

CONSTITUTION OF BBS LIMITED

TABLE OF CONTENTS

CLAUSE	PAGE
PART INTERPRETATION.....	6
DEFINITIONS.....	6
OBJECTS OF THE COMPANY.....	11
PART II - CAPITAL SHARES AND DIVIDENDS	15
RIGHT TO ISSUE SHARES: BOARD AND ENTITLED PERSONS.....	16
CONSIDERATION FOR ISSUE OF SHARES.....	17
SHARES NOT PAID FOR IN CASH.....	17
DIRECTORS' CERTIFICATE ON CONSIDERATION FOR ISSUE	18
DIRECTORS CERTIFICATE TO BE LODGED	18
DEEMED PAYMENT OTHER THAN FOR CASH.....	18
AMOUNT OWING ON ISSUE OF SHARES.....	18
BONUS SHARES.....	19
COMPANY PAYING UP PARTLY PAID SHARES	19
COMPANY PURCHASING ITS OWN SHARES	19
PURCHASE BY COMPANY OF ITS OWN SHARES	19
TREASURY STOCK	19
TRANSFER OF SHARES.....	19
ENTRY IN REGISTER	19
SIGNED TRANSFER	19
FORM OF TRANSFER	20
BOARD'S RIGHT TO REFUSE REGISTRATION OF TRANSFER	20
REGISTRATION OF TRANSFER.....	20
DEFAULT BY TRANSFEROR.....	21
TRADING ON THE BOTSWANA STOCK EXCHANGE OVER THE COUNTER TRADING PLATFORM (OTC)	21
SHARE REGISTER	21
MAINTENANCE OF SHARE REGISTER.....	21
CONTENTS OF REGISTER	21
DUTY TO SUPERVISE REGISTER.....	22
REGISTER PRIMA FACIE EVIDENCE	23
REGISTER EVIDENCE OF RIGHTS.....	23
TRUST NOT TO BE REGISTERED OR RECOGNISED.....	23
SHARE CERTIFICATES.....	23
APPLICATION FOR SHARE CERTIFICATE	23
ISSUE OF CERTIFICATE.....	23

TRANSFER TO BE ACCOMPANIED BY CERTIFICATE.....	24
SURRENDERED SHARE CERTIFICATE	24
TRANSMISSION OF SHARES.....	24
TRANSMISSION.....	24
CALLS ON SHARES	25
BOARD MAY MAKE CALLS.....	25
NOTICE OF CALLS	25
LIABILITY FOR CALLS.....	25
AGREEMENT TO DIFFERENTIATE CALLS	26
SUSPENSION OF RIGHT TO DIVIDENDS AND LIEN.....	26
NOTICE OF SUSPENSION OF RIGHTS TO DIVIDEND	26
APPLICATION OF SUSPENDED DIVIDENDS.....	26
LIABILITY NOT DISCHARGED BY SUSPENSION OF RIGHT TO DIVIDENDS OR TRANSFER OF SHARES.....	27
LIFTING OF SUSPENSION OF RIGHT TO DIVIDENDS.....	27
LIENS.....	27
SALE ON EXERCISE OF LIEN	27
DISTRIBUTIONS.....	28
SOLVENCY TEST	28
DECLARATION OF DIVIDENDS.....	28
DIVIDENDS PAYABLE PARI PASSU	30
SHARES IN LIEU OF DIVIDEND	30
FINANCIAL ASSISTANCE ON ACQUISITION OF SHARES	32
PART III - SHAREHOLDERS' RIGHTS AND OBLIGATIONS STATEMENT OF SHAREHOLDERS' RIGHTS.....	32
ISSUE OF STATEMENT OF RIGHTS TO SHAREHOLDER	32
EXERCISE OF POWERS RESERVED TO SHAREHOLDERS	32
POWERS RESERVED TO SHAREHOLDERS	32
SPECIAL RESOLUTIONS.....	33
MANAGEMENT REVIEW BY SHAREHOLDERS.....	33
DISSENTING SHAREHOLDER MAY REQUIRE COMPANY TO PURCHASE SHARES	33
SHAREHOLDER PROPOSALS	35
LEVIES.....	35
MEETING OF SHAREHOLDERS.....	35
ANNUAL MEETING	35
SPECIAL MEETINGS	36
RESOLUTION IN LIEU OF MEETING	36
CHAIRPERSON OF MEETINGS OF SHAREHOLDERS.....	36
SHAREHOLDERS ENTITLED TO NOTICE OF MEETINGS	36
NOTICE OF MEETING	37
CONTENTS OF NOTICE	37
IRREGULARITIES IN NOTICE.....	37
METHOD OF HOLDING MEETING	38
ADJOURNMENTS	38

MINUTES.....	38
VOTING AT MEETINGS	38
QUORUM.....	38
VOTING.....	39
PROXIES AND REPRESENTATIVES	39
PART IV - THE BOARD - POWERS AND DUTIES OF THE BOARD.....	40
POWERS OF THE BOARD	40
DELEGATION BY THE BOARD	40
DIRECTORS TO ACT IN GOOD FAITH	41
MAJOR TRANSACTIONS.....	42
BORROWING POWERS	42
PROCEEDINGS OF BOARD.....	43
CHAIRPERSON	43
NOTICE OF MEETING	43
MEETINGS OF BOARD	44
QUORUM.....	45
VOTING.....	45
MINUTES.....	45
RESOLUTION BY ROUND ROBIN	45
CONTINUING DIRECTORS	45
OTHER PROCEEDINGS	46
CHIEF EXECUTIVE OFFICER	46
APPOINTMENT AND DISMISSAL.....	46
DUTIES AND POWERS OF THE CHIEF EXECUTIVE OFFICER.....	46
TERMINATION OF EMPLOYMENT	46
DIRECTORS.....	47
COMPOSITION OF BOARD OF DIRECTORS	47
APPOINTMENT AND REMOVAL BY NOTICE.....	47
APPOINTMENT AND REMOVAL OF DIRECTORS BY RESOLUTION	48
DISQUALIFICATION	48
SHAREHOLDING QUALIFICATION	48
REMUNERATION OF DIRECTORS.....	48
AUTHORITY TO REMUNERATE DIRECTORS.....	48
NOTICE OF INTEREST TO BE GIVEN.....	49
NO RIGHT OF INTERESTED DIRECTOR TO VOTE	49
COMPANY SECRETARY	49
LANGUAGE.....	50
SERVICE.....	50
TIME OF SERVICE BY WRITTEN ELECTRONIC COMMUNICATION AND FACSIMILE.....	51
TIME OF SERVICE BY POST	51
PROOF OF SERVICE	51
SERVICE ON JOINT HOLDERS	51
SERVICE OF REPRESENTATIVES.....	51

WINDING UP.....52

REMOVAL FROM THE REGISTER52

PART I – INTERPRETATION

1. DEFINITIONS

- 1.1. In this Constitution unless the context otherwise requires the following words and expressions have the meanings given to them in this clause:
- 1.1.1. **"Act"** means the Companies Act 2003 and includes amendments and any Act in substitution;
 - 1.1.2. **"amalgamation"** means an act where two companies join together to form a company, which may be one of the amalgamating companies, or may be new company, as envisaged in Section 222 of the Act;
 - 1.1.3. **"Day" means working day, that is,** means a day of the week other than Saturday, Sunday or a public holiday;
 - 1.1.4. **"annual meeting"** means the meeting of shareholders held pursuant to **section 105 of the Act**;
 - 1.1.5. **"assets"** include property of any kind, whether tangible or intangible;
 - 1.1.6. **"Banking Act"** means the Banking Act Cap 46:04 of Botswana as amended from time to time;
 - 1.1.7. **"balance sheet date"** means such date as the Board adopts as the Company's balance sheet date;
 - 1.1.8. **"Board"** means the directors numbering not less than the required quorum acting together as the Board of directors of the Company, and if the Company has only one director, that director;
 - 1.1.9. **"Building Societies Act"** means the Building Societies Act Cap 42:03 as amended by the Building Societies (Amendment) Act, 2014.
 - 1.1.10. **"call"** means a resolution of the Board pursuant to clause 41 of this Constitution requiring shareholders to pay all or part of the unpaid amount of the issue price of any shares referred to in the resolution held by the shareholder, and where the context requires means the obligation of a shareholder to meet the amount due pursuant to such a resolution;
 - 1.1.11. **"chairperson"** means the chairperson of the Board elected in terms of this Constitution;

- 1.1.12. **"class"** and **"class of shares"** means a class of shares having attached to them identical rights, privileges, limitations and conditions;
- 1.1.13. **"Company"** means BBS Limited;
- 1.1.14. **"director"** means a person appointed and continuing in office for the time being, in accordance with this Constitution, as a director of the Company;
- 1.1.15. **"distribution"** means:
- 1.1.15.1. the direct or indirect transfer of money or property, other than the Company's own shares, by the Company to or for the benefit of a shareholder; or
 - 1.1.15.2. the incurring of a debt by the Company to or for the benefit of a shareholder; or
 - 1.1.15.3. in relation to shares held by that shareholder, and whether by means of a purchase of property, the redemption or other acquisition of shares, a distribution of indebtedness or by some other means;
- 1.1.16. **"dividend"** means a distribution as defined in Section 60 of the Act being a distribution other than a distribution to which section 66 (**acquisition of Company's own shares**) or section 76 restriction on giving (**financial assistance**) of the Act applies;
- 1.1.17. **"general meeting"** means any meeting of shareholders, other than a meeting of an interest group;
- 1.1.18. **"holding company"** has the meaning set out in section 6 (2) and 6(3) of the Act;
- 1.1.19. **"interest group"**, in relation to any action or proposal affecting rights attached to shares, means a group of shareholders:
- 1.1.19.1. whose affected rights are identical; and
 - 1.1.19.2. whose rights are affected by the action or proposal in the same way; and
 - 1.1.19.3. who comprise the holders of one or more classes of shares.

