

**AMENDED AND RESTATED SUPPLEMENTARY PROGRAMME MEMORANDUM DATED
30 JULY 2021
TO THE PROGRAMME MEMORANDUM DATED 4 November 2011**



BBS LIMITED

(Registered as a Company in terms of the Companies Act (Cap 42:01) of the Laws of Botswana)

BWP 2 000 000 000

(Domestic Medium Term Note Programme)

On 4 November 2011, BBS Limited (the “**Issuer**”) established a BWP 2 000 000 000 Domestic Medium Term Note Programme (the “**Programme**”). The Issuer has amended the Programme further to reflect an updated and revised Programme. Accordingly, this Programme Memorandum supersedes and replaces the Programme Memorandum dated 04 November 2011. Any Notes (as defined below) issued under the Programme on or after the date of this Programme Memorandum are subject to the provisions described herein. This Programme Memorandum does not affect any Notes issued before the date of this Programme Memorandum.

Under this Programme Memorandum, the Issuer may from time to time issue Notes denominated in any currency agreed by the Issuer and further subject to all Applicable Laws (as defined herein) and, in the case of Notes listed on the BSE (as defined herein) or such other Securities Exchange(s) (as defined herein) as may be determined by the Issuer and the relevant authority, the listings requirements of the BSE or such other Securities Exchange(s), that are subject to the terms and conditions (the “**Terms and Conditions**”) contained in this Programme Memorandum. Any other terms and conditions not contained in the Terms and Conditions that are applicable to any Notes, replacing or modifying the Terms and Conditions, will be set forth in a pricing supplement (the “**Applicable Pricing Supplement**”).

Capitalised terms used in this Programme Memorandum are defined in the section of this Programme Memorandum headed “*Terms and Conditions of the Notes*”, unless separately defined, and/or in relation to a Tranche of Notes, in the Applicable Pricing Supplement.

As at the Programme Date, the Programme Amount is BWP 2,000,000,000, respectively. This Programme Memorandum will apply to the Notes issued under the Programme in an aggregate outstanding Nominal Amount which will not exceed BWP 2,000,000,000, unless such amount is increased by the Issuer as described more fully in the section of this Programme Memorandum headed “*General Description of the Programme*”.

The Notes may comprise, without limitation, Fixed Rate Notes, Floating Rate Notes, Mixed Rate Notes, Indexed Notes, Partly Paid Notes, Instalment Notes, Zero Coupon Notes and/or such combination of the foregoing Notes and/or such other type of Notes as may be determined by the Issuer and specified in the Applicable Pricing Supplement. Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. A Tranche of Notes

will be issued on, and subject to, the Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Tranche of Notes set out in the Applicable Pricing Supplement.

The purpose of this update to the Programme Memorandum is to, *inter alia*,:-

- Update the Programme Memorandum, Information Memorandum (defined below), Agency Agreement, Trust Deed, and incorporate by reference the audited financial statements of BBSL for the year ended 31 December 2020;
- update the risk factors relating to the Notes under the Information Memorandum;
- update the overview of BBSL under the Information Memorandum;
- update the information regarding the directors and management of BBSL under the Information Memorandum,

each as described in further detail below.

This Programme Memorandum has been approved by the BSE. A Tranche of Notes may be listed on the BSE or on such other Securities Exchange(s) as may be determined by the Issuer, subject to all Applicable Laws. A copy of the Applicable Pricing Supplement relating to a Tranche of Notes which is to be listed on the BSE will be delivered to the BSE and the CSDB, before the Issue Date, and the Notes in that Tranche may be traded by or through members of the BSE from the date on which the Notes are listed on the BSE in accordance with the Applicable Procedures.

The settlement of trades on the BSE will take place in accordance with the electronic settlement procedures of the BSE and the CSDB. The Issuer and the Programme are not rated as at the Programme Date, but may be rated by a Rating Agency, on a national or international scale basis after the Programme Date. A Tranche of Notes may, on or before the Issue Date, be rated by a Rating Agency on a national scale or international scale basis. The Applicable Pricing Supplement will reflect the Rating, if any, which has been assigned to the Issuer and/or the Programme and/or a Tranche of Notes, as the case may be, as well as the Rating Agency or Rating Agencies which assigned such Rating(s).

See section headed “**INVESTOR CONSIDERATIONS/RISK FACTORS**” as set out in the Information Memorandum, as amended and updated from time to time, and incorporated by reference in, and form part of this Programme Memorandum] for a discussion on certain risk factors that should be carefully considered by prospective investors in connection with any investment in the Notes.

Arranger & Placing Agent

Legal Advisor

Sponsoring Broker

Independent Auditors



Calculating & Paying Agent

Transfer Secretary/Agent

Trustee



Programme Memorandum dated 30 July 2021.

GENERAL

Capitalised terms used in this section headed “General” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or it is clearly inappropriate from the context.

The Issuer accepts responsibility for the information contained in this Programme Memorandum and all documents incorporated by reference (see section headed “*Documents Incorporated by Reference*”). To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Programme Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. This Programme Memorandum has been drawn up in compliance with the Companies Act and in accordance with the regulations and requirements of the BSE.

The Issuer, having made all reasonable enquiries, confirms that this Programme Memorandum contains or incorporates all information which is material in the context of the issue and the offering of Notes, that the information contained or incorporated in this Programme Memorandum is true and accurate in all material respects and is not misleading, that the opinions and the intentions expressed in this Programme Memorandum are honestly held and that there are no other facts the omission of which would make this Programme Memorandum or any of such information or expression of any such opinions or intentions misleading in any material respect.

Where any term is defined within the context of any particular clause or section in this Programme Memorandum, the term so defined, unless it is clear from the clause or section in question that the term so defined has limited application to the relevant clause or section, shall bear the meaning ascribed to it for all purposes in this Programme Memorandum, unless qualified by the terms and conditions of any particular Tranche of Notes as set out in the Applicable Pricing Supplement or unless the context otherwise requires. Expressions defined in this Programme Memorandum shall bear the same meaning in supplements to this Programme Memorandum which do not themselves contain their own definitions.

The BSE takes no responsibility for the contents of this Programme Memorandum, Applicable Pricing Supplements, or the annual financial statements, makes no representation as to the accuracy or completeness of any of the foregoing documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of this Programme Memorandum,

the Applicable Pricing Supplements, or the annual financial statements. The Issuer shall accept full responsibility for the accuracy of the information contained in this Programme Memorandum, the Applicable Pricing Supplements, and the annual financial statements, except as otherwise stated herein.

The Arranger, Placing Agent, and the BSE Sponsoring Broker, or any of their respective affiliates, other professional advisers named herein and the BSE have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Arranger, Placing Agent and the BSE Sponsoring Broker, or any of their respective affiliates, other professional advisers named herein as to the accuracy or completeness of the information contained in this Programme Memorandum or any other information provided by the Issuer. The Arranger, Placing Agent and the BSE Sponsoring Broker, or any of their respective affiliates, other professional advisers named herein do not accept any liability in relation to the information contained in this Programme Memorandum or any other information provided by the Issuer in connection with the Programme.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Programme Memorandum or any other information supplied in connection with the Programme and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger, Placing Agent, and the BSE Sponsoring Broker, or any of their respective affiliates, other professional advisers named herein.

Neither this Programme Memorandum nor any other information supplied in connection with the Programme is intended to provide a basis for any credit or other evaluation, nor should it be considered as a recommendation by the Issuer or the Arranger that any recipient of this Programme Memorandum or any other information supplied in connection with this Programme should purchase any Notes.

Each investor contemplating the purchase of any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Programme Memorandum nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuer or the Arranger to any person to subscribe for or purchase any Notes.

The delivery of this Programme Memorandum does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other financial statements or other information supplied in connection with the Programme is correct as at any time subsequent to the date indicated in the document containing the same. The Arranger and Placing Agent expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme. Investors should review, *inter alia*, the most recent financial statements of the Issuer when deciding whether or not to purchase any Notes.

This Programme Memorandum does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Programme Memorandum and the offer or sale of Notes may be restricted by law in certain jurisdictions. None of the Issuer, the Arranger, Placing Agent, the BSE Sponsoring Broker, or any of their respective affiliates, other professional advisers named herein represents that this Programme Memorandum may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering.

In particular, no action has been taken by the Issuer, the Arranger, the BSE Sponsoring Broker, or any of their respective affiliates, other professional advisers named herein which would permit a public offering of any Notes or distribution of this document in any jurisdiction outside of Botswana where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Programme Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations, and the Arranger and Placing Agent has represented that all offers and sales by it will be made on the same terms.

The Notes will be marketed before or after issue to specified persons or to client of the Sponsoring Broker or any other party assisting in the placing of the Notes (including any Placing Agent) ("Private Placement") and also offered to the public generally which takes place immediately prior to the Notes being listed ("Public Offer") as specifically set forth, and/or in relation to a Tranche of Notes, in the Applicable Pricing Supplement. Applications to subscribe for Notes will be accepted from any persons who has received this Programme Memorandum.

The Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the “Securities Act”). Notes may not be offered, sold or delivered within the United States or to US persons except in accordance with Regulation S under the Securities Act.

Prospective investors in the Notes of the Issuer as with any other listed security should ensure that they fully understand the nature of the Issuer’s operations, its valuation and the extent of their exposure to risks, and that they consider the suitability of the Issuer’s Notes as an investment in light of their own circumstances and financial position. The Botswana Stock Exchange’s approval of the listing of the Issuer’s Notes should not be taken in any way as an indication of the merits of the Issuer. The Botswana Stock Exchange has not verified the accuracy and truth of the contents of the documentation submitted to it, and the Botswana Stock Exchange accepts no liability of whatever nature for any loss, liability, damage or expense resulting directly or indirectly from the investment in the said instrument.

SECTION ONE

1. DOCUMENTS INCORPORATED BY REFERENCE

Capitalised terms used in this section headed “Documents Incorporated by Reference” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or it is clearly inappropriate from the context.

1.1. The following documents shall be deemed to be incorporated in, and to form part of, this Programme Memorandum:

1.1.1. all amendment and/or supplements to this Programme Memorandum circulated by the Issuer from time to time;

1.1.2. in respect of any issue of Notes, the audited annual financial statements and notes thereto, of the Issuer, for its 3 (three) financial years prior to such issue (copies of which shall be available free of charge at the registered office or principal place of business of the Issuer and on the website of the Issuer – www.bbs.co.bw);

1.1.3. in respect of any issue of Notes under the Programme, the published annual report (incorporating its audited annual financial statements, together with reports and the notes thereto) of the Issuer and attached to or intended to be read with such audited annual financial statements of the Issuer for its 3 (three) financial years prior to the date of such issue and in respect of all financial years after the programme Date, as and when such published annual report becomes available;

1.1.4. each Applicable Pricing Supplement relating to any Tranche of Notes issued under the Programme;

1.1.5. As at the Programme Date, the following letters of expert consents from;

1.1.5.1. Lambda Capital as the Arranger and Placing Agent;

1.1.5.2. Armstrongs Attorneys as Legal Advisor;

1.1.5.3. Imara Capital Securities as Sponsoring Broker;

1.1.5.4. Ernst & Young as Independent Auditors;

1.1.5.5. Transaction Management Services (Proprietary) Limited t/a Corpserve Botswana as Paying and Calculation Agent; and

1.1.5.6. John Steven Yendall as Trustee.

1.1.6. all information pertaining to the Issuer which is relevant to the Programme and/or this Programme Memorandum which will be electronically submitted through the X-News service established by the BSE, to subscribers,

1.1.7. As at the Programme Date, the information memorandum dated 30 July 2021 containing information pertaining to the business description of the issuer, information relating to risk factors associated with the investment associated with the Note, including, but not limited to the risk factors specific to the issuer, (the Information Memorandum);

1.1.8. the Trust Deed which establishes the Trust and appoints the Trustee for the Noteholders, entered into by the Issuer and the Trustee on the date of this Programme Memorandum (the terms "Trust Deed", "Trust" and "Trustee" being defined in the Terms and Conditions); and

1.1.9. where applicable, any Supplementary Trust Deed executed between the Trustee and the Issuer in respect of a particular Tranche of Notes that is being subscribed for;

save that any statement contained herein or in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Programme Memorandum to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

1.2. The Issuer, for as long as any Note remains Outstanding, will provide without charge, to any person, upon request of such person, a copy of the Programme Memorandum and any of the documents which are incorporated herein by reference, unless such

documents have been modified or superseded, in which case the modified or superseding documentation will be provided, including the most recently obtained beneficial disclosure report made available by the relevant Participant to the CSDB. Requests for such documents should be directed to the Issuer and to the relevant Transfer Agent at their respective registered offices as set out at the end of this Programme Memorandum and/or the Applicable Pricing Supplement. In addition, the constitutive documents of the Issuer will be available at the respective registered offices of the relevant Transfer Agents as set out at the end of this Programme Memorandum.

- 1.3. The Issuer will provide, free of charge, to each person to whom a copy of the Programme Memorandum has been delivered, upon request of such person, a copy of any of the documents deemed to be incorporated herein by reference, and which relate to a Tranche of Notes being subscribed for by such person, unless such documents have been modified or superseded. Request for such documents should be directed to the Issuer at its registered office as set out herein.
- 1.4. The Programme Memorandum, any amendments and/or supplements thereto, and the documents referred to in paragraphs 1.1.1, 1.1.2 and 1.1.3 above will be available on the Issuer's website, <https://www.bbs.co.bw>.
- 1.5. The Issuer will, for so long as any Note remains outstanding and listed on the BSE, publish a new Programme Memorandum or a supplement to this Programme Memorandum, as the case may be, if:
 - 1.5.1. a change in the condition (financial or otherwise) of the Issuer has occurred which is material in the context of the Notes and the Issuer's payment obligations thereunder; or
 - 1.5.2. an event has occurred which affects any matter contained in this Programme Memorandum, the disclosure of which would reasonably be required by Noteholders and/or potential investors in the Notes; or
 - 1.5.3. any of the information contained in this Programme Memorandum becomes outdated in a material respect; or

1.5.4. this Programme Memorandum no longer contains all the materially correct information required by the Applicable Procedures,

provided that, in the circumstances set out in paragraphs 1.5.3 and 1.5.4 above, no new Programme Memorandum or supplement to this Programme Memorandum, as the case may be, is required in respect of the Issuer's audited annual financial statements if such audited annual financial statements are incorporated by reference into this Programme Memorandum and submitted to the BSE within 6 (six) months after the financial year end of the Issuer.

SECTION TWO

2. GENERAL DESCRIPTION OF THE PROGRAMME

Capitalised terms used in this section headed “General Description of the Programme” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or it is clearly inappropriate from the context.

- 2.1. Under this Programme, the Issuer may from time to time issue Notes denominated in any currency having such period of maturity (ies) as may be determined by the Issuer and approved by the BSE and/or such other exchanges on which the Notes may be listed.
- 2.2. The applicable terms of any Tranche of Notes (as defined in the Terms and Conditions) will be agreed between the Issuer and the Arranger prior to the issue of the Notes and will be set out in the Terms and Conditions incorporated by reference into the Notes, as modified and supplemented by the Applicable Pricing Supplement and (as defined in the Terms and Conditions) attached to the Certificates representing such Notes, or where such Notes are to be in Uncertificated registered form, the applicable terms will be noted on the register of Noteholders as maintained by the Transfer Secretary (this is notwithstanding that an electronic register of Noteholders with Uncertificated Notes is maintained by the CSDB).
- 2.3. This Programme Memorandum and any supplement will only be valid for the issue of Notes in an aggregate Nominal Amount which, when added to the aggregate Nominal Amount then outstanding of all the Notes previously or simultaneously issued under the Programme, does not exceed the Programme Amount or its equivalent in other currencies. For the purpose of calculating the BWP equivalent of the aggregate Nominal Amount of the Notes issued under the Programme from time to time, BWP equivalent of the Notes denominated in another Specified Currency (as specified in the Applicable Pricing Supplement) shall be determined as of the date of issue of such Notes on the basis of the spot rate for the sale of the BWP against the purchase of such Specified Currency in the Botswana foreign exchange market, as the case may be, quoted by any leading bank selected by the and in respect of:

- 2.3.1. Zero Coupon Notes and other Notes, the Conversion Rate shall be applied to the Nominal Amount for the relevant issue; and
- 2.3.2. Partly-Paid Notes and Index-Linked Notes, the Conversion Rate shall be applied to the Nominal Amount regardless of the amount paid up on such Notes.
- 2.4. From time to time the Issuer may wish to increase the Programme Amount. Subject to the Applicable Procedures and all Applicable Laws, the Issuer may, without the consent of Noteholders, increase the Programme Amount by delivering a notice thereof to the Noteholders in accordance with Condition 18 (*Notices*) of the Terms and Conditions, and to the Arranger and the BSE. Upon such notice being given to the Noteholders and the conditions set out in the Programme Agreement to the exercise of this right having been met, all references in this Programme Memorandum (and each agreement, deed or document relating to the Programme and/or this Programme Memorandum) to the Programme Amount will be, and will be deemed to be, references to the increased Programme Amount set out in such notice.
- 2.5. This Programme Memorandum will only apply to Notes issued under the Programme on or after the Programme Date. A summary of the Programme and the Terms and Conditions appears below.

3. SUMMARY OF THE PROGRAMME

The following summary does not purport to be complete and is taken from, and is qualified by, the remainder of this Programme Memorandum and, in relation to the terms and conditions of any particular Tranche of Notes, the Applicable Pricing Supplement. Unless the context otherwise requires, defined terms and expressions used herein shall bear the same meaning ascribed to them in the Terms and Conditions or elsewhere in this Programme Memorandum.

- 3.1. **Arranger and Placing Agent** Lambda Capital, further specification as to which is set out in the definitions contained in the Terms and Conditions.
- 3.2. **BSEL** Botswana Stock Exchange Limited, a statutory corporation incorporated in accordance with the laws of

Botswana and a registered Securities exchange in terms of the Securities Act or any exchange which operates as successor exchange to the BSE.

