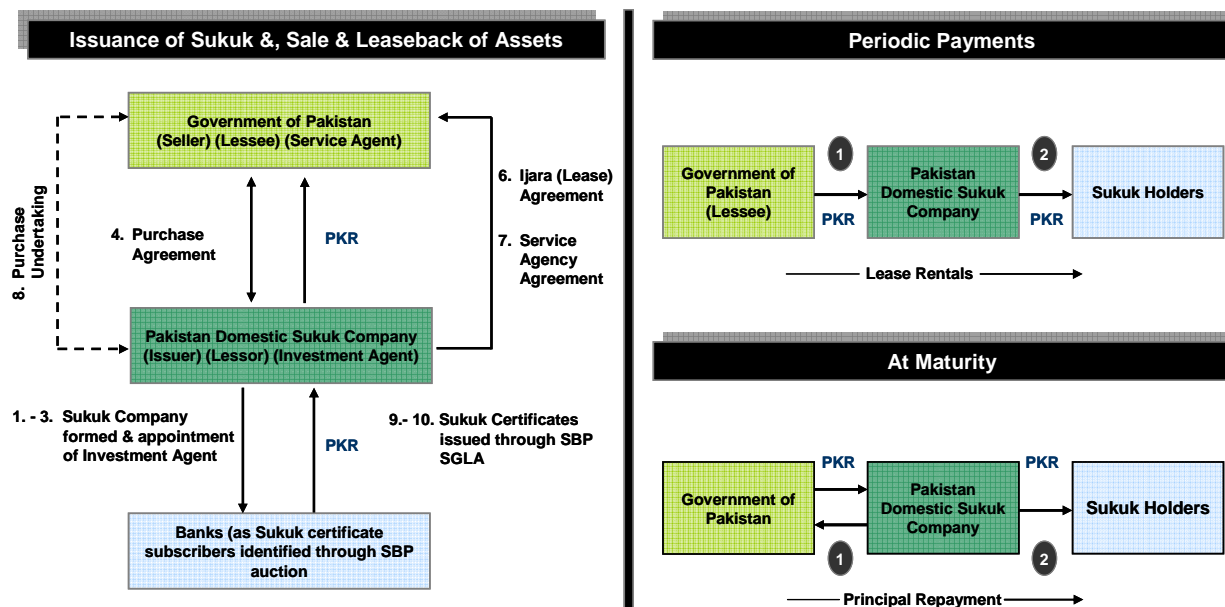


ANNEXURE – “C”

Structure and Documentation Brief

I. Facility Structure Synopsis – Diagrammatic Illustration



II. Facility Structure Synopsis – Explanation:

A Special Purpose Company, wholly owned by the Ministry of Finance, Government of Pakistan, has been formed to act for and on behalf of Sukukholders, namely, Pakistan Domestic Sukuk Company Limited (the “SPC”).

State Bank of Pakistan (“SBP”) will conduct an auction by which Sukuk Investors will be identified.

Pursuant to the **Certificate Subscription Undertaking**, Sukuk Investors will appoint the SPC as Investment Agent.

The SPC will enter into a **Purchase Agreement** with Government of Pakistan or National Highway Authority (“GOP”) for purchase of certain pre-identified tangible assets, such as a portion of the M3 Motorway for the first Sukuk issue (“Sukuk Assets”) at an agreed price (“Purchase Price”) equivalent to the Sukuk issue (“Sukuk”) amount.

Pursuant to a **Declaration of Trust**, the SPC (as Trustee) will declare its responsibilities towards the Sukukholders.

The SPC (as Lessor) will enter into an **Ijara Agreement** with GOP (as Lessee) wherein SPC will lease the Sukuk Assets for a fixed period, being 3 years in case of the first Sukuk issue. Lease Rentals will be paid on a semi-annual basis, i.e. a total of 6 lease rental periods for the first Sukuk issue.

Lease Rental means an amount equal to the product of (i) the Rental Rate for such rental period, (ii) the Margin, (iii) the number of days in such rental period divided by 365, and (iv) the face value of the Sukuk issue, plus the Supplementary Rental for such Rental Period

Supplementary Rental means expenses incurred by the Service Agent in respect of maintenance,

repair and insurance of the Sukuk Assets equal to the amount payable by the SPC under the Service Agency Agreement (as notified to the SPC by the Service Agent) in respect of the most recently expired lease period

Major Maintenance, Repair and Insurance responsibilities will be undertaken by the SPC (as beneficial owner of Sukuk Assets) but may be delegated to GOP as Service Agent under a **Service Agency Agreement** in consideration for a nominal fee.

At maturity or upon an Event of Default, GOP undertakes to purchase (pursuant to a **Purchase Undertaking**) the Sukuk Assets at the Exercise Price. The Purchase Undertaking (Wa'd) clearly states that the Exercise Price will be an amount equal to the initial cost of the Sukuk Assets plus any accrued amounts under the Ijara Agreement with respect to the Supplementary Rental.

Banks subscribe to their respective share of the Sukuk Issue through the Subsidiary General Ledger Account ("SGLA") mechanism

SPC (as Issuer) will issue Sukuk Certificates, the proceeds of which it will use to purchase of the Sukuk Assets. Each sukuk certificate will represent an undivided interest in the Sukuk Assets.

III. Key Documentation:

Documents	Signatories	Purpose
Purchase Agreement & Sale Deed	<ul style="list-style-type: none"> ▪ GOP as Seller ▪ SPC as Purchaser 	GOP sells Asset Pool to SPC
Ijara (Lease) Agreement	<ul style="list-style-type: none"> ▪ SPC as Lessor ▪ GOP as Lessee 	SPC leases Asset Pool to GOP
Service Agency Agreement	<ul style="list-style-type: none"> ▪ SPC as Issuer & Lessor ▪ GOP as Service Agent 	Service Agent to perform certain functions on behalf of SPC
Purchase Undertaking	<ul style="list-style-type: none"> ▪ GOP 	GOP undertakes to purchase the assets either upon an event of default or maturity
Declaration of Trust	<ul style="list-style-type: none"> ▪ SPC as Issuer & Trustee ▪ SBP BSC as delegate 	SPC declares trust on the assets, on behalf of the Sukuk holders and appoints SBP as the delegate
Agency Agreement	<ul style="list-style-type: none"> ▪ SPC ▪ SBP BSC 	SPC appoints SBP BSC as the Paying Agent, Registrar & Reference Agent
Certificate Issuance Undertaking	<ul style="list-style-type: none"> ▪ GOP & SPC 	SPC appointed as Agent to perform certain functions on behalf of Investors
Certificate Subscription Undertaking	<ul style="list-style-type: none"> ▪ Investors 	Investors agree to subscribe to the Sukuk certificates
Costs Undertaking	<ul style="list-style-type: none"> ▪ GOP 	GOP undertakes to pay fees & expenses, & provide indemnities associated with the Sukuk Issuance