Holders of shares in the same class may fall into two or more interest groups, and one or more interest groups may exist in relation to any action or proposal;

- 1.1.20. **"interests register"** means a register kept by the Company at its registered office pursuant to **section 186(1)(c) of the Act**.
- 1.1.21. **"major transaction"** means:
- 1.1.21.1. the acquisition of, or an agreement to acquire, whether contingent or not, assets the value of which is more than half the value of the Company's assets before the acquisition; or
 - 1.1.21.2. the disposition of, or an agreement to dispose of, whether contingent or not, assets of the Company the value of which is more than half the value of the Company's assets before the disposition; or
 - 1.1.21.3. a transaction that has or is likely to have the effect of the Company acquiring rights or interests or incurring obligations or liabilities the value of which is more than half the value of the Company's assets before the transaction.
- 1.1.22. **"month"** means calendar month;
- 1.1.23. **"office"** means the registered office for the time being of the Company;
- 1.1.24. **"ordinary resolution"** means a resolution of shareholders approved by a simple majority of the votes of those shareholders entitled to vote and voting on a question;
- 1.1.25. **"ordinary share"** means a share which confers on the holder:
- 1.1.25.1. the right to vote at meetings of shareholders and on a poll to cast one vote for each share held; and
 - 1.1.25.2. subject to the rights of any other class of shares, the right to an equal share in dividends and other distributions made by the Company; and
 - 1.1.25.3. subject to the rights of any other class of shares, the right to an equal share in the distribution of the surplus assets of the Company on its liquidation;
- 1.1.26. **"Registrar"** means the Registrar of Companies appointed pursuant to **section 10 of the Act**;

- 1.1.27. **"secretary"** - means any person performing or holding the office of the company secretary of the Company for the time being in terms of section 163 of the Act or the transfer secretary in the event that the shares are listed on the Botswana Stock Exchange or, in the case of joint secretaries, any one of them;
- 1.1.28. **"securities"** has the same meaning assigned to it in the Securities Act ;
- 1.1.29. **"share"** means a share in the capital of the Company the issue of and rights attaching to which are provided for by this Constitution;
- 1.1.30. **"shareholder"** means a person as defined herein:
- 1.1.30.1. registered in the register as the holder of one or more shares; and
 - 1.1.30.2. until such time as his, her or its name is entered in the register, a person named as a shareholder in the application for registration of the Constitution of the Company at the time of incorporation of the Company;
- 1.1.31. **"share register"** means the share register required to be kept in accordance with section 83 of the Act;
- 1.1.32. **"solvency test"** means a full enquiry to the financial state of the Company which will be satisfied if:
- 1.1.32.1. the Company is able to pay its debts as they become due in the normal course of business; and
 - 1.1.32.2. the value of the Company's assets is greater than the sum of the value of its liabilities, including contingent liabilities;
 - 1.1.32.3. For the purpose of the definition of the solvency test regard is to be had to the matters referred to in section 4 of the Act;
- 1.1.33. **"special meeting"** means a meeting called in accordance with section 106 of the Act;
- 1.1.34. **"special resolution"** means a resolution of shareholders approved by a majority of 75 percent, or if a higher majority is required by this Constitution, that higher majority, of the votes of the shareholders entitled to vote and voting on a question;
- 1.1.35. **"subsidiary"** has the meaning set out in section 6 of the Act;

1.1.36. **“writing”** includes all modes of representing or reproducing words, figures or symbols in a visible form including reproduction by facsimile machine.

Words importing the singular number also include the plural number and vice versa.

- 1.2. A reference to a person includes any firm, Company or other body corporate.
- 1.3. Words importing one gender include the other genders.
- 1.4. Expressions contained in this Constitution bear the same meaning as in the Act at the date on which this Constitution becomes binding on the Company.
- 1.5. A reference to a clause means a clause of this Constitution.

2. OBJECTS OF THE COMPANY

- 2.1. The Company is incorporated to conduct “banking business” as envisaged in the Banking Act and therefore shall apply for a licence in terms of the Banking Act.
- 2.2. In particular, the Company is established for the purpose of delivering financial services to the public, which include but not limited to the following:-
 - 2.2.1. mortgage loan financial services across the country;
 - 2.2.2. the business of a bank that will encourage and attract savings amongst the people of Botswana and in terms of the Banking Act or the Building Societies Act, as applicable;
 - 2.2.3. rendering transactional services and lending facilities through, amongst others, existing infrastructure;
 - 2.2.4. expanding the range of banking services and developing into a bank of first choice, in particular to the rural and lower income markets as well as communities that have little or no access to commercial banking services or facilities;
 - 2.2.5. promoting universal and affordable access to banking services;
 - 2.2.6. financing or assisting in financing customers, clients or other persons in the acquisition, hire, lease or sale of immovable property of every kind and to finance or to assist in financing the acquisition, hire, lease or sale of movable property of every kind and the provision of services, whether by way of personal loan, hire purchase, instalment finance, deferred payment or otherwise; to acquire by assignment or otherwise debts owing to any person or company and to collect such debts, and generally to act as traders, factors, carriers, merchants or in any

other capacity, and to import, export, buy, sell, let on hire, charter, barter, make advances upon, pledge or otherwise deal in movable property of every kind;

- 2.2.7. promoting , effecting, negotiating, offer for sale by tender or otherwise, guaranteeing, underwriting, securing the subscription or placing of, subscribing or tendering for or procuring the subscription of (whether absolutely or conditionally), participating in, managing or carrying out, on commission or otherwise, any issue, public or private, of the securities of any company, and lending money for the purpose of such issue;
- 2.2.8. acquiring or leasing land and erecting buildings thereon primarily required for the conduct of the company's affairs and from time to time alienating such land or terminating or ceding such lease and acquiring or hiring other of further land for like purposes and to let such portion of the buildings in which the business of the company is carried on as may not be required for the purposes of the company. To buy in and dispose of immovable property mortgaged to the company in security of debts;
- 2.2.9. entering into any guarantee, bond, recognizance, contract or indemnity or suretyship and otherwise giving security or becoming responsible for the performance of any obligations or duties by any person or company and in particular (without prejudice to the generality of the foregoing) to guarantee, secure, whether by personal covenant, or by mortgaging or charging all or any part of the undertaking, property and assets, present or future, and uncalled capital of the company, or by both such methods, the performance of the obligations of and the payment of monies secured by or payable under or in respect of the securities of any company or person, including but (but without limitation) the Company's holding company (if any) or any subsidiary of the Company or of such holding company or any company otherwise associated with the Company in business, and to give and take counter guarantees and indemnities, and to receive security for the implementation of any obligation.
- 2.2.10. Carrying on the business of data processing and storage equipment and systems, computer bureau, programming, operating and consultancy services and communication systems of all kinds. ;
- 2.2.11. carrying on the business of carrying on managerial, secretarial, accountancy, consultancy, statistical and any other supervisory, executive and advisory services of whatever kind for or in relation to any person, company, property or business;

- 2.2.12. acting as commission agents, , surveyors, architects, valuers, property consultants and managers, land and estate agents, insurance brokers and average adjusters, and generally to undertake all kinds of agency business;
- 2.2.13. acquiring (whether by purchase, subscription, exchange, or otherwise) take option over and hold, exchange, deal in, sell, or otherwise dispose of or turn to account, securities of any company or companies;
- 2.2.14. co-ordinating, financing and managing all or any part of the businesses and operations of any company which is a subsidiary of or otherwise under the control (direct or indirect) of the Company;
- 2.2.15. selling, exchange, mortgage, let on rent, royalty, share of profit or otherwise, improve, manage, turn to account, grant licences, servitudes, options or other rights over and in any manner deal or dispose of the undertaking, property and assets, (including uncalled capital) of the Company or any part thereof for such consideration as may be thought fit, and in particular for securities, whether fully or partly paid up, of any other company, and to hold, deal with or dispose of such consideration;
- 2.2.16. amalgamating or entering into a partnership or any profit-sharing arrangement with and co-operate in any way with or assist or subsidise any company, and to purchase or otherwise acquire and undertake all or any part of the business, assets and liabilities of any person or company;
- 2.2.17. investing any monies of the Company not for the time being required for the general purposes of the company in such investments and securities (other than shares in the Company or its holding company, if any) as may be thought expedient and to hold, sell or otherwise deal with investments or securities;
- 2.2.18. establishing or promoting or concurring in the establishment or promotion of any company;
- 2.2.19. procuring the registration or incorporation of the Company in or under the laws of any place outside Botswana;
- 2.2.20. seeking and securing openings for the employment of capital in any part of the world, and with the view thereto to employ experts to investigate into and examine the conditions, prospects, value, character and circumstances of any business concerns and undertakings, and generally of any assets, concessions, properties and rights whether in existence or contemplation;