3.3. **Calculation and Paying Agent** In relation to the Tranche of Notes, Transaction Management Services (Proprietary) Limited t/a Corpserve Botswana and in relation to subsequent Tranches of Notes, such person or entity specified in the Applicable Pricing Supplement as the Calculation and Paying Agent.

3.4. **Characteristics of Notes** The Notes may comprise:

Fixed Rate Notes, which will bear interest at a fixed rate, as indicated in the Applicable Pricing Supplement; or

Floating Rate Notes, which will bear interest determined with reference to the rate specified in the Applicable Pricing Supplement.

Indexed Interest Note, which will bear interest by reference to such index and/or formula, as specified in the Applicable Pricing Supplement;

Zero Coupon Notes, which will be offered and sold at a discount to their principal amount and will not bear interest other than in the case of late payment as further indicated in the Applicable Pricing Supplement;

Instalment Note, which shall be redeemable in instalments by the Issuer on an amortised basis on different repayment dates, as specified in the Applicable Pricing Supplement;

Indexed Redemption Amount Note, Notes in respect of which the Final Redemption Amount is calculated by

reference to an index and/or formula, as specified in the Applicable Pricing Supplement;

Mixed Rate Note, Notes which will bear interest over respective periods at differing interest rates applicable to any combination of Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or Indexed Interest Notes, each indicated in the Applicable Pricing Supplement;

Partly Paid Note, Notes which are issue with the Issue Price partly paid and which Issue Price is paid up fully by the Note holder in instalments (and as specified in the Applicable Pricing Supplement);

or such combination of any of the foregoing or such other type of Note as may be determined by the Issuer and specified in the Applicable Pricing Supplement

- 3.5. **Clearing and Settlement** Each Tranche of Notes which is held in the CSDB will be issued, cleared and settled in accordance with the Applicable Procedures through the electronic settlement system of such CSDB. Each Tranche of Notes which is held in the CSDB will be cleared by relevant Participants who will follow the electronic settlement procedures prescribed by the BSE and the CSDB.
- 3.6. **CSDB (also Transfer Secretary/Agent)** The Central Securities Depository Botswana Limited (“CSDB”), a company with limited liability duly incorporated in accordance with the laws of Botswana, and operates as a central depository to the BSE, or such additional, alternative or successor central securities depository as may be agreed between the Issuer and the Arranger and Placing Agent.
- 3.7. **Currency** Botswana Pula, BWP

- 3.8. **Denomination of Notes** Notes will be issued throughout the Programme, subject to a minimum denomination, in consistent and equal denominations as may be agreed between the Issuer and the Arranger as indicated in the Applicable Pricing Supplement.
- 3.9. **Description of Programme** BBS Limited BWP 2 000 000 000 Domestic Medium Term Note Programme.
- 3.10. **Distribution** Notes may be distributed by way of private placement or any other means permitted by Botswana law and in each case on a syndicated or non-syndicated basis as determined by the Issuer and the Arranger and as reflected in the Applicable Pricing Supplement.
- 3.11. **Form of Notes** The Notes will be issued in Certificated or Uncertificated registered form.
- Certificated registered Notes will be represented by Individual Certificates.
- Uncertificated registered Notes will be held by the CSDB, the securities depository of the BSE.
- 3.12. **Governing Law** The Notes will be governed by, and construed in accordance with, the laws of the Republic of Botswana in force from time to time.
- 3.13. **Interest Period(s) or Interest Payment Date(s)** Such period(s) or date(s) as the Issuer and the Arranger may agree and as indicated in the Applicable Pricing Supplement.
- 3.14. **Interest** Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or other variable rate or be index-linked, and the

method of calculating interest will be specified in the Applicable Pricing Supplement.

- 3.15. **Issue and Transfer Taxes** As at the Programme Date, no securities transfer tax or any similar tax is payable in respect of the issue, transfer or redemption of the Notes (see the section of this Programme Memorandum headed "*Taxation*"). Any future transfer duties and/or taxes that may be introduced in respect of (or may be applicable to) the transfer of the Notes will be for the account of Noteholders.
- 3.16. **Issue Price** Notes may be issued at their Nominal Amount or at a discount or premium to their Nominal Amount, as indicated in the Applicable Pricing Supplement.
- 3.17. **Issuer** BBS Limited, a company registered in terms of the Companies Act 42:01, of the laws of Botswana.
- 3.18. **Listing and Trading** The Programme has been approved by the BSE. Notes issued under the Programme may be listed on the BSE (or on a successor exchange to the BSE) and may then be traded on the BSE (or on a successor exchange to the BSE). Notes may be issued in Uncertificated registered form and held and settled through the Central Securities Depository of the BSE. This Programme Memorandum and any Supplement will be valid for listing and trading Notes on the BSE (or on a successor exchange to the BSE), or for Notes issued off-exchange in respect of unlisted Notes in an aggregate Nominal Amount (as defined in the Terms and Conditions) which, when added to the aggregate Nominal Amount then outstanding of Notes previously or simultaneously issued under the Programme, does not exceed BWP 2 000 000 000.

- 3.19. **Market Maker** It is not expected that a market maker shall be appointed to the Issue. In the event that a market maker will be appointed for a particular tranche details shall be as indicated in the Applicable Pricing Supplement.
- 3.20. **Maturity(ies) of Notes** Such maturities as may be agreed between the Issuer and the Arranger as specified in the Applicable Pricing Supplement.
- 3.21. **Noteholder** The holders of Notes will be recorded as the registered Noteholders of those Notes in the respective registers. The CSDB will be named in the respective registers as the registered Noteholder of each Tranche of Notes which is held in the CSDB. Each holder of Notes which is represented by an Individual Certificate will be named in the respective Register as the registered Noteholder of such Notes.
- 3.22. **Payment at redemption date** Payment of redemption monies due on a Certificated Note will be against presentation of the note to the Calculating and Paying Agent and in respect of an Uncertificated Note against the advice from the CSDB that the redemption of the Uncertificated Note has been reflected in the appropriate Register.
- 3.23. **Rating** As at the date of this Programme Memorandum, this Programme has not been rated by any rating agency. However, the Issuer may, at any time, obtain a rating by a rating agency for this Programme or any Tranche of Notes issued pursuant to this Programme.
- 3.24. **Redemption** The Applicable Pricing Supplement relating to each Tranche of Notes will indicate whether or not the Notes can be redeemed prior to their stated maturity, (other than in specified instalments, if applicable), for taxation

reasons contemplated in Condition 12.2 or at the option of the Issuer as contemplated in Condition 12.3 or on such other notice period (if any) as is indicated in the Applicable Pricing Supplement, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the Applicable Pricing Supplement. The Notes shall become due and payable prior to stated maturity upon the happening of an Event of Default as contemplated in Clause 10 of the Trust Deed. Provided that the notes shall not be redeemed prior to a minimum period of five (5) years after issue and further that no step-up procedures or other incentives to redeem the notes shall be permissible.

- 3.25. **Selling and Transfer Restrictions** There are selling restrictions in relation to the United States of America, the United Kingdom, European Union and the Republic of South Africa and such other restrictions as may be required in relation to an offering or sale of a particular Tranche of Notes which may be included in the Applicable Pricing Supplement.
- 3.26. **Size of the Programme** As at the Programme Date, the Programme Amount in respect Notes is BWP 2,000,000,000. This Programme Memorandum will only apply to Notes issued under the Programme in an aggregate outstanding Nominal Amount which does not exceed the respective Programme Amounts. The Issuer may increase the respective Programme Amounts as described more fully in the section of this Programme Memorandum headed "*General Description of the Programme*".

- 3.27. **Sponsoring Broker** Imara Capital Securities, further specification as to which is set out in the definitions contained in the Terms and Conditions.
- 3.28. **Status and Characteristics of Notes** The Notes will constitute direct, unconditional, subordinated and unsecured obligations of the Issuer and will rank *pari passu* among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding, unless otherwise indicated in the Applicable Pricing Supplement.
- 3.29. **Terms and Conditions** The terms and conditions of the Notes are set out in the section of this Programme Memorandum headed “*Terms and Conditions of the Notes*”. The Applicable Pricing Supplement may specify other terms and conditions (which may replace, modify or supplement the Terms and Conditions) in relation to specific terms and conditions of the Notes of any Tranche of Notes issued.
- 3.30. **Transfer Secretaries/Registrars** In relation to the Tranche of Notes, Central Securities Depository Company of Botswana Limited, further specification as to which is set out in the definitions contained in the Terms and Conditions, or such other person specified in the Applicable Pricing Supplement. The Transfer Secretaries will maintain the Registers. In the event of Certificated registered Notes, the Transfer Secretary shall be Transaction Management Services (Proprietary) Limited, t/a Corpserve Botswana.
- 3.31. **Trustee** A Trustee has been appointed and a Trust established with the aim, *inter alia*, of providing for the protection and enforcement of the rights and entitlements of Noteholders. The Trustee is John Yendal Stevens of

Gaborone, further specification as to whom is set out in the definitions contained in the Terms and Conditions.

- 3.32. **Underwriting and/or guarantees** In the event that a Tranche is underwritten and/or guaranteed, particulars of such underwriting agreement and/or guarantee shall be as indicated in the Applicable Pricing Supplement.
- 3.33. **Use of Proceeds** The Issuer will use the proceeds of the Notes issued and subscribed for, to fund the ongoing normal operations of the Issuer unless otherwise recorded in an Applicable Pricing Supplement.
- 3.34. **Withholding Tax** All payments in respect of the Notes will be made with deduction for or on account of taxes in accordance with Botswana law. In the event that such other deduction is required by law, then the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes in the absence of such withholding or deduction.

INVESTOR CONSIDERATIONS/RISK FACTORS

All information pertaining to Investor Considerations/Risk Factors, as set out in the Information Memorandum, as amended and updated from time to time, will be incorporated by reference in, and form part of this Programme Memorandum, and will be available on the Issuer's website <https://www.bbs.co.bw>

SECTION THREE

4. FORM OF THE NOTES

Capitalised terms used in this section headed "Form of the Notes" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or it is clearly inappropriate from the context.

4.1. **Notes issued in certificated form**

- 4.1.1. All certificated Notes will be represented by a single Individual Certificate in registered form. Notes represented by Individual Certificates will be registered in the relevant Register in the name of the individual Noteholders of such Notes.
- 4.1.2. Title to Notes represented by Individual Certificates will pass upon registration of transfer in accordance with Condition 16.3 (*Transfer of Notes represented by Individual Certificates*) of the Terms and Conditions.
- 4.1.3. The Issuer shall regard the Register as the conclusive record of title to the Notes represented by Individual Certificates.
- 4.1.4. Payments of all amounts due and payable in respect of Notes represented by Individual Certificates will be made in accordance with Condition 11 (*Payments*) of the Terms and Conditions to the person reflected as the registered Noteholder of such Notes in the Register at 17h00 (Gaborone time) on the Last Day to Register, and the payment obligations of the Issuer will be discharged by proper payment to or to the order of such registered holder in respect of each amount so paid.

4.2. **Notes issued in uncertificated form**

It should be noted that as at the date of this Programme Memorandum, the CSDB has not issued rules as to the holding of Uncertificated Notes. In the event that the CSDB does issue such rules and further amendments are made to the laws in Botswana to allow for Uncertificated Notes, a Supplementary Programme Memorandum will be produced by the Issuer in respect of any notes to be issued in dematerialised

form. This further Supplementary Programme Memorandum will address the form and nature of such notes in accordance with the then applicable rules and laws. In the premises all references to Uncertificated Notes in this Programme Memorandum are subject to what may be amended as guided by the CSDB.

4.3. ***Beneficial Interest in Notes held in the CSDB***

- 4.3.1. A Tranche of Notes which is listed on the BSE will be issued in uncertificated form and registered in the CSDB. A Tranche of unlisted Notes may also be held in the CSDB.
- 4.3.2. The CSDB will hold each Tranche of Notes subject to the Applicable Laws and the Applicable Procedures. All amounts to be paid and all rights to be exercised in respect of Notes held in the CSDB will be paid to and may be exercised only by the CSDB for the holders of Beneficial Interests in such Notes.
- 4.3.3. The CSDB maintains central securities accounts only for relevant Participants or note holders.
- 4.3.4. The relevant Participants are in turn required to maintain securities accounts for their clients. Beneficial Interests which are held by clients of relevant Participants will be held indirectly through such Participants, and such Participants will hold such Beneficial Interests, on behalf of such clients, through the securities accounts maintained by such Participants for such clients. The clients of relevant Participants may include the holders of Beneficial Interests in the Notes or their custodians. The clients of relevant Participants, as the holders of Beneficial Interests or as custodians for such holders, may exercise their rights in respect of the Notes held by them in the CSDB only through their respective Participants.
- 4.3.5. In relation to each person shown in the records of the CSDB or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular outstanding Nominal Amount of Notes, a certificate or other document issued by the CSDB or the relevant Participant, as the case may be, as to the outstanding Nominal Amount of such Notes standing to the

account of any person shall be prima facie proof of such Beneficial Interest. The CSDB (as the respective registered Noteholder of such Notes named in the relevant Register) will be treated by the Issuer, the Paying Agent, the relevant Transfer Agent and the relevant Participant as the holder of that outstanding Nominal Amount of such Notes for all purposes.

- 4.3.6. Title to Beneficial Interests held by relevant Participants directly through the CSDB will pass on transfer thereof by book entry (whether electronic or otherwise) in the central securities accounts maintained by the CSDB for such Participants. Title to Beneficial Interests held by clients of relevant Participants indirectly through such Participants will pass on transfer thereof by book entry (whether electronic or otherwise) in the security accounts maintained by such Participants for such clients. Beneficial Interests will be transferred only in accordance with the Applicable Procedures. Holders of Beneficial Interests vote in accordance with the Applicable Procedures.
- 4.3.7. The holder of a Beneficial Interest will only be entitled to exchange such Beneficial Interest for Notes represented by an Individual Certificate in accordance with Condition 15 (Exchange of Beneficial Interests and Replacement of Individual Certificates) of the Terms and Conditions.

SECTION FOUR

PRO FORMA APPLICABLE PRICING SUPPLEMENT

Set out below is the form of Applicable Pricing Supplement that will be completed for each Tranche of Notes issued under the Programme:



*(Incorporated in Botswana on 26 April 2018, under Company Registration Number
BW00001057162
ISIN: BW 000000 2856*

Issue of Aggregate Nominal Amount of BWP64,470,000 BBS012 Notes Under its BWP2,000,000,000 Medium Term Note Programme

This Applicable Pricing Supplement must be read in conjunction with the amended and restated Programme Memorandum dated 30 July 2021, prepared by BBS Limited in connection with the BBS Limited BWP2,000,000,000 Medium Term Note Programme, as amended and/or supplemented from time to time (the “**Programme Memorandum**”).

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed “*Terms and Conditions of the Notes*”.

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. The Notes described herein are issued on and subject to the Terms and Conditions as amended and/or supplemented by the Terms and Conditions contained in this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

Prospective investors in the Notes of the Programme Memorandum as with any other listed security should ensure that they fully understand the nature of the Issuer’s operations, its valuation and the extent of their exposure to risks, and that they consider the suitability of the Issuer’s Notes as an investment in light of their own circumstances and financial position. The BSE’s approval of the listing of the the Programme Memorandum should not be taken in any way as an indication of the merits of the Issuer. The BSE has not verified the accuracy and truth of the contents of the documentation submitted to it and, the BSE accepts no liability of whatever nature for any loss, liability, damage, or expense resulting directly or indirectly from the investment in this Programme Memorandum.

