) but not otherwise. Any Bond so purchased shall be cancelled and not be available for re-issue.

5. Cancellation of Bonds

Any part of the Bonds redeemed or purchased shall be cancelled and the Issuer shall not keep such Bonds valid for the purpose of re-issue.

6. Covenants by the Issuer

6.1 The provisions of Clause 7 (*Covenants of the Issuer*) of the Programme Trust Deed are hereby incorporated and the Issuer agrees to perform same in relation to this Trust Deed.

6.2 The provisions of Condition 6 (*Covenants by the Issuer*) of the Second Schedule to the Programme Trust Deed are hereby incorporated in relation to this Trust Deed.

7. Trusts

The provisions of Condition 11 (*Trusts*) of the Second Schedule to the Programme Trust Deed are hereby incorporated in relation to this Trust Deed.

8. Freedom from Equities

The provisions of Condition 12 (*Freedom from Equities*) of the Second Schedule to the Programme Trust Deed are hereby incorporated in relation to this Trust Deed.

9. Transfers

9.1 The Bond is transferable in amounts or integral multiples of an amount of ₦1,000,000.00 (one million Naira). Transfers of the Bond shall be by an instrument in writing in any form the Issuer and the Trustees may approve. **PROVIDED THAT** the dematerialised Bonds shall be transferred on the Exchange in accordance with the rules and regulation of the Exchange.

Bondholders who wish to trade the Bonds on the Exchange may do so after the Bonds have been listed on the Exchange.

9.2 With respect to the Bonds:

- (i) every instrument of transfer must be signed by or on behalf of the transferor or where the transferor is a corporation, properly executed according to its constitutional documents, and the transferor shall be deemed to remain the owner of the Bonds until the name of the transferee is entered in the Register;
- (ii) every instrument of transfer must be left for registration at the place where the Register shall for the time being be kept and shall accompanied by such evidence as the Issuer may require to prove the title of the transferor or his right to transfer the Bond and (if the instrument of transfer is executed by some other person on his behalf) the authority of that person so to do: and
- (iii) all instruments of transfer which shall be registered will be retained by the Issuer.

9.3 Closed Periods: No Bondholder may require the transfer of a Bond to be registered during the period of 15 (fifteen) days ending on the due date for any payment of principal or Coupon on that Bond.

10 Transmission

10.1 In the case of the death of a Bondholder, the survivor or survivors where the deceased was a joint holder and the executor or administrator of the deceased where he was a sole or only surviving holder shall be the only person recognised by the Issuer as having any title to such Bond.

10.2 Any person becoming entitled to any Bond in consequence of the death or bankruptcy of any Bondholder or of any other event giving rise to the transmission of such Bond by operation of law may upon producing such evidence that he sustains the character in respect of which he proposes to act under this condition or of his title as the Registrar shall think sufficient, may be registered as the holder of such Bond or subject to Condition 10 may transfer such Bond without himself being registered as the holder of such Bond.

11. Receipts for Money Paid

Notwithstanding Condition 15 below, if several persons are entered in the Register as joint holders of any Bond, then the receipt of any of such persons of any Coupon or principal or other money payable on or in respect of such Bond shall be as effective a discharge to the Issuer as if the person signing such

receipt were the sole registered holder of such Bond.

12. Events of Default

The Events of Default set out in Condition 18 of the Second Schedule to the Programme Trust Deed are hereby incorporated and shall, except to the extent revised by the terms hereof, remain in force and shall be binding on the Parties.

13. Notices

The provision of Condition 19 (*Notices*) of the Programme Trust Deed will apply to the notices in connection with the Bonds.

14. Meetings of Bondholders

The rights and duties of the Bondholders in respect of attendance at meetings of Bondholders are set out in the Third Schedule of the Programme Trust Deed (*Provisions for Meetings of Bondholders*)

15. Governing Law

The Bonds are governed by, and shall be construed in accordance with, the laws of the Federal Republic of Nigeria.

16. Dispute Resolution

The provisions of Clause 38 (*Dispute Resolution*) of the Programme Trust Deed will apply to any dispute that may arise in connection with the Bonds.

IN WITNESS WHEREOF the Parties have executed and delivered this Deed the day and year first above written.

The Issuer

THE COMMON SEAL of DUFIL PRIMA FOODS PLC was hereunto affixed in the presence of:



Name:
DIRECTOR



.....
DIRECTOR/SECRETARY

The Trustees

THE COMMON SEAL of ARM TRUSTEES LIMITED was hereunto affixed in the presence of:

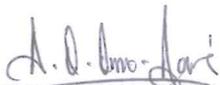
FOLASHADE ADELOYE


Name:
DIRECTOR

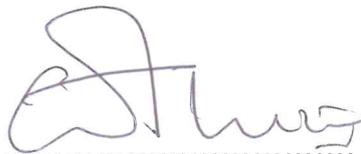


.....
SADIQ MOHAMMED
DIRECTOR/SECRETARY

THE COMMON SEAL of STANBIC IBTC TRUSTEES LIMITED was hereunto affixed in the presence of:



Name:
ARUWA OMO-DARE
DIRECTOR



.....
CHIDI OKEZIE
DIRECTOR/SECRETARY

THE WITHIN INSTRUMENT IS IN THE OPINION OF THE COMMISSIONER OF STAMP DUTIES CHARGED WITH A DUTY OF ₦50 AND THE DUTY THEREON HAS BEEN ASSESSED ACCORDINGLY, COMMISSIONER OF STAMP DUTY