- 2.2.21. entering into any arrangements with any Government authority, international, supreme, municipal, local or otherwise, and to obtain any rights, concessions, and privileges from any such Government or authority to carry out, exercise and comply with any such arrangements, rights, concessions and privileges;
- 2.2.22. taking all the necessary and proper steps in the legislature or with any Government or authority, international, supreme, municipal, local or otherwise for the purpose of carrying out, extending or varying the objects and powers of the Company, or altering its constitution, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests;
- 2.2.23. distributing any of the property of the company among its members in specie;
- 2.2.24. subscribing, donating or guaranteeing money for any national, charitable, benevolent, public, general, or useful objects or for any exhibition or for any purpose which may be considered likely directly or indirectly to further the objects of the Company or the interests of its members and to subscribe or donate money to any association or fund for the protection, defence or benefit of any person or companies on businesses similar to those carried on by the Company or any of its subsidiaries.
- 2.2.25. establishing and maintaining or procuring the establishment and maintenance of any non-contributory or contributory pension or superannuation funds for the benefit of, and to give, or procure the giving of donations, gratuities, bonuses, benefits, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company or of its holding company, or such holding company, or is allied to or associated in business with the Company or with any such subsidiary or the predecessors in business of the Company or any such other company as aforesaid, or their respective predecessors in business and the wives, widows, families, dependants and personal representatives of any such persons, and also to establish and subsidise or subscribe to any institutions, associations, building and housing schemes, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid, or to advance the interest and well being of the Company or for such other company as aforesaid, and to make payments for or towards for or towards the insurance of any such persons as aforesaid;
- 2.2.26. carrying on any other business or activity which may seem to the Directors capable of being advantageously carried on in connection or conjunction with or as ancillary to any of the foregoing businesses or which the Directors may consider expedient with a view to rendering profitable or more profitable or

enhancing directly or indirectly the value of the Company's undertaking or any of its property or assets; and

to do all or any of the foregoing things in any part of the world and either as principals, agents, contractors, trustees or otherwise and by or through trustees, agents, subsidiary and associated companies or otherwise, and either alone or in conjunction with others;

2.2.27. In particular, during its transition period before it acquires a full commercial bank license, the Company may carry out any of the purposes stated under Section 17 of the Building Societies Act in line with Section 67D (1) of the Building Societies Act(as amended) as though all the objects have been stated individually within this Constitution.

2.3. In the event the company has set up a holding company, in the discharge of its functions the Company shall co-operate with its Holding Company including the department and agencies established by the Holding Company and shall consult with the Holding Company in matters of concern to the Company which affect their interest.

PART II - CAPITAL SHARES AND DIVIDENDS

3. Classes of shares

3.1. Different classes of shares may, subject to the Act and section 67B of the Building Societies Act, be issued including without limitation shares which:

- 3.1.1. are ordinary; or
- 3.1.2. are redeemable within the meaning of section 72 of the Act; or
- 3.1.3. confer preferential rights to distributions of capital or income; or
- 3.1.4. confer special, limited, or conditional voting rights; or
- 3.1.5. do not confer voting rights

3.2. The Company has the power to redeem a redeemable share:

- 3.2.1. at the option of the Company; or
- 3.2.2. at the option of the holder of the share; or
- 3.2.3. on a date specified in this Constitution;

for a consideration that is specified or to be calculated by reference to a formula or required to be fixed by a suitably qualified person who is not associated with or interested in the Company.

3.3. Employee Share Scheme

3.3.1 The shareholders in a general meeting may by ordinary resolution approve the establishment of a scheme whereby employees of the Company, and/ or a subsidiary, and/ or an associated company may be granted, awarded or given opportunity to subscribe for or acquire shares in the Company and doing so determine (i) the category of employees who may benefit under the scheme, (ii) the percentage of the entire issued share capital of the Company which can be reserved for and subsequently utilised for such scheme, (iii) the maximum number of shares that may be held by one employee pursuant to the scheme and (iv) the authority of the Board to promulgate rules for operation of the scheme. Any amendment to the scheme that would alter or vary the category of employees entitled to participate therein, the percentage of the entire issued share capital of the Company which may be reserved for or utilized for the scheme, the percentage of the entire issued share capital of the Company that may be held by one employee pursuant to the scheme and the authority of the Board to promulgate rules of the scheme shall be subject to approval by the Shareholders at a general meeting.

3.3.2 Any new issue shares in respect of the scheme shall be approved by shareholders in a general meeting and by ordinary resolution.

4. **RIGHT TO ISSUE SHARES: BOARD AND ENTITLED PERSONS**

4.1. Subject to clause 4.3 of this Constitution, the Board in accordance with section 50 of the Act may from time to time issue ordinary shares, and any other shares provided for by this Constitution, to any person at any time and in any number it considers appropriate.

4.2. A share is issued when the name of the shareholder is entered as the holder on the register.

4.3. **Section 52 of the Act** (which deals with the issue of additional shares pro rata to existing shareholders in accordance with their shareholding) applies to any issue of shares by the Board.

4.4. If all entitled persons have agreed or concur, shares may be issued otherwise than in accordance with sections 50, 52 or 53 of the Act.

4.5. The Board shall issue shares in accordance with this provision subject to any limitations imposed by the Building Societies Act.

4.6. The tradability of the shares will similarly be subject to the same limitations imposed by the Building Societies Act.

5. CONSIDERATION FOR ISSUE OF SHARES

- 5.1. Subject to clause 5.2 of this Constitution before the Board issues shares it must:
 - 5.1.1. determine the amount of the consideration for which the shares will be issued and the terms on which they will be issued; and
 - 5.1.2. resolve that, in its opinion, the consideration for the shares and the terms of the issue are fair and reasonable to the Company and to all existing shareholders.
- 5.2. Clause 5.1 of this Constitution does not apply to:
 - 5.2.1. the issue of shares that are fully paid up from the reserves of the Company to all shareholders of the same class in proportion to the number of shares held by each such shareholder;
 - 5.2.2. the consolidation and division of the shares or any class of shares in proportion to those shares or the shares in that class;
 - 5.2.3. the subdivision of shares or any class of shares in proportion to those shares or the shares in that class; and
 - 5.2.4. the issue of shares on the conversion of any convertible securities or the exercise of any option to acquire shares in the Company.
- 5.3. The consideration for which shares are issued may take any form and may be cash, promissory notes, contracts for future services, real or personal property, or other securities of the Company.

6. SHARES NOT PAID FOR IN CASH

- 6.1. Shares shall be deemed not to have been paid for in cash except to the extent that the Company has actually received cash in payment of the shares at the time of or subsequently to the agreement to issue the shares.
- 6.2. Before shares are credited as fully or partly paid up other than for cash, the Board must:
 - 6.2.1. determine the reasonable present cash value of the consideration; and
 - 6.2.2. resolve that, in its opinion, the present cash value of the consideration is fair and reasonable to the Company and to all existing shareholders, and the

present cash value of the consideration is not less than the amount to be credited in respect of the shares.

7. DIRECTORS' CERTIFICATE ON CONSIDERATION FOR ISSUE

The directors who vote in favour of a resolution required under clause 6.2 of this Constitution to issue shares must sign a certificate:

- 7.1. stating the consideration for, and the terms of, the issue; and
- 7.2. describing the consideration in sufficient detail to identify it; and
- 7.3. where a present cash value has been determined in accordance with clause 6.2.1, stating that value and the basis for assessing it; and
- 7.4. stating that, in their opinion, the consideration for and terms of issue are fair and reasonable to the Company and to all existing shareholders; and
- 7.5. if the shares are to be issued other than for cash payable on issue, stating that, in their opinion, the present cash value of the consideration to be provided for the issue of the shares is not less than the amount to be credited for the issue of shares.

8. DIRECTORS CERTIFICATE TO BE LODGED

A copy of the directors' certificate given in respect of the consideration for the issue of shares must be filed with the Registrar for registration within 10 working days after the certificate is given.

9. DEEMED PAYMENT OTHER THAN FOR CASH

For the purposes of clauses 4 to 6 of this Constitution, shares that are or are to be credited as paid up, whether wholly or partly, as part of an arrangement that involves the transfer of property or the provision of services and an exchange of cash or cheques or other negotiable instruments, whether simultaneously or not, must be treated as paid up other than in cash to the value of the property or services.

10. AMOUNT OWING ON ISSUE OF SHARES

Where money or other consideration is due to the Company on shares in accordance with their terms of issue such an amount does not comprise a call and no notice is required to be given to

the holder or other person liable under the terms of issue in order for the Company to enforce payment of the amount due.

11. BONUS SHARES

Subject to the provisions of the Act, the Board may authorise the allotment to shareholders of shares issued as fully or partly paid up from the assets of the Company.

12. COMPANY PAYING UP PARTLY PAID SHARES

Subject to the Company being able to meet the solvency test immediately after the distribution, the Board may authorise payment from the assets of the Company of any amount unpaid on shares already issued by the Company.

COMPANY PURCHASING ITS OWN SHARES

13. PURCHASE BY COMPANY OF ITS OWN SHARES

13.1. The Company may, in accordance with and subject to the provisions of the Act, with the approval of the Board purchase or otherwise acquire and hold its own shares and, offer to acquire its own shares;

13.2. The Board may purchase or otherwise acquire shares issued by the Company from such shareholders and in such numbers or proportions as it thinks fit and on terms and conditions which it considers to be in the interest of the Company.

14. TREASURY STOCK

Shares acquired by the Company under clause 13 of this Constitution may be held by the Company in accordance with section 69 of the Act.

TRANSFER OF SHARES

15. ENTRY IN REGISTER

Subject to clauses 15 to 27 of this Constitution shares may be transferred by entry of the name of the transferee in the register.

16. SIGNED TRANSFER

A form of transfer signed by the present holder of the shares or the holder's personal representative must be delivered to the Company or to any agent of the Company who maintains the register for the purpose of transferring shares.

17. **FORM OF TRANSFER**

- 17.1. The form of transfer may be in the form set out in Act or in any usual or common form, or any other form approved by the Board.
- 17.2. The form of transfer must be signed by the transferee if registration as holder of the shares imposes a liability to the Company on the transferee.