Arranger**Legal Advisor****Sponsoring Broker****Independent Auditors****Calculating & Paying****Trustee****Transfer Agent**

PARTIES

- | | | |
|----|-------------------|---|
| 1. | Issuer | BBS Limited |
| 2. | Guarantor | Unsecured |
| 3. | Arranger (s) | Lambda Capital (Pty) Ltd |
| | Specified Office | Plot 2431, Extension 9 Corner Northring Road and Buffalo Close, Gaborone |
| 4. | Paying Agent | Corpserve Botswana |
| | Specified Office | Unit 206, Second Floor, Plot 64516 Showgrounds Close, Fairgrounds, Gaborone |
| 5. | Calculation Agent | Corpserve Botswana |
| | Specified Office | Unit 206, Second Floor, Plot 64516 Showgrounds Close, Fairgrounds, Gaborone |
| 6. | Transfer Agent | Central Securities Depository Company of Botswana Limited |
| | Specified Office | 4th Floor, Fairscape Precinct, Plot 70667 Fairgrounds, Gaborone |

PROVISIONS RELATING TO THE NOTES

7.	Status of Notes	Senior Unsecured
8.	Form of Notes	Listed Notes
9.	Series Number	12
10.	ISIN	BW 000000 2856
11.	BSE Code	BBS012
12.	Aggregate Nominal Amount:	
	(a) Series	BWP500,000,000
	(b) Tranche	BWP500,000,000
13.	Interest	Interest-bearing
14.	Interest Payment Basis	Floating Rate
15.	Interest Payment Date(s)	09 th August and 09 th February of each calendar year during the period commencing on [09 th February 2022] and ending on the Redemption Date, each such day being subject to adjustment in accordance with the Business Day Convention
16.	Interest Period(s)	each period commencing on (and including) an Interest Payment Date and ending on (but excluding) the following Interest Payment Date; provided that the first Interest Period will commence on (and include) the interest commencement date and end on (but exclude) [the following Interest Payment Date / <i>state specific Interest Payment Date</i>] (each Interest Payment Date as adjusted in accordance with the applicable Business Day Convention)
17.	Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	[Insert details including date for conversion]
18.	Issue Date	09 th August 2021
19.	Specified Denomination	BWP10,000

20.	Minimum Subscription	BWP150,000
21.	Specified Currency	BWP
22.	Issue Price	100%
23.	Interest Commencement Date	09 th August 2021
24.	Maturity Date	09 th August 2026
25.	Applicable Business Day Convention	Modified Following Business Day
26.	Final Redemption Amount	100% of the Nominal Amount
27.	Books Closed Period(s) / Last Day To Register	<p>The Register will be closed 10 days prior to the interest payments from February 09th to 28th and from August 09th to 31st (all dates inclusive) in each year until the Maturity Date for fixed rate.</p> <p>For the Floating Rate the interest determination date, specified at paragraph 5.4.45 as first day of the period (09th February and 09th August) for the first interest period, it will be the issue date (09th August 2021).</p>
28.	Default Rate	N/A

FLOATING RATE NOTES

29. (a)	Definition of Business Day (if different from that set out in Condition 5.4) (<i>Interpretation</i>)	N/A
(b)	Floating Rate of Interest	Bank rate + 3.75 per cent per annum
(c)	Where Bank Rate Ceiling	8 per cent per annum
(d)	Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision)	Actual /365
30.	Rate of Interest and the manner in which the Rate of Interest is to	Interest will be determined at the beginning of the period as the prevailing Bank Rate at the beginning of the period plus the margin of

- be determined 3.75%. The reference rate is to be taken from the BoB website or the relevant Reuters page]
31. Margin 3.75%
32. If ISDA Determination:
- (a) Floating Rate N/A
 - (b) Floating Rate Option N/A
 - (c) Designated Maturity N/A
 - (d) Reset Date(s) N/A
 - (e) ISDA Definitions to apply N/A
33. If Screen Rate Determination:
- (a) Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated) N/A
 - (b) Interest Determination Date(s) N/A
 - (c) Relevant Screen Page and Reference Code N/A
34. If Rate of Interest to be calculated otherwise than by ISDA Determination or Screen Rate Determination, insert basis for determining Rate of Interest/Margin/ Fallback provisions N/A
35. Calculation Agent Corpserve Botswana

ZERO COUPON NOTES

36. (a) Implied Yield [N/A] Percent [NACA] [NACM] [NACQ] [NACS] [other method of compounding]
- (b) Reference Price [N/A] Percent
- (c) Any other formula or basis for determining amount(s) payable [N/A]

MIXED RATE NOTES

37. Period(s) during which the Interest Rate for the Mixed Rate

Notes will be (as applicable) that for:

- | | |
|-------------------------|-----|
| (a) Fixed Rate Notes | N/A |
| (b) Floating Rate Notes | N/A |
| (c) Index-Linked Notes | N/A |
| (e) Other Notes | N/A |

38. The Interest Rate and other pertinent details are set out under the headings relating to the applicable forms of Notes

INDEX-LINKED NOTES

- | | |
|--|--------------------------|
| 39. (a) Type of Index-Linked Notes | N/A |
| (b) Index/Formula by reference to which Interest Rate / Interest Amount is to be determined | N/A |
| (c) Manner in which the Interest Rate / Interest Amount is to be determined | N/A |
| (d) Provisions where calculation by reference to Index and/or Formula is impossible or impracticable | N/A |
| (e) Definition of Business Day (if different from that set out in Condition 5.4 (<i>Interpretation</i>)) | N/A |
| (f) Minimum Rate of Interest | [N/A] per cent per annum |
| (g) Maximum Rate of Interest | [N/A] per cent per annum |
| (h) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision) | [N/A] |

OTHER NOTES

40. If the Notes are not Fixed Rate Notes, Floating Rate Notes, Mixed Rate Notes, Zero Coupon Notes, Index-Linked Notes or if	N/A
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the Notes are a combination of any of the foregoing, set out the relevant description and any additional Terms and Conditions relating to such Notes.

PROVISIONS REGARDING REDEMPTION/MATURITY

41. Redemption at the Option of the Issuer: N/A

If yes:

(a) Optional Redemption Date(s) N/A

(b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s) N/A

(c) Minimum period of notice (if different from Condition **Error! Reference source not found.** (*Redemption at the option of the Issuer*) N/A

(d) If redeemable in part: N/A

Minimum Redemption Amount(s) N/A

Higher Redemption Amount(s) N/A

(e) Other terms applicable on redemption

42. Redemption at the Option of the Senior Noteholders: N/A

If yes:

(a) Optional Redemption Date(s) N/A

(b) Optional Redemption Amount(s) N/A

(c) Minimum period of notice N/A

(d) If redeemable in part:

Minimum Redemption Amount(s) N/A

Higher Redemption N/A

	Amount(s)	
	(e) Other terms applicable on Redemption	N/A
	(f) Attach <i>pro forma</i> put notice(s)	
43.	Early Redemption Amount(s) (not prior to 5 years from issue date) payable on redemption for taxation reasons pursuant to Condition 12.3 (<i>Redemption for Tax Reasons</i>), on redemption at the option of the Issuer pursuant to Condition 12.3 (<i>Redemption at the option of the Issuer</i>), on redemption in the event of a Change of Control pursuant to Condition 12.4 (<i>Redemption in the event of a Change of Control</i>) or on an Event of Default pursuant to Condition Error! Reference source not found. (<i>Events of Default</i>), (if required or if different from that set out in Condition 12.5 (<i>Early Redemption Amounts</i>)).	N/A
	If yes:	
	(a) Amount payable; or	N/A
	(b) Method of calculation of amount payable	N/A
44.	Redemption in the event of a Change of Control	N/A
GENERAL		
45.	Additional selling restrictions	N/A
46.	Method of distribution	Private Placement
47.	Credit Rating assigned to the [Issuer]/[Programme]/[Notes]	N/A
48.	Applicable Rating Agency	N/A
49.	Governing law (if not the laws of	Botswana

Botswana)

50. Use of proceeds

Support company commercialisation strategy
| Business Growth | Capital Optimisation

51. Other provisions

None

52. Responsibility

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from the Programme Memorandum or this Applicable Pricing Supplement which would make any statement false or misleading, that all reasonable enquiries to ascertain such facts have been made and that the Programme Memorandum together with this Applicable Pricing Supplement contain all information required by law. The issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, this Applicable Pricing Supplement and all documents incorporated by reference (see the section of the Programme Memorandum headed '*Document Incorporated by Reference*').

SIGNED at GABORONE on this 11th day of August 2021

For and on behalf of **BBS LIMITED**



Name: Pius Komane Molefe
Capacity: Managing Director
Who warrants his authority hereto



Name: Hildah Mhaladi
Capacity: Head of Finance
Who warrants her authority hereto



(“BBS LIMITED” “BBSL” or the “Issuer”)

(Registered as a Company in terms of the Companies Act [CAP 42:01 Laws of Botswana])

ISSUE OF P500 000 000 NOTES UNDER ITS BWP 2 000 000 000 DOMESTIC NOTE PROGRAMME

APPLICATION FORM

for the subscription of the **BBS012 Notes** due 30 July 2026 (“BBS012”) pursuant to the Applicable Pricing Supplement issued on **30 July 2021**

This completed form should be forwarded by email or by hand to the Arranger and BSE Sponsor Broker at the following address:

<p>Arranger and Placing Agent Lambda Capital Plot 2431, Extension 9 Corner Northring Road and Buffalo Close, Gaborone Botswana Telephone: +267 71780221 Email: mramaeba2@lambdacapital.co.bw Attention: Mr. Mmoloki Ramaeba</p>	<p>Sponsoring Broker Imara Capital Securities Unit 1E Ground Floor Peelo Place, Plot 54366 Western Commercial Rd New CBD Gaborone, Botswana Tel: + 267 3188886 Email: enquiriesbots@imara.com Attention: Gregory Matsake</p>
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Applicants must complete all blocks. Please read the Notes overleaf before completing this form.

Application lists will close at **14h00 on 02nd August 2021**. No payment is required at the time of application.

BLOCK A

Name of Applicant	
Postal address (Preferably PO Box address)	
Contact name	
Telephone number and code	
Email address	
Facsimile number and code	

BLOCK B

	Column 1 Nominal Value BWP	Column 2 Issue Price %	Column 3 Total consideration BWP (Column 1 x Column 2)
Amount applied for			

BLOCK C

To: The Board of Directors of the Issuer.

I, the undersigned, warrant that the Applicant stated in Block A (“the Applicant”) is duly authorised and has capacity to make this application and I have the full authority and capacity to contract on behalf of the Applicant, and, irrevocably and unconditionally apply for and agree to take up the nominal value of **[BBSL]** Notes stated in Column 1 in Block B above at the price stated in Column 2 in Block B above. Where a lesser nominal value of BBSL Notes is allotted to the Applicant, I agree that the relevant amount payable by the applicant in terms of Column 3 in Block B above will be reduced pro-rata to the lesser nominal value so allotted. I acknowledge that the Applicant will be unconditionally liable for payment in respect of **[BBSL]** Notes allotted to it and that such payment will be made in full accordance with the payment procedures set out in the Pricing Supplement by 12h00 on [].

Full names

Capacity

Signature

Date

BLOCK D

Interest Payment Instructions

Interest is to be paid

To

(a) at (postal address) _____

(b) or into my current account number

at the (branch) _____ of (bank) _____

Address_____

Complete only (a) or (b). If both are completed affect will only be given to (a).

Notes:

1. Applications will only be considered from persons to whom this Programme Memorandum and this application form have been sent by the Arranger. Such persons may not sell, transfer, cede, assign, or renounce the right to make application in favour of any other person.
2. All alterations to this application form must be authenticated by full signature. All applications must be made without any conditions stated by applicants.
3. Under no circumstances whatsoever may the name of the applicant be changed and if this is done then the application form will be invalid.

Applications are made subject to the provisions of the Programme Memorandum with which this form is enclosed. Applications are irrevocable and may not be withdrawn or amended without the written consent of the Issuer.

SECTION FIVE

5. TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes to be issued by the Issuer which will be incorporated by reference into each Note. A Tranche of Notes will be issued on, and subject to, the below Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Tranche of Notes set out in the Applicable Pricing Supplement.

- 5.1. Before the Issuer issues any Tranche of listed Notes, the Issuer shall complete, sign and deliver to the BSE or such other Securities Exchange(s) and the CSDB a pricing supplement based on the *pro forma* Applicable Pricing Supplement included in the Programme Memorandum setting out details of such Notes. The Issuer may determine that particular Notes will not be listed on the BSE or such other Securities Exchanges and, in that case, no Applicable Pricing Supplement will be delivered to the BSE or such other or further Securities Exchange(s).
- 5.2. If there is any conflict or inconsistency between provisions set out in the Applicable Pricing Supplement and the provisions set out in these Terms and Conditions of the Notes, then the provisions in the Applicable Pricing Supplement will prevail.
- 5.3. Words and expressions used in the Applicable Pricing Supplement shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated. Any reference to legislation or a statute shall be to such legislation or statute as amended, varied or re-enacted from time to time.
- 5.4. In these Terms and Conditions and the Applicable Pricing Supplement, unless inconsistent with the context or separately defined in the Applicable Pricing Supplement, the following expressions shall have the meaning ascribed to them hereunder:

5.4.1. **“Act”** Companies Act 2003 (Cap 42:01)

5.4.2. **“Agency Agreement”** The agreement for the appointment of a calculation and paying agent, executed

between the Issuer and Transaction Management Services (Proprietary) Limited t/a Corpserve Botswana;

- 5.4.3. **“Applicable Pricing Supplement”** The Pricing Supplement issued in relation to each Tranche of Notes, substantially in the form set out in this Programme Memorandum. This will be issued as an annexure to this Programme Memorandum and will give details of the particular Tranche and the Terms and Conditions applicable to each Note in the Tranche in so far as the Terms and Conditions are different from these Terms and Conditions;
- 5.4.4. **“Applicable Laws”** in relation to any person, all and any statutes and subordinate legislation and common law, regulations, ordinances and by-laws, directives, codes of practice, circulars, guidance notices, judgments and decisions of any competent authority, or any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation and other similar provisions, from time to time, compliance with which is mandatory for that person, including but not limited to the respective debt listings requirements of the BSE, BSE Act, Securities Act;
- 5.4.5. **“Applicable Procedures”** the rules and operating procedures for the time being of the CSDB, the relevant Participants and the debt listings

- requirements of the BSE, and/or any other Securities Exchange;
- 5.4.6. **“Applicant”** a person to whom this Programme Memorandum has been sent by the Issuer or Arranger on behalf of the Issuer;
- 5.4.7. **“Arranger”** the Arranger set forth in the Applicable Pricing Supplement;
- 5.4.8. **“BBSL” or “Issuer”** BBS Limited, a company duly registered under the Act;
- 5.4.9. **“Beneficial Interest”** in relation to a Tranche of Notes which is held in CSDB, the beneficial interest as owner or co-owner of an undivided share of all of the Notes in that Tranche, the nominal value of which beneficial interest, in relation to any number of Notes in that Tranche, is determined by reference to the proportion that the aggregate outstanding Nominal Amount of such number of Notes bears to the aggregate outstanding Nominal Amount of all of the Notes in that Tranche.
- 5.4.10. **“BSEL”** The Botswana Stock Exchange Limited, the securities exchange established in terms of the Securities Act, 2014, or any exchange which operates as a successor exchange to the BSE;
- 5.4.11. **“Books Closed Period”** 10 days prior to each Interest Payment Date each year until the Redemption Date, or such

- other period(s) as the Issuer may determine in the Applicable Pricing Supplement;
- 5.4.12. **“Business Day”** a day (other than a Saturday or Sunday or public holiday in Botswana) which is a day on which commercial banks settle BWP payments in Botswana save that, if the Applicable Pricing Supplement so provides, Business Day shall include a Saturday;
- 5.4.13. **“BWP”** the lawful currency of the Republic of Botswana, being Botswana Pula;
- 5.4.14. **“Calculation Agent”** the Calculation Agent set forth in the Applicable Pricing Supplement;
- 5.4.15. **“Certificate” and “Certificated Note”** a registered Note issued by the Issuer in accordance with these Terms and Conditions and issued by way of physical securities certificate;
- 5.4.16. **“Concurrent claims”** all subordinated, unsecured claims of creditors of the Issuer;
- 5.4.17. **“CSDB Participant”** a registered stockbroker, custodian bank or other CSDB approved entity that can open CSDB accounts on behalf of individuals, corporations and other legal entities;
- 5.4.18. **“Day Count Fraction”** in relation to a Tranche of Notes (where applicable) and the calculation of an amount for any period of time (the **“Calculation Period”**), the day count fraction specified as such in the Terms and Conditions or the Applicable Pricing Supplement and:

(a) if “**Actual/365**” or “**Act/365**” is so specified, means the actual number of days in the Interest Period in respect of which payment is being made divided by 365 (or, if any portion of the Interest Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(b) if “**Actual/Actual (ICMA)**” is so specified, means:

1. where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

2. where the calculation Period is longer than one Regular Period , the sum of:

a. the actual number of days in such Calculation Period falling in the Regular Period

in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

b. the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year;

(c) if “**Actual/Actual**” or “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(d) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;

(e) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;

(f) if “**30/360**”, “**360/360**” or “**Bond Basis**” is so specified, means the number of days in the Calculation period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the first day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the first day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless

such number would be 31, in which case D_1 will be 30; and

“ D_2 ” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(g) if “**30E/360**” or “**Eurobond Basis**” is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“ Y_1 ” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“ Y_2 ” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“ M_1 ” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“ M_2 ” is the calendar month, expressed as a number, in which the day immediately

following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period unless such number would be 31, in which case **D₁** will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period unless such number would be 31, in which case **D₂** will be 30;

(h) if “**30E/360 (ISDA)**” is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period unless (i) that day is the last day of February or (ii) such number would be 31, in which case **D₁** will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case **D₂** will be 30;

5.4.19. “Dealer”

Imara Capital Securities and/or any other additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer’s right to terminate the appointment of any Dealer;

5.4.20. “**Early Redemption Amount**”

in relation to a Tranche of Notes, the amount, as set out in Condition 12.4 (*Early Redemption Amounts*), at which the Notes will be redeemed by the Issuer, pursuant to the provisions of Conditions 12.2 (*Redemption for Tax Reasons*), 12.3 (*Redemption at the*

Option of the Issuer), and 12.4 (*Redemption in the event of a Change of Control*) and/or Condition 14 (*Events of Default*) and provided that no redemption shall be permissible before the lapse of 5 years from issue date;

5.4.21. **“Event of Default”**

an event of default by the Issuer as set out in Condition 14;

5.4.22. **“Extraordinary Resolution”**

a resolution passed at a meeting (duly convened) of the Noteholders or a Class of Noteholders, as the case may be, as contemplated in Condition 20 (*Meetings of Noteholders*) by a majority consisting of not less than 66.67% (sixty-six point sixty-seven per cent) of the persons voting at such meeting upon a show of hands or if a poll be duly demanded then by a majority consisting of not less than 66.67% (sixty-six point sixty-seven percent) of the votes given on such poll

5.4.23. **“Exchange”**

as specified in an applicable Pricing Supplement, means the BSE or its successor, or any further security exchange or securities exchanges on which any Notes may be listed, and references in this Programme Memorandum to the relevant Exchange(s) shall, in relation to any Notes, be references to the securities exchange(s) or stock exchange(s) on which such Notes are from time to time, or are intended to be, listed;

- 5.4.24. **“Final Broken Amount”** in relation to a Tranche of Notes, the final broken amount specified as such in the Applicable Pricing Supplement
- 5.4.25. **“Final Redemption Amount”** in relation to a Tranche of Notes, the amount of principal specified in the Applicable Pricing Supplement payable in respect of such Tranche of Notes upon the Maturity Date
- 5.4.26. **“Fixed Rate Notes”** Notes entitled to a fixed rate of interest as specified in the Applicable Pricing Supplement;
- 5.4.27. **“Fixed Rate Interest period”** the interest period relating to Fixed Rate Notes;
- 5.4.28. **“Floating Rate Notes”** Notes entitled to a floating rate of interest as specified in the Applicable Pricing Supplement;
- 5.4.29. **“IFRS”** the International Financial Reporting Standards issued by the International Accounting Standards Board (“**IASB**”) and interpretations issued by the International Financial Reporting Interpretations Committee of IASB (as amended, supplemented or re-issued from time to time);
- 5.4.30. **“Indebtedness”** in respect of the Issuer, any indebtedness in respect of monies borrowed from any third party lender and (without double counting) guarantees (other than those given in the ordinary course of business) given, whether present or future, actual or contingent, excluding any intra-group indebtedness due to any Subsidiary or holding company of the