18. **BOARD'S RIGHT TO REFUSE REGISTRATION OF TRANSFER**

- 18.1. The Board may, within 30 working days of the receipt of a transfer of shares by the Company, refuse or delay the registration of the transfer if:
 - 18.1.1. the holder of the shares has failed to pay an amount due to the Company in respect of those shares; or
 - 18.1.2. the Board considers that to effect the transfer would result in a breach of the law; or
 - 18.1.3. the Board considers that it is not in the best interests of the Company to register the transfer; or
 - 18.1.4. clause 38 (**transfer to be accompanied by certificate**) of this Constitution has not been complied with, or the share transfer has not been properly executed or does not comply with clauses 15.1 (**signed transfer**) and 16.1 (**form of transfer**) of this Constitution.
 - 18.1.5. the transferor will not exceed any limitation imposed by Section 67 B (1) of the Building Societies Act.
- 18.2. Any resolution of the Board to refuse or delay the registration of a transfer of shares must set out in full the reason under clause 18.1 of this Constitution for doing so, and must be sent to the transferor and transferee within 5 working days of the date of the resolution.

19. **REGISTRATION OF TRANSFER**

Subject to clauses 17 (**form of transfer**) and 18 (**Board's right to refuse registration of transfer**) of this Constitution, on receipt of a duly completed form of transfer the Company must enter the name of the transferee on the register as holder of the shares, unless the Board has

resolved in accordance with clause 18 to refuse or delay the registration of the transfer of the shares.

20. DEFAULT BY TRANSFEROR

20.1. If a proposing transferor, after becoming bound to transfer the shares, defaults in transferring the shares, any director may execute a transfer of the share on behalf of the proposing transferor, and the Company may receive the purchase money and cause the name of the purchasing shareholder to be entered in the register as the holder of the shares.

20.2. The Company will hold the purchase money (subject to any lien in favour of the Company) in trust for the proposing transferor. The receipt of the Company for the purchase money will be a good discharge to the purchasing shareholder.

21. TRADING ON THE BOTSWANA STOCK EXCHANGE OVER THE COUNTER TRADING PLATFORM (OTC)

The provisions relating to the transfer of shares set out in paragraphs 15 to 20 above shall be subject to any requirements of the Botswana Stock Exchange, pertaining to electronic transfer of securities, if the shares are traded on any platform, of the Botswana Stock Exchange.

SHARE REGISTER

22. MAINTENANCE OF SHARE REGISTER

22.1. The Company shall maintain a share register which records all shares issued by the Company and may state any restrictions or limitations on their transfer subject to the Act, and where any document that contains the restrictions or limitations may be inspected.

22.2. The Company may appoint an agent to maintain the share register.

23. CONTENTS OF REGISTER

The share register must state, with respect to each class of shares:

23.1. the names, alphabetically arranged, and the latest known address of each person who is, and each person who has within the last 7 years, been a shareholder; and

23.2. the number of shares and the class of shares held by each shareholder within the last 7 years; and

23.3. the date of any:

23.3.1. issue of shares to; or

23.3.2. repurchase or redemption of shares from; or

23.3.3. transfer of shares by or to each shareholder within the last 7 years, and in relation to the transfer, the name of the person to or from whom the shares were transferred.

24. DUTY TO SUPERVISE REGISTER

It is the duty of the Secretary to take reasonable steps to ensure that the register is properly kept and that share transfers are promptly entered in it in accordance with clause 22 of this Constitution.

25. REGISTER PRIMA FACIE EVIDENCE

Subject to section 87 of the Act (power of court to rectify register) the entry of the name of a person in the register as holder of a share is prima facie evidence that the legal title to the share is vested in that person.

26. REGISTER EVIDENCE OF RIGHTS

The Company may treat the registered holder of a share as the only person entitled to:

- 26.1. exercise the right to vote attaching to the share; and
- 26.2. receive notices in respect of the share; and
- 26.3. receive a distribution in respect of the share; and
- 26.4. exercise the other rights and powers attaching to the share.

27. TRUST NOT TO BE REGISTERED OR RECOGNISED

- 27.1. No notice of a trust, whether express, implied, or constructive, may be entered on the register.
- 27.2. Except as required by law, no person will be recognised by the Company as holding any share upon trust, or holding any interest in a share whether equitable, contingent, future or partial except the absolute legal right to the entirety of the share vested in the registered holder.
- 27.3. The registration of a trustee, executor or administrator as a personal representative of a former shareholder does not constitute notice of a trust.

SHARE CERTIFICATES

28. APPLICATION FOR SHARE CERTIFICATE

The shares of the company will be dematerialised and shareholders may apply to the Company and the BSE for an electronic statement relating to some or all of the shareholders shares.

29. ISSUE OF CERTIFICATE

- 29.1. On receipt of an application for a share certificate under clause 28 of this Constitution, the Company must, within 20 working days after receiving the application, send to the

shareholder a certificate stating the name of the Company, and the class and number of shares represented by the certificate.

If the application relates to some but not all of the shareholder's shares the Company must, within 20 working days after receiving the application, separate the shares shown in the register as owned by the applicant into separate parcels; one parcel being the shares to which the share certificate relates, and the other parcel being any remaining shares.

30. TRANSFER TO BE ACCOMPANIED BY CERTIFICATE

Notwithstanding clauses 15 to 19 of this Constitution (transfer of shares), where a share certificate has been issued, a transfer of the shares to which it relates must not be registered by the Company unless the form of transfer is accompanied by the share certificate relating to the share, or by evidence as to its loss or destruction and, if required, an indemnity in a form required by the Board.

31. DEMATERIALISED SHARES

If the shares are traded on the Botswana Stock Exchange, no share certificate or other document of title shall be issued to any shareholder in respect of any or all the Shares of each class held by him. The rules of the Botswana Stock Exchange pertaining to evidence of the title in respect of such share(s) shall be applicable.

32. TRANSMISSION

In the event of the death of a shareholder, the survivor, where the deceased was a joint holder, or the legal personal representative of the deceased, where the deceased was a sole holder (whichever may be the case), will be the only persons recognised by the Company as having any title to the deceased's interest in the shares. Nothing contained in this clause 33 will release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by the deceased with other persons.

CALLS ON SHARES

33. BOARD MAY MAKE CALLS

Subject to the terms of issue of any shares the Board may resolve to require the holders of unpaid or partly paid shares to pay all or part of the amount unpaid on the shares. The terms of the resolution of the Board will constitute the terms of the obligation to pay the call including payment by instalments. The call may be revoked or postponed at any time by the Board.

34. NOTICE OF CALLS

- 34.1. Subject to the terms of issue of any class of shares and to clause 43 of this Constitution **(Solvency test)**, unless all the holders of a class of shares subject to a call unanimously agree, a call or the postponement or revocation of a call will apply to all the holders of shares of the class equally.
- 34.2. Notice of the call must be given to the shareholders at the time of the call, or to a subsequent holder. Failure to give notice to a shareholder will not invalidate a call but it will not be payable by that shareholder until the notice has been served on the shareholder.
- 34.3. Notice of a call sent by post to a shareholder to the address recorded in the register as the address of the shareholder will be deemed to have been received by the shareholder 7 days following the date of the posting of the notice.

35. LIABILITY FOR CALLS

- 35.1. The joint holders of shares are jointly and severally liable to pay all calls in respect of the shares.
- 35.2. If a call is not paid before or on the day appointed for payment the person from whom the sum is due will be liable to pay interest on the sum from the day appointed for payment to the time of actual payment at such rate as the Board determines either at the time of the call or subsequently.
- 35.3. The liability for a call which has become due and payable attaches to the shareholder for the time being recorded in the register and not a prior shareholder, notwithstanding that at the date of the call, or the date the call fell due for payment, another person was the shareholder or that the notice of the call was served on the previous and not the current shareholder.

- 35.4. Following registration in the register of a change of ownership of shares in respect of which a call has been made, a notice of the call is not required to be served on the new shareholder.

36. AGREEMENT TO DIFFERENTIATE CALLS

The Board may, on the issue of shares, by agreement with the shareholders concerned, differentiate between the shareholders of the same class as to the amount to be paid on the shares and the times of payment.

SUSPENSION OF RIGHT TO DIVIDENDS AND LIEN

37. NOTICE OF SUSPENSION OF RIGHTS TO DIVIDEND

- 37.1. If a shareholder fails to pay any call or instalment of a call on the day appointed for payment, the Board may, at any time after that date, while any part of the call or instalment payable by the shareholder remains unpaid, serve a notice in writing on the shareholder requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
- 37.2. The notice must state a further date (not earlier than the expiration of 5 days from the date of service of the notice) on or before which the payment required by the notice is to be made and state that, in the event of non-payment at or before the time appointed, the right to dividends in respect of the shares subject to the call will be suspended.

38. APPLICATION OF SUSPENDED DIVIDENDS

- 38.1. All dividends which would have been payable in respect of shares which are subject to a suspension of the right to dividends must be withheld and applied by the Company to reduce the amount owing under the call.
- 38.2. The amount owing under the call, for the purposes of clauses 35 and 36 of this Constitution, may include any interest which may have accrued and all expenses which may have been incurred by the Company by reason of non-payment by the shareholder under the call.

39. LIABILITY NOT DISCHARGED BY SUSPENSION OF RIGHT TO DIVIDENDS OR TRANSFER OF SHARES

A shareholder whose shares are the subject of a suspension of the right to dividends remains liable to the Company for all money owing under the call, and that liability is not extinguished by a transfer of the shares subject to the suspension to a third party.

40. LIFTING OF SUSPENSION OF RIGHT TO DIVIDENDS

When the total dividends withheld and applied under clause 45 of this Constitution equal the total amount owing under the call, including amounts owing under clause 35 of this Constitution, or when the shares are transferred to a third party, the suspension of the right to dividends will be lifted and all rights to be paid dividends on the shares will resume.