Issuer or to any other Subsidiary of the Issuer's holding company;

- 5.4.31. **“Indexed Interest Notes”** Notes in respect of which the Interest Amount is calculated by reference to an index and/or a formula as indicated in the Applicable Pricing Supplement
- 5.4.32. **“Index-Linked Notes”** an Indexed Interest Note and/or an Indexed Redemption Amount Note, as applicable and as indicated in the Applicable Pricing Supplement
- 5.4.33. **“Indexed Redemption Amount Notes”** Notes in respect of which the Final Redemption Amount is calculated by reference to an index and/or a formula as may be indicated in the Applicable Pricing Supplement
- 5.4.34. **“Individual Certificates”** a Note in the definitive registered form of a single certificate and being a certificate exchanged for Beneficial Interest in accordance with Condition 15 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*) and any further certificate issued in consequence of a transfer thereof
- 5.4.35. **“Initial Broken Amount** in relation to a Tranche of Notes, the initial broken amount specified as such in the Applicable Pricing Supplement
- 5.4.36. **“Indexed Interest Notes”** Notes which will bear interest by reference to such index and/or formula, as specified in the Applicable Pricing Supplement;

- 5.4.37. **“Indexed Redemption Amount Notes”** Notes in respect of which the Final Redemption Amount is calculated by reference to an index and/or formula, as specified in the Applicable Pricing Supplement;
- 5.4.38. **“Instalments Amount”** in relation to a Tranche of Instalment Notes, the amount expressed (in the Applicable Pricing Supplement) as a percentage of the Nominal Amount of an Instalment Note, being an instalment of principal (other than the final instalment) on an Instalment Note
- 5.4.39. **“Instalment Notes”** Notes which shall be redeemable in instalments by the Issuer on an amortised basis on different repayment dates as specified in the Applicable Pricing Supplement;
- 5.4.40. **“Instalment Dates”** in relation to a Tranche of Instalment Notes, the dates specified as such in the Applicable Pricing Supplement;
- 5.4.41. **“Interest Commencement Date(s)”** the date on which interest on a Note commences its accrual, as specified in the Applicable Pricing Supplement;
- 5.4.42. **“Interest Determination Date”** in relation to a Tranche of Notes, the date specified as such in the Applicable Pricing Supplement
- 5.4.43. **“Interest Payment Date(s)”** the interest payment date(s) specified in the Applicable Pricing Supplement or if no express interest payment date(s) is/are specified in the applicable Pricing Supplement, each date which occurs after a

certain number of months after the preceding interest payment date (such number of months as specified in the Applicable Pricing Supplement) or such other period as specified in the Applicable Pricing Supplement after the preceding interest payment date, or, in the case of the first interest payment date, after the Interest Commencement Date;

- 5.4.44. **“Interest Period”** each period specified in the Applicable Pricing Supplement commencing on and including the day of any Interest Payment Date and ending on and excluding the following Interest Payment Date;
- 5.4.45. **“Interest Rate Determination Date”** as specified in an Applicable Pricing Supplement, the day falling on the first day of each Interest Period or, if such a day is not a Business Day, the first following day that is a Business Day, being the day upon which the Rate of Interest in respect of such Interest Period shall be determined by the Calculation Agent;
- 5.4.46. **“Issue Date”** the date of issuance of a Note, as specified in the Applicable Pricing Supplement;
- 5.4.47. **“Issue Price”** the price at which a Note is issued, either at its Nominal Amount or at a discount or premium to its Nominal Amount, as specified in the Applicable Pricing Supplement;
- 5.4.48. **“Issuer”** Means BBS Limited, a company incorporated in accordance with the Laws of Botswana;

- 5.4.49. **“Last Day to Register”** the date or dates immediately preceding a Relevant Date in respect of Notes on which the Register is closed for further transfer or entries until the payment date. Noteholders reflected in the Register on the relevant Last Day to Register shall be entitled to payments of interest and principal. The Last Day to Register shall always be a Friday, or the next business day, where the Friday is a public holiday in the Republic of Botswana;
- 5.4.50. **“Margin”** in relation to a Tranche of Notes (where applicable), the margin specified as such in the Applicable Pricing Supplement;
- 5.4.51. **“Material Indebtedness”** any Indebtedness amounting in aggregate not less than BWP 100,000,000 (or its equivalent in other currencies) at the time of the occurrence of an Event of Default
- 5.4.52. **“Maturity Date”** in relation to a Tranche of Notes, the date specified as such in the Applicable Pricing Supplement
- 5.4.53. **“Mixed Rate Notes”** Notes which will bear interest over respective periods at differing interest rates applicable to any combination of Fixed Rate Notes as specified in the Applicable Pricing Supplement;
- 5.4.54. **“Nominal Amount”** in relation to any Note, the total amount, excluding interest and any adjustment on account of any formula, owing by the Issuer under the Note;

- 5.4.55. **“Notes”** the Notes issued or to be issued by the Issuer under the Programme and represented by a Certificate or an Uncertificated Note;
- 5.4.56. **“Noteholders”** the holders of the Notes as recorded in the Registers kept by the Transfer Secretary in terms of these Terms and Conditions and includes a person invested in an Uncertificated Note;
- 5.4.57. **“Outstanding”** in relation to the Notes, all the Notes issued under the Programme other than:
- (a) those which have been redeemed in full;
 - (b) those in respect of which the date for redemption in accordance with the Terms and Conditions has occurred and the redemption moneys wherefore (including all interest (if any) accrued thereon to the date for such redemption and any interest (if any) payable under the Terms and Conditions after such date) remain available for payment against presentation of Individual Certificates (if any);
 - (c) those which have been purchased and cancelled as provided in Condition 12 (*Redemption and Purchase*);
 - (d) those which have become prescribed under Condition 13 (*Prescription*);
 - (e) those represented by mutilated or defaced Individual Certificates which

have been surrendered in exchange for replacement Individual Certificates pursuant to Condition 15 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*);

- (f) (for the purpose only of determining how many Notes are Outstanding and without prejudice to their status for any other purpose) those Notes represented by Individual Certificates alleged to have been lost, stolen or destroyed and in respect of which replacement Individual Certificates have been issued pursuant to Condition 15 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*),

provided that for each of the following purposes:

- (i) the right to attend and vote at any meeting of the Noteholders; and
- (ii) the determination of how many and which Notes are for the time being Outstanding for the purposes of Conditions 19 (*Amendment of these Conditions*) and 20 (*Meetings of Noteholders*),

all Notes (if any) which are for the time being held by the Issuer (subject to any Applicable Law) or by any person for the benefit of the Issuer and not cancelled shall (unless and

- until ceasing to be so held) be deemed not to be Outstanding;
- 5.4.58. **“Participant”** a person accepted by the CSDB as a participant and who is approved by the BSE, in terms of the listings requirements of the BSE, as a Settlement Agent to perform electronic settlement of funds and scrip
- 5.4.59. **“Partly Paid Notes”** Notes which are issued with the Issue Price partly paid and which Issue Price is paid up fully by the Noteholder in instalments (and as specified in the Applicable Pricing Supplement);
- 5.4.60. **“Placing Agent”** Lambda Capital Pty Ltd, a company incorporated in accordance with the Laws of Botswana;
- 5.4.61. **“Payment Date”** any day which is a Business Day and upon which a payment is due by the Issuer in respect of the Notes
- 5.4.62. **“Programme Date”** the date of this Programme Memorandum being 30 July 2021
- 5.4.63. **“Rate of Interest”** the rate of interest applicable to Notes, as set out in the Applicable Pricing Supplement;
- 5.4.64. **“Rating”** in relation to the Issuer and/or the Programme and/or a Tranche of Notes (where applicable), as the case may be, the rating of the Issuer and/or the Programme and/or the Tranche of Notes, as the case may be, by the Rating

Agency, specified in the Applicable Pricing Supplement;

- 5.4.65. **“Rating Agency”** Global Credit Rating Co. Proprietary Limited (**GCR**), Fitch Southern Africa Proprietary Limited (**Fitch**), Moody’s Investors Service Limited (**Moody’s**) or Standard & Poor’s Ratings Services (**S&P**), as the case may be, and their successors or any other rating agency of equivalent international standing specified from time to time by the Issuer in the Applicable Pricing Supplement (if applicable) and/or notified to Noteholders pursuant to Condition 18 (*Notices*);
- 5.4.66. **“Redemption Date”** the date upon which Notes are redeemed by the Issuer in terms of Condition 12 and which date shall not be less than 5 years after issue;
- 5.4.67. **“Registers”** the registers maintained by the Transfer Secretaries: this includes both a register of Certificated Notes and a mirror register of the electronic register maintained by the CSDB in respect of Uncertificated Notes, which registers shall be reconciled and updated on a fortnightly basis;
- 5.4.68. **“Relevant Date”** In respect of any payment relating to the Notes, the date on which such payment first becomes due;
- 5.4.69. **“Regular Period”** (a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement

Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;

(b) in the case Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “*Regular Date*” means the day and the month (but not the year) on which any Interest Payment Date falls; and

in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “*Regular Date*” means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

5.4.70. **“Series”**

a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series; and (ii) identical in all respects (including as to listing or non listing) from the date on which such consolidation is

- expressed to take effect, except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices;
- 5.4.71. **“Sponsoring Broker”** Imara Capital Securities, a member of the BSE,;
- 5.4.72. **“Supplementary Programme Memorandum”** any Supplementary Programme Memorandum that is issued by the Issuer as supplement to this Programme Memorandum in order to update the information provided to Noteholders in respect of issues of Notes under the Programme that are made in any period subsequent to the 12 month period following the issue of this Programme Memorandum;
- 5.4.73. **“Supplementary Trust Deed”** any Supplementary Trust Deed entered into between the Trustee and the Issuer in respect of an issue of a different Tranche of Notes. Any Supplementary Trust Deed will be a supplement to the initial Trust Deed that established the Trust for Noteholders under the BWP 2 000 000 000 Programme, and will incorporate the terms of that Trust Deed;
- 5.4.74. **“Terms and Conditions”** the terms and conditions incorporated in this section headed “Terms and Conditions” of the Notes and in accordance with which the Notes will be issued;
- 5.4.75. **“Tranche”** all Notes which are identical in all respects (including as to listing, interest payment dates, interest rates and dates of redemption);

- 5.4.76. **“Transfer Secretaries”** Central Securities Depository Company of Botswana Limited and having its principal place of business at 4th Floor, Fairscape Precinct, Plot 70667 Fairgrounds, Gaborone or such other person specified in the Applicable Pricing Supplement as the Transfer Secretaries who will act as the transfer secretaries and will maintain the Register;
- 5.4.77. **“Trust”** the Trust established by the Trust Deed, appointing the Trustee, with the aim of providing for the protection and enforcement of the rights and entitlements of Noteholders;
- 5.4.78. **“Trustee”** John Yendall Stevens of Gaborone, Botswana, or failing him, his successor, Robert Vinen appointed as Trustee under the terms of the Trust Deed;
- 5.4.79. **“Trust Deed”** the Trust Deed, as amended, restated or supplemented from time to time, entered into between the Issuer and the Trustee;
- 5.4.80. **“Uncertificated Note”** a registered Note issued by the Issuer in accordance with these Terms and Conditions and issued in the form of a dematerialised security held by the CSDB; and
- 5.4.81. **Zero Coupon Notes,** Notes which will be offered and sold at a discount to their principal amount and will not bear interest other than in the case of late payment as further indicated in the Applicable Pricing Supplement.

- 5.5. In the Terms and Conditions, unless inconsistent with the context, any reference to:
- 5.5.1. one gender include a reference to the others;
 - 5.5.2. the singular includes the plural and vice versa;
 - 5.5.3. natural persons include juristic persons and vice versa;
 - 5.5.4. a **subsidiary** or **holding company** shall be interpreted in accordance with section 1 of the Companies Act;
 - 5.5.5. any agreement or instrument is a reference to that agreement or instrument as amended, supplemented, varied, novated, restated or replaced from time to time, and **amended** or **amendment** will be construed accordingly;
 - 5.5.6. a provision of law is a reference to that provision as amended or re-enacted, and includes any subordinate legislation;
 - 5.5.7. a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which any person to which it applies is accustomed to comply) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
 - 5.5.8. **assets** includes present and future properties, revenues and rights of every description;
 - 5.5.9. **disposal** means a sale, transfer, grant, lease or other disposal (whether voluntary or involuntary);
 - 5.5.10. **indebtedness** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
 - 5.5.11. an **authorisation** includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration or notarisation;

- 5.5.12. a Default being **continuing** means that it has not been remedied or waived;
- 5.5.13. a Party or any other person includes that person's permitted successor, transferee, cessionary and/or delegate; and
- 5.5.14. a time of day is a reference to South African time.
- 5.6. If any provision in a definition is a substantive provision conferring rights or imposing obligations on any party, effect must be given to it as if it were a substantive provision in the body of the agreement, notwithstanding that it is contained in the interpretation clause.
- 5.7. Headings are inserted for the sake of convenience only and do not in any way affect the interpretation of the Terms and Conditions.
- 5.8. The use of the word **including** followed by specific examples will not be construed as limiting the meaning of the general wording preceding it, and the eiusdem generis rule must not be applied in the interpretation of such general wording or such specific examples.
- 5.9. The rule of construction that an agreement is to be interpreted against the party responsible for the drafting or preparation thereof must not be used in the interpretation of the Terms and Conditions.

6. **ISSUE**

- 6.1. The Issuer may, at any time and from time to time (without the consent of any Noteholder) issue one or more Tranche(s) of Notes pursuant to the Programme, provided that the aggregate Outstanding Nominal Amount of all of the Notes issued under the Programme from time to time does not exceed the Programme Amount. Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. A Tranche of Notes will be issued on, and subject to, the Applicable Pricing Supplement, relating to that Tranche of Notes.
- 6.2. Each Note, may be a Fixed Rate Note, a Floating Rate Note, an Instalment Note, a Zero Coupon Note, an Index-Linked Note, a Dual Currency Note, a Mixed Rate Note

or such combination of any of the foregoing or such other type of Note as may be determined by the Issuer and specified in the relevant Applicable Pricing Supplement.

- 6.3. All payments in relation to the Notes will be made in the Specified Currency. Each Note will be issued in the Specified Denomination.
- 6.4. The Terms and Conditions of a Tranche of Notes are incorporated by reference into the Individual Certificate(s) (if any) representing the Notes in that Tranche. The Applicable Pricing Supplement relating to a Tranche of Notes issued in definitive certificated form will be attached to the Individual Certificate(s) representing the Notes in that Tranche.
- 6.5. The Applicable Pricing Supplement for each Tranche of Notes is incorporated in these Terms and Conditions for the purposes of those Notes and supplements these Terms and Conditions. The Applicable Pricing Supplement may specify other terms and conditions (which may replace, modify or supplement these Terms and Conditions), in which event such other terms and conditions shall, to the extent so specified in the Applicable Pricing Supplement or to the extent inconsistent with these Terms and Conditions, replace, modify or supplement these Terms and Conditions for the purpose of such Tranche of Notes.
- 6.6. The Noteholders are deemed to have notice of, and are entitled to the benefit of, and are subject to, all the provisions of the Applicable Pricing Supplement.

7. FORM AND DENOMINATION

7.1. General

7.1.1. A Tranche of Notes may be listed on the BSE or on such other Securities Exchange(s) as may be determined by the Issuer and the Arranger, subject to any Applicable Laws. Unlisted Notes may also be issued under the Programme subject to the Applicable Laws. The Applicable Pricing Supplement will specify whether or not a Tranche of Notes will be listed and, if so, the Securities Exchange on which such Tranche of Notes will be listed.

7.1.2. Notes will be issued in such denominations as may be determined by the Issuer and as specified in the Applicable Pricing Supplement, provided that the Notes shall not be issued in denominations of less than BWP 150 000.00 or the equivalent currency.

7.1.3. Listed and/or unlisted Notes may be issued under the Programme.

7.1.4. All payments in relation to the Notes will be made in the Specified Currency.

7.2. Registered Notes

A Tranche of registered Notes will be issued in certificated form or in uncertificated form, as contemplated in 7.2.1 (*Notes issued in certificated form*) and Condition 7.2.2 (*Notes issued in uncertificated form*), as specified in the Applicable Pricing Supplement. Each Tranche of Notes which is listed on the BSE in uncertificated form will be held in the CSDB, as contemplated in Condition 7.2.2 (*Notes issued in uncertificated form*).

7.2.1. Notes issued in certificated form

All Notes issued in certificated form will be represented by Individual Certificates.

7.2.2. Notes issued in uncertificated form

A Tranche of Notes may, subject to Applicable Laws and Applicable Procedures, be issued in uncertificated form in accordance with the Applicable Laws. Notes issued in uncertificated form will be held in the CSDB. Notes issued in uncertificated form will not be represented by any certificate or written

instrument. A Note which is represented by an Individual Certificate may be replaced by uncertificated securities in accordance with Applicable Laws.

7.3. In the case of notes issued in uncertificated form, the CSDB, will be named in the relevant Register as the registered holder of each Tranche of Notes.

7.4. Beneficial Interests in Notes held in the CSDB

7.4.1. A Tranche of Notes which is listed on the BSE, will be issued in uncertificated form and held in the CSDB.

7.4.2. The CSDB will hold Notes subject to the Applicable Laws and the Applicable Procedures.

7.4.3. A holder of a Beneficial Interest shall only be entitled to exchange such Beneficial Interest for Notes represented by an Individual Certificate in accordance with Condition 15(*Exchange of Beneficial Interests and Replacement of Individual Certificates*).

8. TITLE

8.1. Notes issued in certificated form

8.2. Each holder of Notes represented by an Individual Certificate will be named in the Register as the registered holder of such Notes.

8.3. Title to Notes represented by an Individual Certificate will pass upon registration of transfer in the Register in accordance with Condition 16 (*Transfer of Notes represented by Individual Certificates*).

8.4. The Issuer, the relevant Transfer Agent and the relevant Paying Agent shall recognise a Noteholder as the sole and absolute owner of the Notes registered in that Noteholder's name in the Register (notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) and shall not be bound to enter any trust in the relevant Register or to take notice of or to accede to the execution of any trust, express, implied or constructive, to which any Note may be subject.

8.5. Notes issued in uncertificated form

The CSDB will be named in the relevant Register as the registered holder of each Tranche of Notes which is issued in uncertificated form.

8.6. Beneficial Interests in Notes held in the CSDB

8.6.1. While a Tranche of Notes is held in the CSDB will be named in the relevant Register as the sole Noteholder of the Notes in that Tranche.

8.6.2. Beneficial Interests which are held by relevant Participants will be held directly through the CSDB, and the CSDB will hold such Beneficial Interests, on behalf of such Participants, through the central securities accounts maintained by the CSDB for such Participants.

8.6.3. Beneficial Interests which are held by clients of relevant Participants will be held indirectly through such Participants, and such Participants will hold such Beneficial Interests, on behalf of such clients, through the securities accounts maintained by such Participants for such clients. The clients of relevant Participants may include the holders of Beneficial Interests or their custodians. The clients of relevant Participants, as the holders of Beneficial Interests or as custodians for such holders, may exercise their rights in respect of the Notes held by them in the CSDB only through their relevant Participants.

8.6.4. In relation to each person shown in the records of the CSDB or the relevant Participant, as the holder of a Beneficial Interest in a particular Nominal Amount of Notes, a certificate or other document issued by the CSDB or the relevant Participant, as the case may be, as to the aggregate Nominal Amount of such Notes standing to the account of such person shall be *prima facie* proof of such Beneficial Interest. The CSDB (as the registered holder of such Notes named in the relevant Register) as the case may be, will be treated by the Issuer, the Paying Agent, the relevant Transfer Agent and the relevant Participant as the holder of that aggregate Nominal Amount of such Notes for all purposes.

8.6.5. Beneficial Interests in Notes may be transferred only in accordance with the Applicable Procedures. Such transfers will not be recorded in the Register and

the CSDB will continue to be reflected in the relevant Register as the registered holder of such Notes, notwithstanding such transfers.

- 8.6.6. Any reference in the Terms and Conditions to the relevant Participant shall, in respect of a Beneficial Interest, be a reference to the relevant Participant appointed to act as such by the holder of such Beneficial Interest.

9. STATUS OF NOTES

The Notes are direct, unconditional, subordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves, and, save for certain debts preferred by law, equally with all other present and future unsecured and subordinated obligations of the Issuer from time to time outstanding, unless otherwise indicated in the Applicable Pricing Supplement. The Notes are issued on the basis as indicated in the Applicable Pricing Supplement.

10. INTEREST

10.1. Interest on Fixed Rate Notes

10.1.1. General

- 10.1.1.1. Each Fixed Rate Note bears interest on its outstanding Nominal Amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date specified in the Applicable Pricing Supplement at the rate(s) per annum equal to the Fixed Rate of Interest so specified, payable in arrears on the Interest Payment Dates in each year up to and including the Maturity Date.
- 10.1.1.2. The first payment of interest will be made on the Interest Payment Date immediately following the Interest Commencement Date.
- 10.1.1.3. Except as provided in the Applicable Pricing Supplement, the amount of interest payable per Note on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount, provided that:

10.1.1.3.1. if an Initial Broken Amount is specified in the Applicable Pricing Supplement, then the first Interest Amount shall equal the Initial Broken Amount specified in the Applicable Pricing Supplement; and

10.1.1.3.2. if a Final Broken Amount is specified in the Applicable Pricing Supplement, then the final Interest Amount shall equal the Final Broken Amount.

10.1.1.4. If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the Fixed Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, as specified in the Applicable Pricing Supplement, and rounding the resultant figure to the nearest Sub-unit of the relevant Specified Currency, half such Sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

10.1.2. **Interest Payment Dates**

Unless otherwise specified in the Applicable Pricing Supplement, six-monthly interest is payable on Fixed Interest Notes (each such six month period constituting a “Fixed Interest Period”). Interest in respect of each Fixed Interest Period shall be payable in arrears on the Interest Payment Date immediately after the last day of such Fixed Interest Period. If any Interest Payment Date falls upon a day which is not a Business Day, the interest payable upon such Interest Payment Date shall be payable upon the first following day that is a Business Day, provided that for the purposes of determining an Interest Period no adjustment shall be made to such Interest Payment Date.

10.1.3. **Calculation of Interest**

The amount of interest payable on the Note in respect of each Fixed Interest Period shall be calculated by multiplying the applicable Rate of Interest by the Nominal Amount of the Note and then dividing such product by the number of Coupon payment periods in a year.

10.1.4. **Alternative Period**

If interest is required to be calculated for a period other than a Fixed Interest Period, it will be calculated on the basis of the actual number of days in such period divided by 365 (and for the purposes of the foregoing, leap years shall be disregarded).

10.2. **Interest on Floating Rate Notes**

10.2.1. **General**

Floating Rate Notes will bear interest on such basis as specified in the Applicable Pricing Supplement which shall either be (i) on such basis of a reference rate appearing on the agreed screen page of a commercial quotation service, being Reuters page PULE/www.bob.bw (including, but not limited to, the alternative to such agreed screen page if it is for any reason unavailable) or (ii) on such other basis as may be set out in the Applicable Pricing Supplement.

10.2.2. **Interest Payment Dates**

Each Floating Rate Note bears interest on its Nominal Amount from (and including) the Interest Commencement Date at the rate equal to the Rate of Interest payable in arrears on the Interest Payment Date(s) specified in the Applicable Pricing Supplement.

10.2.3. **Rate of Interest**

The Rate of Interest payable from time to time in respect of the Floating Rate Notes will be determined in the manner specified in the Applicable Pricing Supplement.

10.2.4. **Minimum and/or Maximum Rate of Interest**

If the Applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, the Rate of Interest for such Interest Period shall in no event be less than such Minimum Rate of Interest and/or if it specifies a Maximum Rate

of Interest for any Interest Period, then the Rate of Interest for such Interest Period shall in no event be greater than such Maximum Rate of Interest.

10.3. **Interest on Mixed Rate Notes**

The Interest Rate payable from time to time on Mixed Rate Notes shall be the Interest Rate payable on any combination of Fixed Rate Notes, Floating Rate Notes or Indexed Notes for respective periods, each as specified in the Applicable Pricing Supplement. During each such applicable period, the interest rate on the Mixed Rate Notes shall be determined and fall due for payment on the basis that such Mixed Rate Notes are Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or Indexed Notes, as the case may be.

10.4. **Indexed Notes**

In the case of Indexed Notes, if the Interest Rate or Final Redemption Amount falls to be determined by reference to an index and/or a formula, such rate or amount payable in respect of each Interest Period shall be determined in the manner specified in the Applicable Pricing Supplement. Any interest payable shall fall due for payment on the Interest Payment Date(s).

10.5. **Partly Paid Notes**

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue on the paid-up Principal Amount of such Notes and otherwise as specified in the Applicable Pricing Supplement.

10.6. **Business Day Convention**

If any Interest Payment Date (or other date) which is specified in the applicable Pricing Supplement to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- 10.6.1. the “**Floating Rate Business Day Convention**”, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event:
 - (i) such Interest Payment Date (or other date) shall be brought forward to the first preceding Business Day and
 - (ii) each subsequent Interest Payment

Date (or other date) shall be the last Business Day in the month which falls the number of months or other period specified as the Interest Period in the applicable Pricing Supplement after the preceding applicable Interest Payment Date (or other date) has occurred; or

10.6.2. the “**Following Business Day Convention**”, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day; or

10.6.3. the “**Modified Following Business Day Convention**”, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date (or other such date) shall be brought forward to the first preceding Business Day; or

10.6.4. the “**Preceding Business Day Convention**”, such Interest Payment Date (or other date) shall be brought forward to the first preceding Business Day.

10.7. **Accrual of Interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) shall cease to bear interest from the Redemption Date unless, upon due presentation thereof, payment of principal is improperly held or refused. In such event, interest shall continue to accrue at the Default Rate, if any, specified in the relevant Pricing Supplement, or otherwise at the prevailing Interest Rate specified in the relevant Pricing Supplement, until the date on which all amounts due in respect of such Note have been paid.

10.8. **Certificates to be Final**

All notifications, calculations, quotations and decisions given, expressed, made or obtained for the purpose of this Condition 10 by the Issuer shall (in the absence of wilful deceit, negligence, bad faith or manifest error) be final and binding on all Noteholders and, in the absence of wilful deceit, negligence, bad faith or manifest error as aforesaid, no liability to the Noteholders shall attach to the Issuer in connection with the exercise or non-exercise by it of its powers, duties and discretions hereunder.

10.9. **Determination of Rate of Interest, Calculation of Interest and Notification of Interest Amount**

The Calculation Agent, in the case of Floating Rate Notes will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest and calculate the amount of interest payable in respect of each Note (each an "Interest Amount") for the relevant Interest Period, and the Calculation Agent shall notify the Issuer, and, if the Notes are listed, the BSE and the Transfer Secretaries of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same, but in any event not later than five Business Days after such determination. Each Interest Amount shall be calculated by applying the Rate of Interest to the Nominal Amount of the Note, multiplying such sum by the applicable Day Count Fraction and rounding the resultant figure to the nearest thebe, half a thebe being rounded upwards.

10.9.1. **"Day Count Fraction"** means, in respect of the calculation of an amount of interest for any Interest Period;

10.9.2. if **"Actual/365"** is specified in the applicable Pricing Supplement, the actual number of elapsed days in the Interest Period divided by 365 (irrespective of whether it is a leap year); or

10.9.3. such other calculation method as specified in the applicable Pricing Supplement.

10.10. **Accrual of Interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) shall cease to bear interest from the Redemption Date unless, upon due presentation thereof, payment of principal is improperly held or refused. In such event, interest will continue to accrue at the Default Rate, if any, specified in the Applicable Pricing Supplement, or otherwise at the prevailing Rate of Interest specified in the Applicable Pricing Supplement, until the date on which all amounts due in respect of such Note have been paid.

11. **PAYMENTS**

11.1. Interest and redemption monies shall only be payable:

- 11.1.1. in respect of interest, to Noteholders registered as such on the Last Day to Register immediately preceding the Interest Payment Date in question and, in respect of redemption monies, to Noteholders registered as such on the Last Day to Register prior to the Redemption Date;
- 11.1.2. to Noteholders registered as such after the relevant Last Day to Register if duly completed documents of transfer were delivered to the Transfer Secretaries before the relevant Last Day to Register or were posted to and received by the Transfer Secretaries not more than 5 days after the relevant Last Day to Register in an envelope postmarked prior to the relevant Last Day to Register.
- 11.2. The Registers will be closed on the Last Day to Register to determine Noteholders entitled to receive interest or redemption monies, as the case may be. On the Last Day to Register the Calculating and Paying Agent will in accordance with the provisions of the Agency Agreement update and reconcile the Register to reflect any electronic register maintained by the CSDB. It shall be the responsibility of the Calculating and Paying Agent in terms of the provisions of the Agency Agreement to ensure the payment of interest and redemption monies of all Noteholders, those who hold Certificated Notes and those who hold Uncertificated Notes. This is notwithstanding that payment of interest and redemption monies for Noteholders holding Uncertificated Note may be implemented by the Transfer Secretary through the CSDB.
- 11.3. Payment of interest and redemption monies shall be made via electronic funds transfer to the account designated for the purpose by the Noteholder at least 24 hours prior to any Interest Payment Date or Redemption Date. In the event that, for any reason, payment by means of electronic funds transfer is not possible, payment will be made by cheque , at a limit of BWP 500 000.00 or the equivalent currency in the manner set out in the remainder of this Condition 11.
- 11.4. Subject to 11.8 and 11.9, cheques in payment of interest and redemption monies shall be drawn on the Issuer. Payment of cheques shall be a valid discharge by BBSL of the obligation upon it to pay interest or the Nominal Amount on redemption, as the case may be.
- 11.5. Subject to 11.1 and 11.2, cheques shall be made payable to the order of:

- 11.5.1. the registered Noteholder; or
 - 11.5.2. such other person as may have been notified in writing to the Calculating and Paying Agent by the registered Noteholder (accompanied by such proof of authority as the Issuer or the Calculating & Paying Agent may require) not later than the Last day to Register in respect of the relevant Interest Payment Date or Redemption Date, as the case may be.
- 11.6. Cheques shall be dated with the relevant Interest Payment Date or Redemption Date, as the case may be, and shall therefore be payable on that date.
- 11.7. Subject to 11.7, cheques shall be posted to the Noteholder entitled thereto in terms of 11.5.1 at the address of the Noteholder in the Register (or such other address as may have been notified in writing to the Paying Agent by the Noteholder not later than the relevant Last Day to Register) or to the person referred to in 11.5.2 at the address given in the notice referred to in 11.5:
- 11.7.1. 10 Business Days before the relevant Interest Payment Date; or
 - 11.7.2. in the case of redemption, 10 Business Days before the Redemption Date or 10 Business Days after the date on which the Certificate in respect of the Notes to be redeemed has been surrendered to the Calculating and Paying Agent (whichever is the later date) or in respect of Uncertificated Notes against the advice from the CSDB that the redemption of the Uncertificated Note has been reflected in the appropriate Register (whichever is the later date). If written notice of the intention to collect a cheque is given to the Transfer Secretaries at least 15 Business Days before the relevant Interest Payment Date or Redemption Date, the cheque shall be available for collection by the Noteholder entitled thereto in terms of 11.5.1 or the person entitled thereto in terms of 11.5.2 or their respective duly authorised representatives at the office of the Transfer Secretaries:
 - 11.7.3. 10 Business Days before the relevant Interest Payment Date; or
 - 11.7.4. in the case of redemption, 10 Business Days before the Redemption Date or 10 Business Days after the date on which the Certificate in respect of the Notes to

be redeemed has been surrendered to the Transfer Secretaries (whichever is the later date).

11.8. If a cheque is not collected on the day on which it became available for collection in terms of 11.7.2, nor within 2 Business Days after that day, the cheque shall be posted to the Noteholder entitled thereto in terms of 11.5.1 at his address set out in the Register (or to such other address as may have been notified in writing to the Paying Agent by the Noteholder not later than the relevant Last Day to Register) or to the person and address referred to in 11.5.2.

11.9. Cheques shall be posted by registered post, provided that neither the Issuer nor its agents shall be responsible for any loss in transmission and the postal authorities shall be deemed to be the agent of the Noteholders for the purposes of all cheques posted in terms of this Condition 11.9.

11.10. The method of payment of interest and redemption monies to a Noteholder may be varied from time to time by agreement between a Noteholder and the Paying Agent, with the consent of the Issuer, which consent shall not be unreasonably withheld.

12. REDEMPTION AND PURCHASE

12.1. At Maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the Applicable Pricing Supplement on the Redemption Date.

12.2. Redemption for Regulatory and/or Tax Reasons

If the Issuer, immediately prior to the giving of the notice referred to below, is of the reasonable opinion that:

12.2.1. as a result of any change in, or amendment to, the laws or regulations or directive of the Republic of Botswana or any political sub-division of, or any authority in, or of, the Republic of Botswana having power to tax, or any change or amendment which becomes effective after the relevant Issue Date, the Issuer is

or would be required to pay additional amounts as provided or referred to in Condition 12.5; and

12.2.2. the requirement cannot be avoided by the Issuer taking reasonable measures available to it, then the Issuer may at its option, at any time or on any Interest Payment Date, having given not less than 30 nor more than 60 days notice to Noteholders in accordance with Condition 18 (which notice shall be irrevocable), redeem all Notes, and not some only, at their “Early Redemption Amount” referred to in Conditions 12.4 below, together (if appropriate) with interest accrued to (but excluding) the date of redemption, provided that no notice of redemption shall be given earlier than 90 days before the earliest date on which the Issuer would be required to pay such additional amounts were a payment in respect of the Notes due.

12.3. Redemption at the Option of the Issuer

12.3.1. If the Issuer is specified in the Applicable Pricing Supplement as having an option to redeem, the Issuer may, having given:

12.3.1.1. not less than 15 nor more than 30 days’ notice to the Noteholders in accordance with Condition 18; and

12.3.1.2. not less than 7 days before giving the notice referred in 12.3.1.1 above, notice to the Calculation and Paying Agent;

(both of which notices shall be irrevocable) redeem all or some of the Notes then outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the Applicable Pricing Supplement together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s).

12.3.2. Any such redemption must be of a Nominal Amount not less than the Minimum Redemption Amount(s) and not more than the Higher Redemption Amount(s), both as defined in the Applicable Pricing Supplement.

- 12.3.3. A list of the serial numbers of Certificates of Redeemed Notes will be published in accordance with Condition 18 not less than 15 days prior to the date fixed for redemption.
- 12.3.4. Holders of redeemed Notes shall surrender the Certificates representing the Notes in accordance with the provisions of the notice given to them by the Issuer as contemplated in 12.3.1.1 above.
- 12.3.5. In the case of a partial redemption of Notes, each Noteholder shall have the same percentage of the Principal Amount of Notes held by the Noteholder redeemed, as each other Noteholder. Where only a portion of the Notes represented by a Certificate are redeemed, the Paying Agent and/or Transfer Secretaries shall deliver a Certificate to such Noteholders in respect of the balance of the Notes.
- 12.3.6. Where a partial redemption of Notes concerns Uncertificated Notes, the Calculating and Paying Agent and Transfer Secretary shall ensure that Noteholders's accounts are debited only to reflect the amount so redeemed, and that the accounts reflect the unredeemed amounts accurately subsequent to the partial redemption.

12.4. Redemption in the event of a Change of Control

The provisions of this Condition 12.4 (*Redemption in the event of a Change of Control*) shall apply if specified as applicable in the Applicable Pricing Supplement.