41. LIENS

41.1. The Company has a first and paramount lien upon every share registered in the name of a shareholder (whether solely or jointly with others) and upon the proceeds of sale of those shares, for all money (whether presently payable or not) payable in respect of shares held by the shareholder, and for all other money presently payable by the shareholder to the Company on any account whatever, and also for such amounts (if any) as the Company may be called upon to pay under any statute or regulation in respect of shares of a deceased person or other shareholder, whether the period for the payment, fulfilment or discharge respectively has actually arrived or not.

41.2. It is recorded that prior to the conversion of the Company from a society regulated under the Building Societies Act, some members of the society held shares in the Society which were subject to security interest in favour of the Society, as security for loans obtained by such members from the society. For the avoidance of doubt, the shares issued to such shareholders in the Company in consideration for shares previously held in the society shall be issued subject to a first and paramount lien envisaged in clause 41.1, in favour of the Company which shall subsist until such time that such shareholder's indebtedness to the Company has been discharged in full.

41.3. The lien extends to all dividends from time to time declared in respect of the shares.

42. SALE ON EXERCISE OF LIEN

- 42.1. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale may be made unless a sum in respect of which the lien exists is due and payable, nor until the expiration of 14 days after a notice in writing, which states and demands payment of the amount due and payable in respect of which the lien exists, has been given to the registered shareholder for the time being or the person entitled to that share by reason of the registered shareholder's death or bankruptcy.
- 42.2. The net proceeds of the sale of any shares sold for the purpose of enforcing a lien is to be applied in or towards satisfaction of any unpaid calls, instalments or any other money payable by the shareholder in respect of which the lien existed. The residue, if any, is to be paid to the former shareholder.
- 42.3. A certificate signed by a director stating that the right to sell provided in this clause 42 of this Constitution has arisen and is exercisable by the Company under the Constitution will be conclusive evidence of the facts stated in the certificate.
- 42.4. In order to give effect to any sale enforcing the lien in the exercise of the powers given to it under clause 42.1 of this Constitution the Board may authorise any person to execute a transfer of the shares to the purchaser. The purchaser will be registered as the shareholder of the shares which are transferred, and will not be bound to see to the application of the purchase money. The purchaser's title to the shares will not be affected by any irregularity or invalidity in the proceedings in reference to the sale. The remedy of any person aggrieved by the sale will be in damages only and against the Company exclusively. If the certificate for the shares is not delivered up to the Company, the Board may issue a new certificate distinguishing it as the Board thinks fit from the certificate not delivered up.

DISTRIBUTIONS

43. SOLVENCY TEST

- 43.1. The Board may authorise a distribution by the Company at a time, and of an amount, and to any shareholders, it thinks fit if it is satisfied on reasonable grounds that the Company will, immediately after the distribution, satisfy the solvency test.
- 43.2. The directors who vote in favour of a distribution must sign a certificate stating that in their opinion the Company will, immediately after the distribution, satisfy the solvency test.

44. DECLARATION OF DIVIDENDS

- 44.1. Subject to the consent of any bankers or third party financiers providing funds to the Company (to the extent required and other than from any of the shareholders who have provided shareholder loans to the Company), the Board shall decide on the recommendation of the Managing Director a percentage of the Company's annual net profits that will be made available for distribution to its shareholders as dividends in proportion to their shareholding in the Company which net profits will be calculated after full provision has been made for:
- 44.1.1. the Company's estimated current liabilities for that financial year;
- 44.1.2. all such provisions as the Board in consultation with the Company's auditors may deem prudent.
- 44.2. After all external liabilities and the shareholders loans have been repaid in full, the Company's policy concerning the declaration and the payment of dividends will be determined from time to time by the Board.
- 44.3. All dividends shall be authorised by the Board pursuant to section 60 of the Act with the approval of an ordinary resolution of shareholders, provided that the Board may make payment of an interim dividend where this appears to be justified by the profits of the Company and provided the solvency test is satisfied in accordance with clause 43 of this Constitution;
- 44.4. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
- 44.5. The directors may deduct from any dividend payable to any member all sums of money, if any, presently payable by such member to the Company on account of calls or otherwise in relation to the shares of the Company.
- 44.6. No dividend shall bear interest against the Company.
- 44.7. Any dividend, interest, or other money payable in cash in respect of shares may be paid by cheques or postal or money order sent through the post directed to the registered address of the holder, or in the case of joint holders, to the registered address of that one of the joint holders who is first named on the share register, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or postal or money order shall be made payable to the order of the person to whom it is sent.
- 44.8. Any one of the two or more joint holders may give effectual receipts for any dividends, bonuses or other money payable in respect of the shares held by them as joint holders.

- 44.9. All dividends unclaimed for a period not less than three years from the date of which the dividends became payable may be declared to be forfeited by the Board for the benefit of the Company. In the event of a resolution being passed providing for the Company to be wound up, such resolution may provide that any dividends unclaimed for a period of not less than three years from the date on which the dividends became payable and not previously forfeited may be forfeited by the Board for the benefit of the Company. Monies other than dividends due to shareholders will be held in trust by the Company indefinitely until lawfully claimed by the shareholders.

45. DIVIDENDS PAYABLE PARI PASSU

- 45.1. The Board may not authorise a dividend:

45.1.1. in respect of some but not all the shares in a class; or

45.1.2. that is of a greater value per share in respect of some shares of a class than it is in respect of other shares in that class;

unless the amount of the dividend in respect of a share of that class is in proportion to the amount paid to the Company in satisfaction of the liability of the shareholder under the Constitution of the Company or under the terms of issue of the share.

- 45.2. If all the shareholders of the same class have agreed or concur in writing, a dividend may be authorised otherwise than in accordance with clause 45.1 of this Constitution.

46. SHARES IN LIEU OF DIVIDEND

- 46.1. The Board may issue shares to any shareholders who have agreed to accept the issue of shares, wholly or partly, in lieu of a proposed dividend or proposed future dividends if:

46.1.1. the right to receive shares, wholly or partly, in lieu of the proposed dividend or proposed future dividends has been offered to all shareholders of the same class on the same terms that would, if those shareholders agreed to receive the shares, maintain the existing voting or distribution rights, or both, of those shareholders; and

46.1.2. the number of shares issued to each shareholder is in the same proportion as the number issued to all shareholders in that class who agree to receive the shares; and

46.1.3. the shareholders to whom the right is offered are afforded a reasonable opportunity of accepting it; and

- 46.1.4. the shares issued to each shareholder are issued on the same terms and subject to the same rights as the shares issued to all shareholders in that class who agree to receive the shares.

47. FINANCIAL ASSISTANCE ON ACQUISITION OF SHARES

The Company may not, save in accordance with the provisions of Section 76 of the Act, give financial assistance to a person for the purpose of, or in connection with, the purchase of a share issued or to be issued by the Company, whether directly or indirectly.

PART III - SHAREHOLDERS' RIGHTS AND OBLIGATIONS STATEMENT OF SHAREHOLDERS' RIGHTS

48. ISSUE OF STATEMENT OF RIGHTS TO SHAREHOLDER

48.1. The Company must issue to a shareholder, on request, a statement that sets out:

48.1.1. the class of shares held by the shareholder, the total number of shares of that class issued by the Company, and the number of shares of that class held by the shareholder; and

48.1.2. the rights, privileges, conditions, and limitations, including restrictions on transfer, attaching to the shares held by the shareholder; and

48.1.3. the relationship of the shares held by the shareholder to other classes of shares.

48.2. The Company is not obliged to provide a shareholder with a statement pursuant to clause 48.1 if:

48.2.1. a statement has been provided within the previous six months; and

48.2.2. the shareholder has not acquired or disposed of shares since the previous statement was provided; and

48.2.3. the rights attached to shares of the Company have not been altered since the previous statement was provided; and

48.2.4. there are no special circumstances which would make it unreasonable for the Company to refuse the request.

48.3. A statement issued pursuant to clause 49.1 of this Constitution must state in a prominent place that it is not evidence of title to the shares or of the matters set out in it.

EXERCISE OF POWERS RESERVED TO SHAREHOLDERS

49. POWERS RESERVED TO SHAREHOLDERS

49.1. Powers reserved to shareholders of the Company by the Act or by this Constitution may be exercised:

49.1.1. at an annual meeting or a special meeting; or

49.1.2. by a resolution in lieu of a meeting pursuant to section **107 of the Act**;

49.2. Unless otherwise specified in the Act or this Constitution, a power reserved to shareholders may be exercised by an ordinary resolution.

50. SPECIAL RESOLUTIONS

50.1. When shareholders exercise a power to approve any of the following, that power may only be exercised by a special resolution:

50.1.1. an alteration to or the revocation of this Constitution or the adoption of a new Constitution; or

50.1.2. a major transaction; or

50.1.3. an amalgamation; or

50.1.4. the liquidation of the Company;

50.1.5. the disposal of any immovable property of the Company

50.2. Any decision made by special resolution pursuant to sub clauses 50.1.1 to 50.1.5 of this clause may be rescinded only by a special resolution; a decision made by special resolution pursuant to clause 50.1.4 of this clause cannot be rescinded, in any circumstances.

51. MANAGEMENT REVIEW BY SHAREHOLDERS

51.1. The chairperson of a meeting of shareholders of the Company must allow a reasonable opportunity for shareholders at the meeting to question, discuss, or comment on the management of the Company.

51.2. Notwithstanding anything in the Act or any other clause of this Constitution, a meeting of shareholders may pass a special resolution which makes recommendation relating to the management of the Company and which recommendations shall be binding on the Board.

52. DISSENTING SHAREHOLDER MAY REQUIRE COMPANY TO PURCHASE SHARES

52.1. When the shareholders, by a special resolution, resolve to exercise a power to approve:

52.1.1. an alteration to or the revocation of this Constitution or the adoption of a new Constitution and the proposed alteration imposes or removes a restriction on the activities of the Company; or

52.1.2. a major transaction; or

52.1.3. an amalgamation;

and a shareholder who is entitled to vote on the resolution casts all the votes attached to the shares which are registered in the shareholder's name and which have the same beneficial owner against the resolution or where the resolution to exercise the power was passed under section 107 of the Act (**Resolution in lieu of meeting**) and the shareholder did not sign the resolution, then the shareholder may within ten working days of the passing of the resolution or ten working days after the date on which notice of the passing of the written resolution under section 107 of the Act was given to the shareholder, give written notice to the Company pursuant to section 98 of the Act requiring the Company to purchase those shares in accordance with sections 99 to 103 of the Act.

52.2. Within 20 working days of receiving a notice from a shareholder given under clause 52.1 the Board must:

52.2.1. agree to the purchase by the Company of the shares of the shareholder giving the notice; or

52.2.2. arrange for some other person to purchase the shares; or

52.2.3. apply to the court for an order under section 102 (**Court may grant exemption**) or section 103 (**Court may grant exemption if Company insolvent**) of the Act; or

52.2.4. arrange, before taking the action concerned, for the special resolution entitling the shareholder to give the notice to be rescinded by a special resolution, or decide in the appropriate manner not to take the action concerned; as the case may be and

52.2.5. give written notice to the shareholder giving notice of the Board's decision under this clause.

52.3. Where the Board agrees, pursuant to clause 52.2.1, to the purchase of the shares by the Company, the Board must give notice to the shareholder in accordance with section 99(2) (**Notice requiring purchase**), and comply with section 100 (**Purchase by Company**) of the Act.

53. SHAREHOLDER PROPOSALS

- 53.1. A shareholder may give written notice to the Board of a matter the shareholder proposes to raise for discussion or resolution at the next meeting of the shareholders at which the shareholder is entitled to vote.
- 53.2. The notice must be received by the Board not less than twenty-one working days before the last day on which notice of the relevant meeting of shareholders is required to be given by the Board.
- 53.3. The Board must give notice of a shareholder's proposal and the text of a proposed resolution received by it under clause 53.1 in the notice of the meeting given to shareholders, and, if the directors intend that shareholders may vote on that proposal by proxy or by postal vote, they must give the proposing shareholder the right to include in the notice of meeting a statement of not more than 1000 words prepared by the proposing shareholder in support of the proposal, together with the name and address of the proposing shareholder.
- 53.4. The costs incurred or to be incurred by the Board under clause 53.3 must be met by the proposing shareholder by depositing with or tendering to the Company a sum sufficient to meet those costs.
- 53.5. The Board is not required to include in the notice of meeting a statement prepared by a shareholder which the Board considers to be defamatory, frivolous or vexatious.

54. LEVIES

The Company was incorporated for the purpose of providing banking services. To this end the Company shall carry out functions pursuant to whatever contractual arrangements the directors may deem expedient. In the event of the Company carrying out those functions and has insufficient funds then it shall be entitled to levy against each shareholder its share of the cost of providing such services and the shareholder shall make payment to the Company of the amount of that levy forthwith. In the event that a shareholder shall fail to make any payment then the amount of that levy may be recovered in the same manner as for a call on shares. The applicable levy in this regard shall be approved by the Board of Directors.

MEETING OF SHAREHOLDERS

55. ANNUAL MEETING

- 55.1. The Board must, in accordance with Section 105 (**Annual meeting of shareholders**) of the Act, call an annual meeting of shareholders to be held:

- 55.1.1. once in each calendar year other than the year of its registration; and
- 55.1.2. not later than three months after the balance sheet date of the Company; and
- 55.1.3. not later than fifteen months after the previous annual meeting or eighteen 18 months after its date of registration.

55.2. The Company must hold the annual meeting on the date on which it is called to be held.

56. SPECIAL MEETINGS

A special meeting of shareholders entitled to vote on an issue:

- 56.1. may be called at any time by the Board or a person who is authorised by this Constitution to call the meeting; and
- 56.2. must be called by the Board on the written request of shareholders holding not less than five percent of the voting rights entitled to be exercised on the issue.

57. RESOLUTION IN LIEU OF MEETING

Subject to section 107(1) and (2) of the Act, a resolution in writing signed by all shareholders who would be entitled to vote on that resolution at a meeting of shareholders is as valid as if it had been passed at a meeting of those shareholders. Such a resolution may consist of several documents in like form, each signed by one or more shareholders. A facsimile of such signed resolution is as valid and effectual as the original signed document.

58. CHAIRPERSON OF MEETINGS OF SHAREHOLDERS

- 58.1. The chairperson of the Board, if one has been elected and is present at a meeting of shareholders, must chair the meeting.
- 58.2. If no chairperson has been elected or if, at any meeting of shareholders, the chairperson is not present within 30 minutes of the time appointed for the commencement of the meeting, the directors present shall choose a director as the Chairman and if no directors be present or if those present at the time of the meeting decline to preside, the shareholders present may choose one of the number to chair the meeting.

59. SHAREHOLDERS ENTITLED TO NOTICE OF MEETINGS

- 59.1. The shareholders entitled to receive notice of a meeting of shareholders are the shareholders of the relevant class recorded in the register as registered shareholders:

- 59.1.1. where the Board has fixed a date for the purpose of establishing an entitlement to receive notice, on the date so fixed; or
- 59.1.2. if no date has been fixed by the Board for that purpose, at the close of business on the day immediately preceding the day on which the notice is given.
- 59.2. A date fixed by the Board under clause 59.1.1 must not precede by more than 30 working days nor less than twenty-one working days the date on which the meeting is to be held.

60. NOTICE OF MEETING

Written notice of the time and place of a meeting of shareholders must be given to every shareholder entitled to receive notice of the meeting, and to every director and an auditor of the Company not less than twenty-one working days before the meeting.

61. CONTENTS OF NOTICE

The notice referred to in clause 60 of this Constitution must state:

- 61.1. the nature of the business to be transacted at the meeting in sufficient detail to enable a shareholder to form a reasoned judgment in relation to it; and
- 61.2. the text of any resolution to be submitted to the meeting; and
- 61.3. the postal address to which postal votes may be sent and the name or office of the person to whom they may be sent; and
- 61.4. that the postal vote must be received by the person referred to in sub clause 61.3 at least 48 hours prior to the time of the meeting.

62. IRREGULARITIES IN NOTICE

- 62.1. The accidental omission to give notice of a meeting to, or the failure to receive notice of a meeting by, a shareholder does not invalidate the proceedings of that meeting.
- 62.2. Notwithstanding clause 62.1, an irregularity in a notice of a meeting required by clause 60 of this Constitution is waived if all the shareholders entitled to attend and vote at the meeting, do attend the meeting without protest as to the irregularity, or if all such shareholders agree to the waiver.

63. METHOD OF HOLDING MEETING

- 63.1. A meeting of shareholders, where notice of the meeting has been given, may be held either:
- 63.1.1. by a number of shareholders, who constitute a quorum, being assembled together at the place, date and time appointed for the meeting; or
 - 63.1.2. by means of audio, or audio and visual communication by which all shareholders participating and constituting a quorum, can simultaneously hear each other throughout the meeting.

64. ADJOURNMENTS

If a meeting of shareholders is adjourned for less than 30 days, it is not necessary to give notice of the time and place of the adjourned meeting other than by announcement at the meeting which is adjourned.

65. MINUTES

- 65.1. The Board must ensure that minutes are kept of all proceedings at meetings of shareholders.
- 65.2. Minutes which have been signed as being correct by the chairperson of the meeting are prima facie evidence of the proceedings.

VOTING AT MEETINGS

66. QUORUM

66.1. A quorum for a meeting of shareholders is constituted if those shareholders or their proxies who are present or who have cast postal votes are between them able to exercise a majority of the votes to be cast on the business to be transacted by the meeting.

66.2. No business may be transacted at a meeting of shareholders if a quorum is not present.

If a quorum is not present within 30 minutes after the time appointed for the meeting, the meeting is adjourned to the same day in the following week at the same time and place, or to such other date, time, and place as the directors may appoint, and if, at the adjourned meeting, a quorum is not present within 30 minutes after the time appointed for the meeting, the shareholders present or their proxies are a quorum.

67. VOTING

67.1. Unless a poll is demanded, voting at all general meetings must be by whichever of the following methods is determined by the chairperson of the meeting:

67.1.1. voting by voice; or

67.1.2. voting by show of hands.

67.2. A declaration by the chairperson of the meeting that a resolution is carried by the requisite majority is conclusive evidence of that fact unless a poll is demanded in accordance with clause 66.3 of this Constitution.

67.3. At a meeting of shareholders a poll may be demanded by:

67.3.1. a shareholder or shareholders representing not less than 10 (ten) percent of the total voting rights of all shareholders having the right to vote at the meeting; or

67.3.2. by a shareholder or shareholders holding the shares that confer a right to vote at a meeting and on which the aggregate amount paid up is not less than 10 (ten) percent of the total amount paid up on all shares that confer that right.

67.4. A poll may be demanded either before or after the vote is taken on a resolution.

67.5. If a poll is taken, votes must be counted according to the votes attached to the shares of each shareholder present in person or by proxy and voting.