- 12.4.1. A Change of Control Event shall occur if at any time while any Note remains Outstanding:
- 12.4.1.1. a Change of Control occurs; and
 - 12.4.1.2. within the Change of Control Period and in respect of that Change of Control:

- 12.4.1.3. a Change of Control Rating Downgrade occurs in relation to the Issuer and/or the Programme and/or any Notes rated by a Rating Agency, as the case may be; or
 - 12.4.1.4. if, at the time the Change of Control occurs, the Issuer and/or the Programme and/or the Notes, as the case may be, are not so rated, a Negative Rating Event occurs.
- 12.4.2. Promptly upon the Issuer becoming aware that a Change of Control Event has occurred at any time while any Note remains Outstanding, the Issuer shall give notice (a “Change of Control Notice”) to the relevant Class of Noteholders in accordance with Condition **Error! Reference source not found.** (Notices) specifying the nature of the Change of Control Event and the circumstances giving rise to it. Upon the receipt of a Change of Control Notice, the relevant Class of Noteholders shall have the right to exercise an option, by way of Extraordinary Resolution, to require early redemption of the Notes and to convene a meeting of each relevant Class of Noteholders within 30 (thirty) days of the date on which the Issuer becomes aware of that Change of Control Event having occurred.
- 12.4.3. If a Class of Noteholders resolves, in accordance with Condition 20.1 (Meetings of Noteholders), by way of an Extraordinary Resolution passed at the meeting referred to in Condition 20.1, to require the redemption of the Notes of that Class of Noteholders as a consequence of the occurrence of the relevant Change of Control Event, then the Issuer shall redeem all of the Notes of that Class of Noteholders within 30 (thirty) days of the date on which such Extraordinary Resolution is passed (the Mandatory Redemption Date) at its Early Redemption Amount together with interest accrued to, but excluding, the Mandatory Redemption Date.
- 12.4.4. For the purposes of this Condition 12.4:

- (a) **Acting in Concert** means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition of shares in the Issuer by any of them, either directly or indirectly, to obtain or consolidate Control of the Issuer;
- (b) a **Change of Control** shall be deemed to have occurred at each time that any person (**Relevant Person**) or person Acting in Concert, at any time directly or indirectly has unconditionally acquired Control of the Issuer, provided that a Change of Control shall not be deemed to have occurred if the shareholders of the Relevant Person are also, or immediately prior to the event which would otherwise constitute a Change of Control, were all of the shareholders of the Issuer;
- (c) **Change of Control Period** means, in relation to a Change of Control of the Issuer, the period commencing 60 (sixty) days prior to such Change of Control and ending 60 (sixty) days after such Change of Control;
- (d) a **Change of Control Rating Downgrade** shall, in relation to the Issuer and/or the Programme and/or where any Notes are rated by a Rating Agency, as the case may be, be deemed to have occurred in respect of a Change of Control if within the Change of Control Period the Rating previously assigned to the Issuer and/or the Programme and/or the Notes, by any Rating Agency is:
- (i) withdrawn; or
 - (ii) changed from an Investment Grade Rating to a non-Investment Grade Rating; or
 - (iii) in the case of a non-Investment Grade Rating, downgraded by any Rating Agency by one or more Rating Notches,
- provided that no Change of Control Rating Downgrade shall have occurred if the Rating assigned to the Issuer and/or the Programme and/or the Notes, as the case may be, is substituted for an Investment Grade Rating by another Rating Agency;
- (e) **Control** of the Issuer means (A) the holding beneficially of more than 50% (fifty percent) of the issued share capital of the Issuer (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital), or (B) the power to cast, or control the casting of votes in respect of, such number of the shares in the issued share capital of the Issuer carrying more than 50% (fifty percent) of the total number of votes that may be cast at a general meeting of the members of the Issuer;
- (f) **Investment Grade Rating** means a national scale rating of **Baa3za** by Moody's, **zaBBB-** by S&P, **BBB-(RSA)** by GCR or its equivalent for the time being, or better;
- (g) a "**Negative Rating Event**" shall, in relation to Notes that are unrated and/or where no rating is assigned to the Issuer and/or the Programme,

as the case may be, by a Rating Agency at the time a Change of Control occurs, be deemed to have occurred if:

- (i) the Issuer does not on or before the 60th (sixtieth) Business Day after the commencement of the Change of Control Period seek, and use all reasonable endeavours to obtain from a Rating Agency, a rating in respect of itself and/or the Programme and/or the Notes, as the case may be, that are not rated; or
 - (ii) if it does so seek and use such endeavours, it has not at the expiry of the Change of Control Period and as a result of such Change of Control obtained an Investment Grade Rating in respect of itself and/or the Programme and/or such Notes, as the case may be;
- (h) **Rating Notch** means the difference between one Rating and the Rating immediately below it, for example, from **BB+** to **BB** by the Rating Agency.

12.5. **Early Redemption Amounts**

For the purpose of 12.2 above and 12.3 (and otherwise as stated herein), the Notes will be redeemed at the Early Redemption Amount calculated as follows:

12.5.1. in the case of Notes with a Final Redemption Amount referred to in 6.1 equal to the Issue Price, at the Final Redemption Amount thereof; or

12.5.2. in the case of Notes with either a Final Redemption Amount which is or may be less or greater than the Issue Price, to be determined in the manner specified in the applicable Pricing Supplement or, if no such amount or manner is so specified in the applicable Pricing Supplement, at their Nominal Amount.

12.6. **Purchases**

The Issuer may at any time purchase Notes at any price in the open market or otherwise. Such Notes may (subject to restrictions of any applicable law) be held by the Issuer in its own name or that of its nominee, resold or, at the option of the Issuer, surrendered to the Transfer Secretaries for cancellation or in respect of an Uncertificated Note procure that the Register of such Uncertificated Notes is amended accordingly.

12.7. Cancellation

12.7.1. All Notes which are redeemed will forthwith be cancelled. All Certificates representing the Notes so cancelled and the Notes purchased and cancelled pursuant to clause [] shall be forwarded to the Issuer and cannot be re-issued or resold. Where only a portion of Notes represented by a Certificate are cancelled, the Transfer Secretaries shall deliver a Certificate to such Noteholder in respect of the balance of the Notes.

12.7.2. In the event that the Note to be cancelled is an uncertificated Note, the CSDB shall amend the Register accordingly.

13. PRESCRIPTION

The Notes will become void unless presented for payment of principal and interest within a period of three years after the Relevant Date.

14. EVENTS OF DEFAULT

If any one or more of the following events (each an “**Event of Default**”) shall have occurred after the date of this Programme Memorandum and be continuing:

- 14.1. the Issuer fails to pay any interest or principal in respect of any of the Notes on due date for payment and the failure to pay continues for more than fourteen days; or
- 14.2. the Issuer fails to perform or observe any of its other obligations under the Notes and such failure has continued for a period of thirty days following the service on the Issuer of a notice requiring the same to be remedied; or
- 14.3. the Issuer defaults in the payment of the principal or interest or any obligations in respect of Borrowed Money (as defined below) of, assumed or guaranteed by, the Issuer when and as the same shall become due and payable or where notice has been given to the Issuer, of the default and if such default shall have continued for more than the notice period (if any) applicable thereto and the time for payment of such interest or principal has not been effectively extended or if any such obligations of, or assumed or guaranteed by, the Issuer shall have become repayable before the due date thereof as a result of acceleration of maturity by reason of the occurrence of any event of default

there under, which default is subject to a material threshold that the claim in respect of Borrowed Money is for a minimum of BWP 100,000,000.00; or

- 14.4. any action, condition or thing including the obtaining of any consent, licence, approval or authorisation now or hereafter necessary to enable the Issuer to comply with its obligations under the Programme is not taken, fulfilled or done, or any such consent, licence, approval or authorisation, shall be revoked, modified, withdrawn or withheld or shall cease to remain in full force and effect resulting in the Issuer being unable to perform any of its respective payment or other obligations in terms of any Notes or the Programme; or
- 14.5. the Issuer is placed in liquidation, dissolved or is wound-up, whether provisionally or finally, or is placed under judicial management, whether provisionally or finally, or any process similar thereto, or an order is made or an effective resolution is passed for the winding-up, dissolution or liquidation of the Issuer save for the purpose of a merger, amalgamation, consolidation, reconstruction or reorganisation within the Issuer on terms approved by an Extraordinary Resolution; or
- 14.6. any mortgage, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer in respect of Borrowed Money of a value of at least BWP 100,000,000 becomes enforceable and the holder thereof takes any steps to enforce it;
- 14.7. the Issuer ceases or threatens to cease to carry on the whole or a substantial part of its business, other than in terms of a merger, amalgamation, consolidation, reconstruction or re-organisation within the Issuer on terms approved by Extraordinary Resolution, or if the Issuer stops or threatens to stop payment of, or is unable to, or admits to being unable to pay its debts (or any class of its debts), it being specifically recorded that in the event the Issuer demutualises its shares and ceases to be a company in terms of the Act, that such demutualisation shall not be deemed to be an event of default for the purposes of this clause 15; or
- 14.8. any step is taken by or under any authority with a view to the seizure, compulsory acquisition, expropriation or nationalisation of the Issuer or any of the securities issued by the Issuer or any material part of the assets of the Issuer; or

14.9. the Issuer initiates or consents to judicial proceedings relating to itself under any applicable compromise with creditors, liquidation, winding -up or insolvency or other similar laws or compromises, or attempts to compromise, with its creditors generally (or any significant class of creditors) or any meeting of creditors is convened by the Issuer or to consider a proposal for an arrangement of compromise with its creditors generally (or any significant class of its creditors); or

14.10. if proceedings are initiated against the Issuer such that a person takes possession of the whole or a material part of the undertaking or assets of it, or an execution or attachment or other process is levied, enforced upon, sued out or put in force against the whole or a part of the undertaking or assets of it and such is not discharged within 30 days;

then the Trustee may, if duly authorised by Extra-Ordinary Resolution, by written notice to the Issuer at its registered office, effective upon the date of receipt thereof by the Issuer, declare the Notes held by such holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in 6.4), together with accrued interest (if any) to the date of payment, provided that no such action may be taken by the Trustee if the Issuer withholds or refuses to make any such payment in order to comply with any law or regulation of the Republic of Botswana or to comply with any order of a court of competent jurisdiction. Provided that such redemption shall not be permissible within the first five years of issue of the notes.

For the purposes of this Condition 14, "Borrowed Money" means any indebtedness or liability, whether present or future, in any currency, actual or contingent, for or in respect of money borrowed or raised by whatever means, but excluding deposits in the normal course of business.

15. EXCHANGE OF BENEFICIAL INTERESTS AND REPLACEMENT OF INDIVIDUAL CERTIFICATES

15.1. Exchange of Beneficial Interests

15.1.1. The holder of a Beneficial Interest in Notes may, in terms of the Applicable Procedures and Applicable Laws, by written notice to the holder's nominated Participant (or, if such holder is a relevant Participant, the CSDB), request that

such Beneficial Interest be exchanged for Notes in definitive form represented by an Individual Certificate (the “**Exchange Notice**”). The Exchange Notice shall specify (i) the name, address and bank account details of the holder of the Beneficial Interest and (ii) the day on which such Beneficial Interest is to be exchanged for an Individual Certificate; provided that such day shall be a Business Day and shall fall not less than 30 (thirty) days after the day on which such Exchange Notice is given.

15.1.2. The holder’s nominated relevant Participant will, following receipt of the Exchange Notice, through the CSDB, notify the relevant Transfer Agent that it is required to exchange such Beneficial Interest for Notes represented by an Individual Certificate. The relevant Transfer Agent will, as soon as is practicable but within 14 (fourteen) days after receiving such notice, in accordance with the Applicable Procedures, procure that an Individual Certificate is prepared, authenticated and made available for delivery, on a Business Day falling within the aforementioned 14 (fourteen) day period, to the holder of the Beneficial Interest at the Specified Office of the relevant Transfer Agent; provided that joint holders of a Beneficial Interest shall be entitled to receive only one Individual Certificate in respect of that joint holding, and the delivery to one of those joint holders shall be delivery to all of them.

15.1.3. In the case of the exchange of a Beneficial Interest in Notes issued in uncertificated form:

15.1.3.1. the CSDB shall, prior to the Exchange Date, surrender CSDB such uncertificated Notes to the relevant Calculating and Paying Agent at its Specified Office; and

15.1.3.2. the relevant Calculating and Paying Agent will obtain the release of such Notes from the CSDB in accordance with the Applicable Procedures.

15.1.4. An Individual Certificate shall, in relation to a Beneficial Interest in any number of Notes issued in uncertificated form of a particular aggregate Nominal Amount standing to the account of the holder thereof, represent that number of Notes of that aggregate Nominal Amount, and shall otherwise be in such form as may be

agreed between the Issuer and the relevant Transfer Agent; provided that if such aggregate Nominal Amount is equivalent to a fraction of the Specified Denomination or a fraction of any multiple thereof, such Individual Certificate shall be issued in accordance with, and be governed by, the Applicable Procedures.

15.2. **Replacement**

If any Individual Certificate is worn-out, mutilated, defaced, stolen, destroyed or lost it may be replaced at the Specified Office of the relevant Transfer Agent, on payment by the claimant of such costs and expenses as may be incurred in connection therewith and the provision of such indemnity as the Issuer and the relevant Transfer Agent may reasonably require. Worn-out, mutilated or defaced Individual Certificates must be surrendered at the Specified Office of the relevant Transfer Agent before replacements will be issued.

15.3. **Death and sequestration or liquidation of Noteholder**

Any person becoming entitled to Registered Notes as a consequence of the death, sequestration or liquidation of the holder of such Notes may, upon producing evidence to the satisfaction of the Issuer that he holds the position in respect of which he proposes to act under this Condition 15.3, or of his title as the Issuer and the relevant Transfer Agent shall require, be registered himself as the holder of such Notes or, subject to the Applicable Procedures, this Condition 15.3 and Condition 16 (*Transfer of Notes Certificated Notes*) and Condition 16 (*Transfer of Notes Uncertificated Notes*), may transfer such Notes. The Issuer and (if applicable) the CSDB and the relevant Participant shall be entitled to retain any amount payable upon the Notes to which any person is so entitled until such person shall be registered as aforesaid or until such time such Notes are duly transferred.

15.4. **Costs**

The costs and expenses of the printing, issue and delivery of each Individual Certificate and all taxes and governmental charges that may be imposed in relation to such Individual Certificate and/or the printing, issue and delivery of such Individual Certificate shall be borne by the holder of the Notes represented by that Individual Certificate.

Separate costs and expenses relating to the provision of Individual Certificates and/or the transfer of Notes may be levied by other persons, such as a Participant, under the Applicable Procedures, and such costs and expenses shall not be borne by the Issuer. The costs and expenses of the delivery of Certificates and all taxes or governmental charges or insurance charges that may be imposed in relation to such mode of delivery shall be borne by the Noteholder.

16. CERTIFICATES, REGISTER AND TRANSFER OF NOTES

16.1. Certificates

16.1.1. A Noteholder of an Uncertificated Note, should they so elect, shall be entitled to receive a Certificate evidencing the Notes transferred to that Noteholder within 2 days after registration of that transfer in accordance with Condition 18 (and which will apply *mutatis mutandis* to such Certificate), provided that joint Noteholders will be entitled to receive only one Certificate in respect of that joint holding, and the delivery to one of those Noteholders shall be delivery to all of them.

16.1.2. If a Certificate is worn out or defaced then, within 2 days of its presentation to the Transfer Secretaries, the Transfer Secretaries shall cancel that Certificate and issue a new Certificate in its place.

16.1.3. If a Certificate is lost or destroyed then upon proof thereof to the satisfaction of the Transfer Secretaries, a new Certificate in lieu thereof may be issued to the person entitled to that lost or destroyed Certificate, provided that the Noteholder shall provide the Transfer Secretaries and the Issuer with an indemnity. The person providing the indemnity and the form of the indemnity shall be to the satisfaction of the Issuer and the Transfer Secretaries. The new Certificate shall be issued within 2 days from the date that the conditions for issuing such Certificate have been fulfilled.

16.1.4. An entry as to the issue of a new Certificate and indemnity (if any) shall be made in the Register upon the date of issue of the new Certificate.

16.1.5. Certificates to be provided by the Issuer to Noteholders shall be collected by the Noteholders from the Transfer Secretaries.

16.1.6. Certificates shall be provided where relevant by the Issuer without charge, save as otherwise provided in these Terms and Conditions. The costs and expenses of delivery of Certificates otherwise than by ordinary post (if any) and, if the Issuer shall so require, taxes or governmental charges or insurance charges that may be imposed in relation to such mode of delivery shall be borne by the Noteholder.

16.1.7. Regarding certificated notes, if the Transfer Secretary is for whatever reason unable to issue a certificate upon request by a noteholder then the NTS (Nominated Transfer Secretary) will do so. It is recorded that the Calculating and Paying Agent is the Nominated Transfer Secretary for this purpose.

16.2. Registers

16.2.1. The Register of Certificated Notes:

16.2.1.1. shall be kept at the office of the Transfer Secretaries;

16.2.1.2. shall contain the names, address and bank account numbers of the Noteholders;

16.2.1.3. shall show the total Nominal Amount of the Notes held by the Noteholders;

16.2.1.4. shall show the dates upon which each of the Noteholders was registered as such;

16.2.1.5. shall show the serial numbers of the Certificates or the ISIN of any Uncertificated Notes and the dates of issue thereof;

16.2.1.6. shall be open for inspection at all reasonable times during business hours on Business Days by any Noteholder or any person authorised in writing by a Noteholder;

- 16.2.1.7. shall be closed during the period as specified in the Applicable Pricing Supplement, commencing after the Last Day to Register, or such shorter period as the Issuer may decide during which transfer of Notes will not be registered in order to determine those Noteholders entitled to receive interest.
- 16.2.2. Subject to the rules of the CSDB in existence from time to time, the Register of Uncertificated Notes:
 - 16.2.2.1. shall be kept by the CSDB with a mirror Register at the office of the Calculating and Paying Agent;
 - 16.2.2.2. shall contain the names, address and bank account numbers of all persons with an interest in Uncertificated Notes;
 - 16.2.2.3. shall show the total Nominal Amount of Uncertificated Notes beneficially owned by the Noteholders;
 - 16.2.2.4. shall show the dates upon which the Uncertificated Note was recorded as such;
 - 16.2.2.5. shall be open for inspection at all reasonable times during business hours on Business Days by any Noteholder or any person authorised in writing by a Noteholder;
 - 16.2.2.6. shall be closed during the period as specified in the Applicable Pricing Supplement, commencing after the Last Day to Register, or such shorter period as the Issuer may decide during which transfer of Notes will not be registered in Noteholders entitled to receive interest.
- 16.2.3. The Transfer Secretaries and/or the CSDB shall alter the Registers in respect of any change of name, address or account number of any of the Noteholders of which it is notified.
- 16.2.4. Except as provided for in these Terms and Conditions or as required by law, the Issuer:

- 16.2.4.1. will only recognise a Noteholder as the owner of the Notes registered in that Noteholders name as per the applicable Register;
- 16.2.4.2. shall not be bound to enter any trust in the Registers or to take notice of or to accede to the execution of any trust (express, implied or constructive) to which any Certificate or Uncertificated Note may be subject.