67.6. In the case of equality of votes the chairperson of a shareholders' meeting is entitled to a casting vote.

68. PROXIES AND REPRESENTATIVES

- 68.1. A shareholder may exercise the right to vote either by being present in person or by proxy.
- 68.2. A proxy for a shareholder is entitled to attend, be heard and vote at a meeting of shareholders as if the proxy were the shareholder.
- 68.3. A proxy must be appointed by notice in writing signed by the shareholder and the notice must state whether the appointment is for a particular meeting or a specified term not exceeding 12 months.
- 68.4. No proxy is effective in relation to a meeting unless a copy of the notice of appointment is received by the Company Secretary at least 48 hours before the start of the meeting. The chairperson may generally or in respect of any particular shareholder waive the requirements of this clause 68.4.
- 68.5. A body corporate which is a shareholder may appoint a representative to attend a meeting of shareholders on its behalf in the same manner as that in which it could appoint a proxy.

PART IV - THE BOARD - POWERS AND DUTIES OF THE BOARD

69. POWERS OF THE BOARD

- 69.1. The business and affairs of the Company must be managed by, or under the direction or supervision of, the Board.
- 69.2. The Board has, and may exercise, all the powers necessary for managing, and for directing and supervising the management of, the business and affairs of the Company, except to the extent that this Constitution or the Act expressly requires those powers to be exercised by the shareholders or any other person.
- 69.3. In the exercise of its powers the Board must report to and be accountable to its shareholders.

70. DELEGATION BY THE BOARD

- 70.1. The Board may delegate to a committee of directors, a director, or an employee of the Company, or any other person, any one or more of its powers other than the following powers which are specifically reserved by the Act for shareholders:
 - 70.1.1. Section 50 (issue of shares);
 - 70.1.2. Section 53 (shareholder approval to the issue of shares);
 - 70.1.3. Section 54 (consideration for the issue of shares);

- 70.1.4. Section 58 (distributions);
 - 70.1.5. Section 61 (issue of shares in lieu of dividends);
 - 70.1.6. Section 62 (shareholder discounts);
 - 70.1.7. Section 66 (offers to acquire shares);
 - 70.1.8. Section 73 (redemption of shares at the option of a Company);
 - 70.1.9. Section 76 (provision of financial assistance);
 - 70.1.10. Section 184 (change of registered office);
 - 70.1.11. Section 224 (manner of approving an amalgamation proposal); and
 - 70.1.12. Section 225 (short form amalgamations).
- 70.2. The Board is responsible for the exercise by any delegate of a power delegated under this clause 70 as if the power had been exercised by the Board, unless the Board:
- 70.2.1. believed on reasonable grounds at all times before the exercise of the power that the delegate would exercise the power in conformity with the duties imposed on the directors by the Act and this Constitution; and
 - 70.2.2. has monitored, by means of reasonable methods properly used, the exercise of the power by the delegate.

71. DIRECTORS TO ACT IN GOOD FAITH

- 71.1. A director, when exercising powers or performing duties, must act in good faith and in what the director believes to be the best interests of the Company, and for the respective purposes for which the powers are explicitly or impliedly conferred
- 71.2. If the Company shall become a wholly-owned subsidiary a director may, when exercising the powers or performing duties as a director, act in a manner which he or she believes is in the best interests of the Company's holding Company even though it may not be in the best interests of the Company.
- 71.3. If the Company shall become a subsidiary (but not wholly-owned subsidiary) a director may, when exercising powers or performing duties as a director, with the prior agreement of the shareholders (other than its holding Company), act in a manner which he or she believes is in the best interests of the Company's holding Company even though it may not be in the best interests of the Company.

72. MAJOR TRANSACTIONS

72.1. The Board may not procure or permit the Company to enter into a major transaction as defined in the Act, unless the transaction is:

72.1.1. approved by special resolution; or

72.1.2. contingent on approval by special resolution.

73. BORROWING POWERS

73.1. Subject to any agreement in writing between the shareholders relating to funding of the Company as may have been entered into, the Board may borrow or raise money from time to time as follows:

73.1.1. generally:

73.1.2. borrow money on credit ;

73.1.3. issue, reissue, sell, pledge or hypothecate debt obligations of the Company;
and

73.1.4. give a guarantee on behalf of the Company to secure performance of an obligation of the Company;

73.2. subject to any laws governing the registration of mortgage bonds, notarial bonds, deeds of hypothecations, pledges and cessions; mortgage, hypothecate, pledge, cede or otherwise create a security interest in all or any property of the Company, owned or subsequently acquired, to secure any obligation of the Company;

73.3. subject to the provisions of the Act, create and issue secured or unsecured debentures, which may be effected by means of a pledge, cession, mortgage bond, collateral mortgage bond, notarial bond, notarial surety bond, collateral notarial bond or any form of collateral security over incorporeal rights, movable and immovable property, issued in favour of one or more debenture-holders or to a trustee for debenture-holders, on the basis that:

73.3.1. any mortgage or notarial bond in pursuance of this clause shall be subject to the laws governing the registration of mortgage and notarial bonds, and be registered in the Deeds Registry;

73.3.2. debentures, debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued; and

73.3.3. any debentures, debenture stock, bonds or other securities may be issued at par or at a discount or at a premium, and with any special privileges as to redemption, surrender and drawings, provided that no special privileges as to allotment of shares or stock, attending and voting at general meetings, appointment of Board or otherwise shall be given save with the sanction of the shareholders by special resolution.

73.4. The Board shall cause the Company to keep a proper register at the Office in accordance with the provisions of the Act of all Charges affecting the property of the Company, giving in each case a short description of the property mortgaged or charged, and the names and addresses of the persons in whose favour any charge or pledge has been delivered, and the amount of Charge so created.

PROCEEDINGS OF BOARD

74. CHAIRPERSON

74.1. The Board may elect any one of the independent directors appointed in terms of article 86.2.2, as chairperson of the Board and determine the period for which the chairperson is to hold office.

74.2. If no chairperson is elected, or if at a meeting of the Board the chairperson is not present within five minutes after the time appointed for the commencement of the meeting, the directors present may choose one of their number to be chairperson of the meeting.

75. NOTICE OF MEETING

75.1. A director or, if requested by a director to do so, an employee of the Company, may convene a meeting of the Board by giving notice in accordance with this clause 75.2.

75.2. Not less than seven days' notice of a meeting of the Board must be given to every director who is in Botswana, and the notice must include the date, time and place of the meeting and the matters to be discussed.

75.3. An irregularity in the notice of a meeting is waived if all directors entitled to receive notice of the meeting attend the meeting without protest as to the irregularity or if all directors entitled to receive notice of the meeting agree to the waiver.

75.4. Notice of a meeting may be given by any means, including by written electronic communication. Notice given by a letter addressed to a director at his or her last known residential address will be deemed to have been received by the director 7 days following the date the letter is posted. Time of delivery of Notice given by letter will be in terms of paragraph 97 or 98.

76. MEETINGS OF BOARD

A meeting of the Board may be held either:

- 76.1. by a number of directors sufficient to form a quorum being assembled together at the place, date and time appointed for the meeting; or
- 76.2. by means of audio, or audio and visual communication by which all the directors participating in the meeting and constituting a quorum can simultaneously hear each other throughout the meeting.

77. QUORUM

77.1. A quorum for a meeting of the Board shall be a minimum of three non executive directors.

77.2. No business may be transacted at a meeting of directors if a quorum is not present.

78. VOTING

78.1. Every director has one vote.

78.2. In the case of equality of votes, the chairperson shall have a casting vote.

78.3. A resolution of the Board is passed if it is agreed to by directors present if a majority of the votes cast on it are in favour of it.

78.4. A director present at a meeting of the Board is presumed to have agreed to, and to have voted in favour of, a resolution of the Board unless he or she expressly dissents from or votes against the resolution at the meeting.

78.5. A director may not vote in respect of any transaction in which the director is interested as defined in the Act, and if the director does so the director's vote will not be counted and the director will not be counted in the quorum present at the meeting.

79. MINUTES

The Board must ensure that full and accurate minutes are kept of all proceedings at meetings of the Board.

80. RESOLUTION BY ROUND ROBIN

80.1. A resolution in writing, signed or assented to by the majority directors is as valid and effective as if it had been passed at a meeting of the Board duly convened and held.

80.2. Any such resolution may consist of several documents (including facsimile or other similar means communication) in like form each signed or assented to by one or more directors.

80.3. A copy of any such resolution must be entered in the minute book of Board proceedings.

81. CONTINUING DIRECTORS

Notwithstanding any vacancy in the number of directors, the Board will continue to comprise the continuing directors, but, if their number is reduced below the number fixed by or pursuant to this

Constitution as the minimum number of directors, the continuing directors may act only for the purpose of increasing the number of directors to the minimum number, or for summoning a general meeting of the Company.

82. OTHER PROCEEDINGS

Subject to the provisions of this Constitution and the Act, the Board may regulate its own procedure.

CHIEF EXECUTIVE OFFICER

83. APPOINTMENT AND DISMISSAL

The Board may from time to time appoint a Chief Executive Officer of the Company for a fixed term renewable on satisfactory performance at the option of the Board.

84. DUTIES AND POWERS OF THE CHIEF EXECUTIVE OFFICER

84.1. The Chief Executive Officer shall exercise such powers and authority as shall have been delegated by the Board in writing.

84.2. The Board may, from time to time, entrust and confer upon a chief executive officer or any other executive officer for the time being such of the powers and authorities vested in them as it may deem fit, and may confer such powers and authorities from such time, and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they may think expedient, and they may confer such powers and authorities either collaterally with, or to the exclusion of, and in substitution for, all or any of the powers and authorities of the Board itself, and may from time to time revoke, withdraw or alter or vary all or any of such powers and authorities.