16.3. **Transfer of Certificated Notes**

16.3.1. In order for any transfer of Certificated Notes to be effected through the Register and for the transfer to be recognised by the Issuer, each transfer of a Note:

- 16.3.1.1. must be in writing and in the usual form or in such other form approved by the Transfer Secretaries;
- 16.3.1.2. must be signed by the relevant Noteholder and the transferee, or any authorised representatives of that registered Noteholder or transferee;
- 16.3.1.3. shall only be in respect of the stated denomination of the Note as set out in the Applicable Pricing Supplement, or integral multiples thereof, and consequently the Issuer will not recognise any fraction of the stated denomination;
- 16.3.1.4. must be delivered to the Transfer Secretaries together with the Certificate in question for cancellation (if only part of the Notes represented by a Certificate is transferred, a new Certificate for the balance will be issued to the transferor and the cancelled Certificate will be retained by the Transfer Secretaries).

16.3.2. The transferor of any Notes represented by a Certificate will be deemed to remain the owner thereof until the transferee is registered in the Register as the holder thereof.

16.3.3. Before any transfer is registered all relevant transfer taxes (if any) must have been paid and such evidence must be furnished as the Transfer Secretaries reasonably require as to the identity and title of the transferor and the transferee.

16.3.4. No transfer will be registered whilst the applicable Register is closed.

16.3.5. If a transfer is registered then the transfer form and cancelled Certificate will be retained by the Transfer Secretaries.

16.4. **Transfer of Uncertificated Notes**

Strictly subject to the rules of the CSDB which may be in existence from time to time:-

16.4.1. In order for any transfer of an Uncertificated Notes to be effected through the applicable Register and for the transfer to be recognised by the Issuer, each transfer of an Uncertificated Note must be by way of a completed CSDB prescribed transfer form that requests the CSDB Participant with whom the Noteholder maintains a CSDB account to transfer the Uncertificated Notes to another designated CSDB securities account.

16.4.2. Subject to 16.4.6 below, the CSDB will then effect the transfer of the Uncertificated Note between CSDB securities accounts.

16.4.3. It is for the Noteholder and the transferee to check and ensure the accuracy and completeness of any transfer request through the CSDB Participants with which they hold CSDB securities accounts.

16.4.4. The transferor of Uncertificated Notes will be deemed to remain the owner thereof until the transferee is registered in the applicable Register as the beneficial owner thereof. Should the transferor and transferee of Uncertificated Notes wish that the applicable Register be updated to reflect any transfer before the bi-monthly reconciliation, the parties must inform the Transfer Secretary separately of the transfer once they have confirmation from the CSDB Participant that it has been effected. The Transfer Secretary will then reconcile

the applicable Register against the electronic register as maintained by the CSDB.

16.4.5. Before any transfer of an Uncertificated Note is registered in the applicable Register all relevant transfer taxes (if any) must have been paid and such evidence must be furnished as the Transfer Secretaries reasonably require as to the identity and title of the transferor and the transferee.

16.4.6. No transfer will be registered whilst the applicable Register is closed. The Transfer Secretary will inform the CSDB of any Books Closed Period as defined in the Applicable Pricing Supplement in respect of a Tranche of Notes and the CSDB will not process any transfers during such period.

17. CALCULATION AND OTHER AGENTS

17.1. Any third party appointed by the Issuer as Arranger, Placing Agent, Calculation Agent, Sponsoring Broker, Transfer Secretaries or otherwise shall act solely as the agent of the Issuer and does not assume any obligation towards or relationship of agency or trust for or with any Noteholders.

17.2. The Issuer is entitled to vary or terminate the appointment of such agents and/or appoint additional or other agents and/or approve any change in the specified agent, provided that there will at all times be an Arranger, Calculation Agent, Paying Agent and Trustee and in respect of Notes listed on the BSE, and a Sponsoring Broker with a specified office in such place as may be required by the rules and regulations of the BSE.

18. NOTICES

18.1. All notices to Noteholders shall be sent by registered mail to their respective addresses appearing in the Registers. Any such notice shall be deemed to have been given on the seventh day after the day on which it is mailed. In addition, such notices shall also be valid if published in an English language daily newspaper of general circulation in the Republic of Botswana.

18.2. If any notice is given to Noteholders, a copy thereof shall be delivered to the Trustee and if the Note is listed on the BSE, to the BSE.

18.3. Any notice by a Noteholder to the Issuer shall be deemed to have been received by the Issuer, if delivered to the registered office of the Issuer on the date of delivery and, if sent by registered mail, on the seventh day after the day on which it is sent.

19. AMENDMENT OF THESE TERMS AND CONDITIONS

19.1. These Terms and Conditions set out all the rights and obligations relating to the Notes and, subject to the further provisions of this Condition 19, no addition, variation or consensual cancellation of these Conditions shall be of any force or effect unless reduced to writing and signed by or on behalf of the Issuer and approved by the BSE.

19.2. These Terms and Conditions may be amended by the Issuer without the consent of the Noteholders for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein, provided that the interests of the Noteholders are not prejudiced by any such amendment.

19.3. The Issuer may, with the prior sanction of an Extraordinary Resolution or with the prior written consent of Noteholders holding not less than 75% in Nominal Amount of the Notes outstanding from time to time, amend these Conditions, provided that no such amendment shall be of any force or effect unless notice of intention to make such amendment shall have been given to all Noteholders in terms of Condition 18 above.

19.4. For the purposes of these Terms and Conditions, an “Extraordinary Resolution” means, in relation to all Noteholders or Noteholders of a Tranche or Series of Notes, a resolution passed at a meeting of such Noteholders, duly convened and held in accordance with the provisions of Condition 20 below, by a majority consisting of not less than 75% of the Noteholders voting thereat upon a show of hands or if a poll be duly demanded then by a majority consisting of not less than 75% of the votes given on such poll.

20. TRUST, TRUSTEE AND MEETINGS OF NOTEHOLDERS

20.1. Convening of meetings

20.1.1. The Issuer may at any time convene a meeting of Noteholders (a meeting or the meeting).

20.1.2. The Issuer shall convene a meeting upon the requisition in writing of the Noteholders of at least 25% (twenty five percent) of the aggregate Nominal Amount outstanding of the Notes (**requisition notice**).

20.1.3. Whenever the Issuer wishes or is required to convene a meeting, it shall forthwith give notice in writing to the Noteholders of the place, day and hour of the meeting and of the nature of the business to be transacted at the meeting.

20.1.4. All meetings of Noteholders shall be held in Gaborone.

20.1.5. Any director or duly authorised representative of the Issuer, and any other person authorised in writing by the Issuer, may attend and speak at a meeting of Noteholders, but shall not be entitled to vote, other than as a proxy (as defined below) or duly authorised representative of a Noteholder.

20.2. **Requisition**

20.2.1. A requisition notice shall state the nature of the business for which the meeting is to be held and shall be deposited at the registered office of the Issuer. A requisition notice may consist of several documents in like form, each signed by one or more requisitionists.

20.3. **Convening of meetings by requisitionists**

If the Issuer does not proceed to cause a meeting to be held within 10 (ten) days of the deposit with the company secretary of the Issuer of a requisition notice, requisitionists who together hold not less than 25% (twenty five percent) of the aggregate Nominal Amount outstanding of the Notes for the time being, may themselves convene the meeting, but the meeting so convened shall be held within 60 (sixty) days from the date of such deposit and shall be convened as nearly as possible in the same manner as that in which meetings may be convened by the Issuer. Notice of the meeting shall be required to be given to the Issuer.

20.4. **Notice of meeting**

20.4.1. Unless the holders of at least 90% (ninety percent) of the aggregate Nominal Amount outstanding of the Notes agree in writing to a shorter period, at least 21

(twenty one) days written notice specifying the place, day and time of the meeting and the nature of the business for which the meeting is to be held shall be given by the Issuer to Noteholders. Such notice is required to be given in accordance with Condition 18 (Notices).

20.4.2. The accidental omission to give such notice to any Noteholder or the non-receipt of any such notice, shall not invalidate the proceedings at a meeting.

20.5. **Quorum**

20.5.1. A quorum at a meeting shall for the purposes of considering:

20.5.1.1. an ordinary resolution generally, consist of Noteholders present in person or by proxy and holding in the aggregate not less than one-third of the aggregate Nominal Amount outstanding of the Notes;

20.5.1.2. an Extraordinary Resolution, consist of Noteholders present in person or by proxy and holding in the aggregate not less than 50.1% (fifty point one percent) of the aggregate Nominal Amount outstanding of the Notes.

20.5.2. No business shall be transacted at a meeting of the Noteholders unless a quorum is present at the time when the meeting proceeds to business.

20.5.3. If, within 15 (fifteen) minutes from the time appointed for the meeting, a quorum is not present, the meeting shall, if it was convened on the requisition of Noteholders, be dissolved. In every other case the meeting shall stand adjourned to the same day in the third week thereafter, at the same time and place, or if that day is not a Business day, the following Business day. If at such adjourned meeting a quorum is not present the Noteholders present in person or by proxy shall constitute a quorum for the purpose of considering any resolution, including an Extraordinary Resolution.

20.6. **Chairman**

The chairman of the meeting shall be appointed by the Issuer.

20.7. **Adjournment**

20.7.1. Subject to the provisions of this Condition 20.1 (*Meetings of Noteholders*) the chairman may, with the consent (which consent shall not be unreasonably withheld and/or delayed) of, and shall on the direction of the Issuer, adjourn the meeting from time to time and from place to place.

20.7.2. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

20.7.3. At least 14 (fourteen) days written notice of the place, day and time of an adjourned meeting shall be given by the Issuer to each Noteholder. In the case of a meeting adjourned in terms of Condition 20.11.2, the notice shall state that the Noteholders present in person or by proxy at the adjourned meeting will constitute a quorum.

20.8. **How questions are decided**

20.8.1. At a meeting, a resolution put to the vote shall be decided on a show of hands unless, before or on the declaration of the result of the show of hands, a poll is demanded by the chairman or by any one of the Noteholders present in person or by proxy.

20.8.2. Unless a poll is demanded, a declaration by the chairman that on a show of hands a resolution has been carried, or carried by a particular majority, or lost, shall be conclusive evidence of that fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

20.8.3. A poll demanded on the election of a chairman or on the question of the adjournment of a meeting shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs and the result of such poll shall be deemed to be the resolution of the meeting.

20.8.4. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall not be entitled to a casting vote in addition to the vote, if any, to which he is entitled.

20.9. **Votes**

On a show of hands every Noteholder present in person shall have one vote. On a poll every Noteholder, present in person or by proxy, shall have one vote for each BWP1,000,000 of the Nominal Amount outstanding of the Notes held by him. The joint holders of Notes shall have only one vote on a show of hands and one vote on a poll for each BWP1,000,000 of the Nominal Amount outstanding of the Notes of which they

are the registered holder and the vote may be exercised only by that holder present whose name appears first on the Register in the event that more than one of such joint holders is present in person or by proxy at the meeting. The Noteholder in respect of uncertificated Notes shall vote at any such meeting on behalf of the holders of Beneficial Interests in such Notes in accordance with the instructions to the CSDB or its nominee from the holders of Beneficial Interests conveyed through the Settlement Agents in accordance with the Applicable Procedures.

20.10. Proxies and representatives

20.10.1. Noteholders may:

20.10.1.1. present in person; or

20.10.1.2. through any appointed person (a **proxy**), by an instrument in writing (a **form of proxy**), signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney of a duly authorised officer of the corporation,

vote on a poll.

20.10.2. A person appointed to act as proxy need not be a Noteholder.

20.10.3. The form of proxy shall be deposited at the registered office of the Issuer or at the office where the relevant Register is kept or at such other office as the Issuer may determine not less than 24 (twenty four) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in such form of proxy proposes to vote, and in default, the proxy shall be invalid.

20.10.4. No form of proxy shall be valid after the expiration of 6 (six) months from the date named in it as the date of its execution.

20.10.5. A proxy shall have the right to demand or join in demanding a poll.

- 20.10.6. Notwithstanding Condition 20. the form of proxy shall be valid for any adjourned meeting, unless the contrary is stated thereon.
- 20.10.7. A vote given in accordance with the terms of a proxy shall be valid notwithstanding the previous death or incapacity of the principal or revocation of the proxy or of the authority under which the form of proxy was executed or the transfer of Notes in respect of which the proxy was given, provided that no intimation in writing of such death, incapacity or revocation shall have been received by the Issuer at the office of the relevant Transfer Agent more than, and that the transfer has been given effect to less than, 12 (twelve) hours before the commencement of the meeting or adjourned meeting at which the proxy is to be used.
- 20.10.8. Any Noteholder which is a corporation may by resolution of its directors or other governing body authorise any person to act as its representative in connection with any meeting or proposed meeting of Noteholders. Any reference in this Condition 20.1.2 (*Meetings of Noteholders*) to a Noteholder present in person includes such a duly authorised representative of a Noteholder.

20.11. **Minutes**

- 20.11.1. The Issuer shall cause minutes of all resolutions and proceedings of meetings to be duly entered in the minute books of the Issuer.
- 20.11.2. Any such minutes as aforesaid, if purporting to be signed by the chairman of the meeting at which such resolutions were passed or proceedings held or by the chairman of the next succeeding meeting, shall be receivable in evidence without any further proof, and until the contrary is proved, a meeting of Noteholders in respect of the proceedings of which minutes have been so made shall be deemed to have been duly held and convened and all resolutions passed thereat, or proceedings held, to have been duly passed and held.

20.12. ***Mutatis mutandis* application**

The provisions of this Condition 20.1 (*Meetings of Noteholders*) shall apply *mutatis mutandis* to the calling and conduct of meetings on an individual Tranche, Series or Class of Noteholders, as the case may be.

21. **ENTITLEMENT OF THE TRUSTEE**

21.1. In addition to the below, all references to notice to the Noteholders and rights and/or discretions to be exercised by the Noteholders shall be deemed to be references to notice to the Trustees and the Noteholders rights and/or discretions to be exercised by the Trustee acting in accordance with the instructions of the relevant majority of Noteholders or such other persons as prescribed in relation to any particular matter under the Trust Deed, as the case may be.

21.2. In connection with the exercise of its functions, the Trustee shall have regard to the interests of the Noteholders as a class and, in particular but without limitation, shall not have regard to the consequences of the exercise of its trusts, powers or discretions for individual Noteholders resulting from them being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory, and the Relevant Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders.

22. **ACCELERATION AND ENFORCEMENT**

22.1. The Trustee shall only take any proceedings against the Issuer or enforce the provisions of the Notes in accordance with the provisions of the Trust Deed, (ii) once so directed by an Extraordinary Resolution of Noteholders or so requested in writing by the holders of at least 66,67% (sixty six comma six seven percent) in Notes then Outstanding, and (ii) once it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

22.2. No Noteholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

23. THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including relieving it from taking proceedings unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit. The Trustee may rely without liability to Noteholders on a report, confirmation or certificate or any advice of any accountants, financial advisers or investment bank, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee shall be obliged to accept and be entitled to rely on any such report, confirmation or certificate or advice where the Issuer procures delivery of the same pursuant to its obligation to do so under any provision of these Conditions or the Trust Deed and such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee and the Noteholders in the absence of manifest error.

24. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further Notes.

25. DOCUMENTS

A signed copy of the Programme Memorandum, the Trust Deed, any Supplementary Trust Deed that is applicable to that Noteholder, certified copies of resolutions and authorisations, the Building Societies Act, audited financial accounts of the Issuer for the previous three years, and letters of consent are available for inspection, on request, at the offices of the legal advisors to the Issuer and at the Sponsoring Broker during normal business hours.

26. REGULATORY APPROVALS

The necessary approvals for the Programme and the issuance of the Notes thereunder have been obtained.

27. GOVERNING LAW

The provisions of these Terms and Conditions, the Programme Memorandum, the Notes, and all rights and obligations to the Notes, are governed by, and shall be construed in accordance with, the laws of the Republic of Botswana in force from time to time.

28. JURISDICTION

The Courts of the Republic of Botswana have exclusive jurisdiction to settle any dispute arising out of or in connection with these Terms and Conditions.

SECTION SIX

29. USE OF PROCEEDS

The Issuer will use the proceeds of the Notes issued and subscribed for, to fund the ongoing general corporate or normal operations of the Issuer or as may otherwise be recorded in an Applicable Pricing Supplement.

SECTION SEVEN

30. DESCRIPTION OF THE ISSUER

All information pertaining to, inter alia, the description of the Issuer, its business, management and corporate governance, as set out in the Information Memorandum, which will be amended and restated from time to time, will be incorporated by reference in, and form part of this Programme Memorandum, and will be available on the Issuer's website <https://www.bbs.co.bw>

SECTION EIGHT

31. SETTLEMENT, CLEARING AND TRANSFER OF NOTES

Capitalised terms used in this section headed “Settlement, Clearing and Transfer of Notes” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or it is clearly inappropriate from the context.

Each Tranche of Notes which is listed on the BSE, in certificated form or in uncertificated form will be held in the CSDB. A Tranche of unlisted Notes may also be held in the CSDB subject to the Applicable Laws.