85. TERMINATION OF EMPLOYMENT

The Managing Director is, subject to the terms of any written contract, subject to the same provisions as regards resignation, removal and disqualification as the other directors. If the Managing Director ceases to hold the office of Managing Director for any reason the Managing Director will immediately cease to be a Director. This clause shall also apply to any other Executive Director appointed in terms of the BBSL Constitution.

DIRECTORS

86. COMPOSITION OF BOARD OF DIRECTORS

- 86.1. The minimum number of Directors shall be five (5) and the maximum number shall be nine (9), at least half of whom shall be resident in Botswana
- 86.2. The Board shall, be appointed by ordinary resolution, and constituted as follows:
 - 86.2.1. the chief executive officer of the Company;
 - 86.2.2. Another Executive Director appointed by the Board from amongst the Executive Management team upon recommendation by the Managing Director of the company; and
 - 86.2.3. at least three (3) non-executive independent directors appointed from the members of the public who have the necessary knowledge and experience to contribute successfully to the development of a Bank.
- 86.3. The Board shall be appointed for a tenure of up to maximum three (3) years, renewable for another maximum period of two three (3) years periods. The rotation of Directors shall be limited to three terms. The number of terms of a director may however be extended beyond the 3 terms for an additional one three (3) year period where it is in the best interest of the company. Provided that this clause shall not apply to the CEO and any other Executive Director.

87. APPOINTMENT AND REMOVAL BY NOTICE

- 87.1. The directors shall, subject to clause 86, be the persons appointed from time to time as directors by a notice in writing signed by the holders of the majority of the ordinary shares, who have not been removed or been disqualified or resigned from office under this Constitution.
- 87.2. A director may be removed from office at any time by a notice in writing signed by the holders of the majority of the ordinary shares.
- 87.3. A notice given under clauses 87.1 or 87.2 of this Constitution takes effect upon receipt of it at the registered office of the Company (including the receipt of a facsimile copy) unless the notice specifies a later time at which the notice will take effect. The notice may comprise one or more similar documents separately signed by shareholders giving the notice.
- 87.4. A director holds office until his or her resignation, retirement, disqualification or removal in accordance with this Constitution.

88. APPOINTMENT AND REMOVAL OF DIRECTORS BY RESOLUTION

- 88.1. In addition to the appointment or removal of directors under clause 87 of this Constitution, a director may be appointed or removed from office by an ordinary resolution.
- 88.2. A resolution to appoint two or more directors may be voted on as one resolution without each appointment being voted individually.
- 88.3. A notice of a meeting at which the removal of a director will be considered must state that the purpose of the meeting is the removal of the director.

89. DISQUALIFICATION

- 89.1. A person will be disqualified from holding the office of director if he or she is removed under clause 87 or 88 of this Constitution or he or she:
 - 89.1.1. dies; or
 - 89.1.2. attains or is over the age of 70 years; or
 - 89.1.3. is under 18 years of age; or
 - 89.1.4. is an undischarged bankrupt; or
 - 89.1.5. is prohibited by the Act or by other statutes applicable to the operations of the Company from being a director or officer or promoter or taking part in the management of the Company; or
 - 89.1.6. resigns in writing.

90. SHAREHOLDING QUALIFICATION

A director is not required to hold shares.

REMUNERATION OF DIRECTORS

91. AUTHORITY TO REMUNERATE DIRECTORS

The Board may authorise:

- 91.1. the payment of remuneration or the provision of other benefits by the Company to a director for services as a director, or in any other capacity;
- 91.2. the payment by the Company to a director or former director of compensation for loss of office;

- 91.3. the entering into of a contract to do any of the things set out in paragraphs 92.1.1 to 92.1.2 (inclusive) of this clause, if the Board is satisfied that to do so is fair to the Company.
- 91.4. The payment of remuneration or the giving of any other benefit to a director in accordance with a contract authorised pursuant to clause 91.3 of this Constitution need not be separately authorised by the Board.

INTERESTED DIRECTORS

92. NOTICE OF INTEREST TO BE GIVEN

- 92.1. A director must, forthwith after becoming aware of the fact that he or she is interested in a transaction or proposed transaction with the Company, cause to be entered in the interests register, and, disclose to the Board of the Company:
- 92.1.1. if the monetary value of the director's interest is able to be quantified, the nature and monetary value of that interest; or
- 92.1.2. if the monetary value of the director's interest cannot be quantified, the nature and extent of that interest.
- 92.2. For the purposes of clause 92.1 a general notice entered in the interests register or disclosed to the Board to the effect that a director is a shareholder, director, officer or trustee of another named Company or other person and is to be regarded as interested in any transaction which may, after the date of the entry or disclosure, be entered into with that Company or person, is a sufficient disclosure of interest in relation to that transaction.

93. NO RIGHT OF INTERESTED DIRECTOR TO VOTE

A director may not vote or participate in respect of any transaction in which the director is interested, and if the director does so the director's vote will not be counted however such director will be counted in the quorum present at the meeting.

94. COMPANY SECRETARY

- 94.1. The Company shall appoint a Secretary or Secretaries who shall be resident in Botswana to perform the duties of a Secretary under the Act. No person shall be appointed as a Secretary unless he holds the requisite qualifications prescribed under the Act and is not disqualified inter alia, by reason of being an unrehabilitated or undischarged insolvent or a sole director or auditor of the Company.

94.2. The duties and role of the Secretary shall, inter alia, include:

- 94.2.1. being accountable to the Board as whole, and, through the Chairman, being responsible for the proper administration of all meetings of the Board and its committees;
- 94.2.2. through the Chairman, the responsibility of ensuring that the business of the annual general meeting (and other meetings of the shareholders) are conducted in compliance with all statutory requirements and in accordance with these articles;
- 94.2.3. being responsible for preparation and delivery of all the returns required to be filed with the Registrar and the administration and attending to all statutory matters (including maintenance of the relevant records) pertaining to effecting the change of name of the Company, alteration of the Constitution, issue, increase, reduction and call of shares, register of Charges, notices of change of directors, secretary and registered address and registration of the financial statements where required by the Act;
- 94.2.4. issuing notices of Board and general meetings and responding to all enquires in relation to notices of meetings;
- 94.2.5. attending meetings of the Board and general meetings of shareholders and keeping minutes of those meetings, and together with the Chairman, signing the minutes as true and correct records of what transpired at such meetings;
- 94.2.6. being responsible to the Board for maintaining the register of shareholders, debenture holders, directors, secretaries, and Charges;
- 94.2.7. together with the Board, ensuring that the Company keeps accounting records in accordance with the Act and the Constitution and that the financial statements are prepared and presented at the annual general meeting; and
- 94.2.8. being responsible to the Board for maintaining an adequate system of record keeping in relation to the correspondence, the affairs and the activities of the Company.

95. **LANGUAGE**

Board meetings and general meetings of the shareholders and of any committee shall be conducted in English. Notices (including accompanying papers and minutes) of such meetings shall be prepared in English.

96. **SERVICE**

Notice may be served by the Company upon any director or shareholder, either personally or by post or by fast post in a pre-paid envelope or package addressed to such director or shareholder at such person's last known address or by delivery to a document exchange or by facsimile to the facsimile number of such director or shareholder or by written electronic communication to the last known electronic address or number of such director or shareholder.

97. TIME OF SERVICE BY WRITTEN ELECTRONIC COMMUNICATION AND FACSIMILE

A notice served by facsimile or written electronic communication is deemed to have been served on the day of its transmission.

98. TIME OF SERVICE BY POST

A notice sent by post or delivered to a document exchange is deemed to have been served:

98.1. in the case of a person whose last known address is in Botswana, within 7 days of date of mailing the envelope or package containing the same was posted or delivered in Botswana; and

98.2. in the case of a person whose last known address is outside Botswana, at the expiration of 7 days after the envelope or package containing the same was posted by fast post in Botswana.

99. PROOF OF SERVICE

In proving service by post or delivery to a document exchange, it is sufficient to prove that the envelope or package containing the notice was properly addressed and posted or delivered with all attached postal or delivery charges paid. In proving service by facsimile or written electronic communication, it is sufficient to prove that the document was properly addressed and sent by facsimile or written electronic communication.

100. SERVICE ON JOINT HOLDERS

A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the register in respect of the share.

101. SERVICE OF REPRESENTATIVES

A notice may be given by the Company to a person or persons entitled to a share in consequence of the death or bankruptcy of a shareholder by addressing it to such person or persons by name or by title or by any appropriate description, at the address (if any) within Botswana supplied for the purpose by the person or persons claiming to be so entitled, or (until such time an address has been supplied) by giving the notice in any manner in which it might have been given if the death or bankruptcy had not occurred.

102. WINDING UP

If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a special resolution, divide among the contributors in specie any part of the assets of the Company, and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the liquidators, with the like sanction, shall think fit, and if thought expedient, any such division may be otherwise than in accordance with the legal rights of the shareholders of the Company, and in particular any class may be given preferential or special rights or may be excluded altogether or in part, but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on, any contributory who would be prejudiced thereby shall have a right to dissent, and ancillary rights as if such determination were a special resolution passed pursuant to the Act.

103. REMOVAL FROM THE REGISTER

In the event that:

- 103.1. the Company has ceased to carry on business, has discharged in full its liabilities to all known creditors and has distributed its surplus assets in accordance with this Constitution and the Act; or
- 103.2. the Company has no surplus assets after paying its debts in full or in part and no creditor has applied to the Court under section 241 of the Act for an order putting the Company into liquidation;
- 103.3. the Board of directors may, in the prescribed form, request the Registrar of Companies to remove the Company from the register.

ADOPTED THIS 24th DAY OF August 2017, By special resolution.

Updated this 24th Day of July 2020, By special resolution.

CERTIFIED BY



CHAIRMAN



SECRETARY