Clearing systems

Each Tranche of Notes listed on the BSE, and/or held in the CSDB or a Tranche of unlisted Notes held in the CSDB, be issued, cleared and settled in accordance with the rules and operating procedures for the time being the BSE, as the case may be, and the CSDB through the electronic settlement system of such CSD. Such Notes will be cleared by the relevant Participants who will follow the electronic settlement procedures prescribed by the BSE.

The CSDB has, as the operator of an electronic clearing system, been appointed by the BSE, to match, clear and facilitate the settlement of transactions concluded on the BSE. Subject as aforesaid each Tranche of Notes which is listed on the BSE, issued, cleared and transferred in accordance with the Applicable Procedures and the Terms and Conditions, and will be settled through relevant Participants who will comply with the respective electronic settlement procedures prescribed by the BSE, as the case maybe and the CSDB. The Notes may be accepted for clearance through any additional clearing system as may be agreed by the BSE, the Issuer and the Dealer(s).

Participants

The CSDB maintains accounts only for relevant Participants. As at the Programme Date, the relevant Participants which are approved by the CSD or the BSE, as the case may be, as Settlement Agents to perform electronic settlement of funds and scrip is the Central Bank of Botswana.

Settlement and clearing

The relevant Participants will be responsible for the settlement of scrip and payment transfers through the BSE and the Central Bank of Botswana.

While a Tranche of Notes is held in the CSDB, the CSDB, will be named in the relevant Register as the holder of the Notes in that Tranche. All amounts to be paid in respect of Notes held in the CSDB will be paid to the relevant Participants on behalf of the relevant Noteholder pursuant to the Applicable Procedure. All rights to be exercised in respect of Notes will be exercised by the relevant Noteholder.

In relation to each person shown in the records of the CSDB or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular Nominal Amount of Notes, a certificate or other document issued by the CSDB or the relevant Participant, as the case may be, as to the Nominal Amount of such Notes standing to the account of such person shall be *prima facie* proof of such Beneficial Interest. However, the CSDB, as the registered Noteholder of such Notes named in the relevant Register) will be treated by the Issuer, the Paying Agent, the relevant Transfer Agent, the relevant Participant and the CSDB as the holder of that aggregate Nominal

Amount of such Notes for all purposes.

Payments of all amounts in respect of a Tranche of Notes which is listed on the BSE, as the case may be, and/or held in the CSDB in uncertificated form will be made to the CSDB, which in turn will transfer such funds, via the relevant Participants, to the holders of Beneficial Interests. Each of the persons reflected in the records of the CSDB or the relevant Participant, as the case may be, as the holders of Beneficial Interests in Notes shall look solely to the CSDB or the relevant Participant, as the case may be, for such person's share of each payment so made by (or on behalf of) the Issuer to, or for the order of, the CSDB as the case may be.

Payments of all amounts in respect of a Tranche of Notes which is listed on the BSE, and/or held in the CSDB in uncertificated form will be recorded by the CSDB as the case may be, as the registered Noteholder of such Notes, distinguishing between interest and principal, and such record of payments by the CSDB as the case may be, shall be *prima facie* proof of such payments.

Transfers and exchanges

Subject of the Applicable Laws and the Applicable Procedures, title to Beneficial Interest held by Noteholders through the CSDB will be freely transferable and pass on transfer thereof by book entry (whether electronic or otherwise) in the securities accounts maintained by the CSD or relevant the Participants for such Noteholders.

Beneficial Interests may be exchanged for Notes represented by Individual Certificates in accordance with Condition 16 (*Transfer of Notes represented by Individual Certificates*).

Records of payments, trust and voting

Neither the Issuer nor the Paying Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Beneficial Interests, or for maintaining, supervising or reviewing any records relating to Beneficial Interests. Neither the Issuer nor the Paying Agent nor the relevant Transfer Agent will be bound to record any trust in the Register or to take notice of or to accede to the execution of any trust (express, implied or constructive) to which any Note may be subject. Holders of Beneficial Interests vote in accordance with the Applicable Procedures.

Notes listed on any Securities Exchange other than (or in addition to) the BSE, as the case may be.

Each Tranche of Notes which is listed on any Securities Exchange other than (or in addition to) the BSE will be issued, cleared and settled in accordance with the rules and settlement procedures for the time being of that Securities Exchange. The settlement and redemption procedures for a Tranche of Notes which is listed on any Securities Exchange (other than or in addition to the BSE) will be specified in the Applicable Pricing Supplement.

SECTION NINE

32. SUBSCRIPTION AND SALE

Capitalised terms used in this section headed “Subscription and Sale” shall bear the same meanings as those used in the Terms and Conditions, except to the extent that they are separately defined in this section or are clearly inappropriate from the context.

The Dealers have in terms of the amended and restated programme agreement dated, on or about 30 July 2021, as may be amended, supplemented, or restated from time to time (the **Programme Agreement**), agreed with the Issuer a basis upon which they may from time to time agree to subscribe for Notes or procure the subscription of the Notes.

Selling restrictions

Each Dealer who has (or will have) agreed to place a Tranche of Notes will be required to represent and agree that it will not offer or sale the Notes in contravention of the Listings Requirements, Companies Act, Securities Act and the BSE Act.

United States

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **US Securities Act**) and may not be offered or sold within the United States or to, or for the account of or benefit of, US persons except in certain transactions exempt from the registration requirements of the US Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the US Securities Act.

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that:

- (a) the Notes in that Tranche have not been and will not be registered under the US Securities Act and may not be offered or sold within the United States or to, or for the account of or benefit of, US persons except in certain transactions exempt from the registration requirements of the US Securities Act;
- (b) it has not offered, sold or delivered any Notes in that Tranche and will not offer, sell or deliver any Notes in that Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 (forty) days after completion of the distribution, as determined and certified by the Dealer or, in the case of an issue of such Notes on a syndicated basis, the relevant Lead Manager, of all Notes of the Series of which that Tranche of Notes is a part, within the United States or to, or for the account or benefit of, US persons;
- (c) it will send to each dealer to which it sells any Notes in that Tranche during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of such Notes within the United States or to, or for the account or benefit of, US persons;
- (d) it, its affiliates and any persons acting on its or any of its affiliates behalf have not engaged and will not engage in any directed selling efforts in the United States (as defined in Regulation S under the US Securities Act) with respect to the Notes in that Tranche and it, its affiliates and any persons acting on its or any of its affiliates' behalf have complied and will comply with the offering restrictions requirements of Regulation S; and
- (e) it has not entered and will not enter into any contractual arrangement with respect to

the distribution of the Notes, except with its affiliates or with the prior written consent of the Issuer.

In addition, until 40 (forty) days after the commencement of the offering of a Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the US Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the US Securities Act.

European Economic Area

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that, in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a **Relevant Member State**), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of any of such Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of any of such Notes to the public in that Relevant Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 100 (one hundred) or, if the relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150 (one hundred and fifty), natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

Provided that no such offer referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “*offer of Notes to the public*” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression **Prospectus Directive** means Directive 2003/71/EC (and amendments thereto including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression **2010 PD Amending Directive** means Directive 2010/73/EU.

Each Dealer has (or will have) represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that any commission, fee or non-monetary benefit received from the Issuer complies with the applicable rules set out in the Markets in Financial Instrument Directive 2014/65/EU, as may be amended or replaced from time to time (**MiFID II**).

United Kingdom

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that:

- (a) in relation to any of the Notes in that Tranche which have a maturity of less than one year,
 - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any of such Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of such Notes would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act, 2000 (the **FSMA**) by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any of the Notes in that Tranche under circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any of the Notes in that Tranche in, from or otherwise involving the United Kingdom.

General

Each Dealer will comply with all Applicable Laws and regulations in each jurisdiction in which it acquires offers, sells or delivers Notes or has in its possession or distributes this Programme Memorandum or any such other material, in all cases at its own expense. It will also ensure that no obligations are imposed on the Issuer or and other Dealer in any such jurisdiction as a result of any of the foregoing actions. The Issuer and the Dealers will have no responsibility for, and each Dealer will obtain any consent, approval or permission required by it for, the acquisition, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in or from which it makes any acquisition, offer sale or delivery. No Dealer is authorised to make any representation or use any information in connection with the issue, subscription and sale of Notes other than as contained in this Programme Memorandum.

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to agree that:

- (a) it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in each jurisdiction in which it purchases, subscribes or procures the subscription for, offers or sells Notes in that Tranche or has in its possession or distributes the Programme Memorandum and will obtain any consent, approval or permission required by it for the purchase, subscription, offer or sale by it of Notes in that Tranche under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, subscription, offers or sales; and
- (b) it will comply with such other or additional restrictions as the Issuer and such Dealer agree and as are set out in the Applicable Pricing Supplement.

Neither the Issuer nor any of the Dealer(s) represent that Notes may at any time lawfully be subscribed for or sold in compliance with any applicable registration or other requirements in any jurisdiction or pursuant to any exemption available thereunder nor assumes any responsibility for

facilitating such subscription or sale.

SECTION TEN

33. TAXATION

Capitalised terms used in this section headed "Taxation" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or it is clearly inappropriate from the context.

The comments below are intended as a general guide to the relevant tax laws of Botswana as at the Programme Date. The contents of this section headed "Taxation" do not constitute tax advice and do not purport to describe all of the considerations that may be relevant to a prospective subscriber for or purchaser of any Notes. Prospective subscribers for or purchasers of any Notes should consult their professional advisers in this regard.

33.1. **Withholding Tax**

33.1.1. Non-resident Noteholder

The Issuer is a Botswana resident for tax purposes. All payments of principal and interest in respect of the Notes will be made in compliance with income tax laws of Botswana. Currently, the Issuer, pursuant to section 58 as read with the Seventh Schedule to the Income Tax Cap 52:01 for Botswana as amended, is obliged to withhold 15% on all interest payments to non-resident Noteholders. The percentage of tax to be withheld from interest payments to non-resident Noteholders may be varied pursuant to the terms of a double taxation avoidance agreement that may exist between Botswana and the country of jurisdiction of the non-resident Noteholder. It will be for a non-resident Noteholder to prove relief in respect of withholding tax, and the existence of a double taxation avoidance agreement which provides the same.

33.1.2. Resident Noteholder

Currently the issuer, section 58 as read with the Seventh Schedule to the Income Tax Cap 52:01 for Botswana as amended is obliged to withhold 10% on all interest payments to resident Noteholders. Certain resident Noteholders are exempted from the application of the obligation to withhold

tax on interest payable to such Noteholders. It would be for the Noteholder claiming relief and exemption, to prove the exemption.

33.2. **Capital Gains**

Disposal of Notes by a Noteholder, will not be subject to capital gains tax in Botswana in connection with the issue, transfer or redemption of Notes in accordance with current legislation as the Issuer is a public company as defined in Section 130 of the Botswana Income Tax Act.

33.3. **Stamp Duty**

No stamp, registration, or similar duties or taxes will be payable in Botswana in connection with the issue, transfer or redemption of the Notes in accordance with current legislation.

33.4. **Tax Treaties**

Botswana has entered into a number of double taxation avoidance agreement with Barbados, France, Namibia, Russia, Seychelles, South Africa, United Kingdom and Northern Ireland, Zimbabwe, India, Mozambique, Ireland, China, Swaziland, Lesotho, Zambia, Luxembourg, Guernsey, United Arab Emirates, and is currently negotiating with Belgium, Malawi, Tanzania, Kenya, Angola, Nigeria, Uganda and Japan.

SECTION ELEVEN

34. EXCHANGE CONTROL

Capitalised terms used in this section headed "Exchange Control" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or it is clearly inappropriate from the context.

The information below is intended as a general guide to the position under the Exchange Control Regulations as at the Programme Date. The contents of this section headed "Exchange Control" do not constitute exchange control advice and do not purport to describe all of the considerations that may be relevant to a prospective subscriber for or purchaser of any Notes. Prospective subscribers for or purchasers of any Notes should consult their professional advisers in this regard

There are no exchange control regulations applicable to the Notes.

SECTION TWELVE

35. GENERAL INFORMATION

Words when used in this section headed “General Information” shall bear the same meanings as when used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

35.1. Authorisation

All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer under the laws of the Republic of Botswana have been given for the establishment of the Programme and the issue of Notes and for the Issuer, the Arranger, the Placing Agent, the Transfer Secretary, Paying and Calculation Agent to undertake and perform their respective obligations under the Programme.

35.2. Report By Directors On Material Changes

The Directors confirm that there have been no material changes in the assets or liabilities of BBSL between the date of the last audited financial statements for the year ended 31 December 2020 and the date of this Programme Memorandum.

35.3. Statement as to Adequacy of Capital

The Directors of BBSL are of the opinion that the working capital of BBSL, including the amounts raised from time to time by the issue of Notes under the Programme, are adequate for the purposes of BBSL for the foreseeable future.

35.4. Litigation

The Issuer (whether as defendant or otherwise) is not engaged in any legal, arbitration, administration or other proceedings, the results of which might have or have had a material effect on the financial position or the operations of the Issuer, nor is it aware of any such proceedings being threatened or pending.

35.5. **Auditors**

Ernst & Young has acted as the auditor of the Issuer for the financial year ended 31 December 2020. For the financial years ended 31 December 2018 and 31 December 2019, KPMG was the auditor of the Issuer. Ernst & Young has issued an unmodified opinion on the financial statements of BBS Limited for the year ended 31 December 2020, which is available for inspection on the Issuer's website (www.bbs.co.bw). Ernst & Young have furthermore issued an opinion on the summary financial information for the year ended 31 December 2020, as presented on pages [x] to [x] of this Programme Memorandum, which is available under section [insert details of where the opinion will sit].

35.6. **Listing**

35.6.1. The Programme has been approved by the BSE. The Issuer may seek to list certain Notes issued under the Programme on the BSE or such other or further exchange or exchanges as may be agreed between the Issuer and the Arranger and approved by the BSE or any successor exchange to the BSE.

35.6.2. In the event that Notes that are intended to be listed are issued twelve (12) months after the date of the Programme Memorandum or any Supplementary Programme Memorandum, the Issuer undertakes to prepare and publish a further Supplementary Programme Memorandum in compliance with the BSE Listings Requirements, unless exempted from such Requirements.

35.7. **Programme Memorandum and Pricing Supplements**

A signed copy of the Programme Memorandum and Pricing Supplements in respect of the Notes on offer as at date hereof, certified copies of resolutions and authorisations of the Board of the Issuer in respect of the issue of the Notes, the Act establishing the Issuer, audited financial accounts of the Issuer for the previous three years, and advisors letters of consent are available for inspection, on request, at the principal place of business of the Issuer and the Transfer Secretaries, during normal business hours.

35.8. Documents Available

So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available from the registered office of the Issuer and its website, or from the specified office of the Transfer Secretaries or the time being in Gaborone:

- 35.8.1. the published annual report of the Issuer, incorporating the audited annual financial statements of the Issuer in respect of the most recent three financial years;
- 35.8.2. a copy of this Programme Memorandum; and
- 35.8.3. any future prospectuses, Programme Memoranda, supplementary listing particulars, information memoranda and supplements (including the Pricing Supplements in respect of listed Notes) to this Programme Memorandum and any other documents incorporated herein or therein by reference.

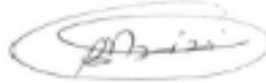
35.9. Responsibility Statement of Members of the Board

- 35.9.1. The members of the board, whose names are given on the Information Memorandum, document collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no other facts the omission of which would make any statement false or misleading, that they have made all reasonable enquiries to ascertain such facts and (if applicable) that the Programme Memorandum contains all information required by law.
- 35.9.2. The members of the board confirm that the Programme Memorandum include all such information within their knowledge (or which it would be reasonable for them to obtain by making enquiries) as investors and their professional advisers would reasonably require and reasonably expect to find for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the issuer and of the rights attaching to the securities to which the Programme Memorandum relates.

SIGNED AT GABORONE ON THIS 30th DAY OF JULY 2021.



Name: Plus Komane Molefe
Capacity: Managing Director
Who warrants his authority hereto



Name: Bernard Mzizi
Capacity: Board Chairman
Who warrants his authority hereto

SECTION TWELVE

CORPORATE INFORMATION

<p>Issuer BBS Limited BBS House, Broadhurst Mall, P O Box 40029 Gaborone, Botswana Tel: +267 3971396 Fax: +267 3903029 Contacts: Dimpho Phagane</p>	<p>Legal Advisor to the Issuer, Arranger and Placing Agent Armstrongs Attorneys 2nd Floor Acacia House, Plot 74538New CBD Cnr P.G. Matante & Khama Crescent Ext P O Box 1368, Gaborone, Botswana Tel: +267 395 3841 Fax: +267 395 2757 Contact: Sipho Ziga</p>
<p>Arranger and Placing Agent Lambda Capital Plot 2431, Extension 9 Corner Northring Road and Buffalo Close, Gaborone, Botswana Tel: Fax Contact: Mmoloki Ramaeba</p>	<p>Paying and Calculation Agent Transaction Management Services (Proprietary) Limited t/a Corpserve Botswana Unit 206, Showgrounds Close Plot 64516 Fairgrounds P.O Box 1583 AAD Gaborone, Botswana Contact: Stephen Pezarro</p>
<p>Auditor Ernst and Young 2nd Floor, Plot 22, Khama Crescent, Gaborone Botswana Tel: +267-3974078 Fax: +267-3974079 Contact: Francois Roos</p>	<p>Sponsoring Broker Imara Capital Securities Unit 1E Ground Floor Peelo Place, Plot 54366 Western Commercial Rd New CBD Gaborone, Botswana Tel: + 267 3188710 Fax:</p>

<p>Transfer Secretaries</p> <p>Central Securities Depository Company of Botswana Limited</p> <p>4th Floor, Fairscape Precinct , Plot 70667 Fairgrounds, Gaborone Private Bag 00417, Gaborone</p> <p>Contacts: Masego Pheto-Lentswe</p>	<p>Trustee</p> <p>John Stevens, c/o Stevens Fricker & Associates (formerly Desert Secretarial Services)</p> <p>Plot 50664, Fairground Office Park P O Box 211008 Gaborone, Botswana</p> <p>Telephone: +267 395 2474 Fax: +267 395 2478</p> <p>Contact: John Y. Stevens</p>
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