

Your Success, Our Passion.

BOND SAVINGS AND LOANS GHANA LIMITED

(Incorporated as a public limited liability company in the Republic of Ghana with registration number CS510682014)

September 15, 2017

PROSPECTUS

Relating To The Offer And Listing Of Notes Totalling In Aggregate Up To Ghs 100,000,000 Domestic Medium Term Note Programme On The Ghana Fixed Income Market (Gfim)

ARRANGER



SPONSORING BROKER



NOTE TRUSTEE/PAYING & ESCROW BANK/ AGENT



LEGAL ADVISOR

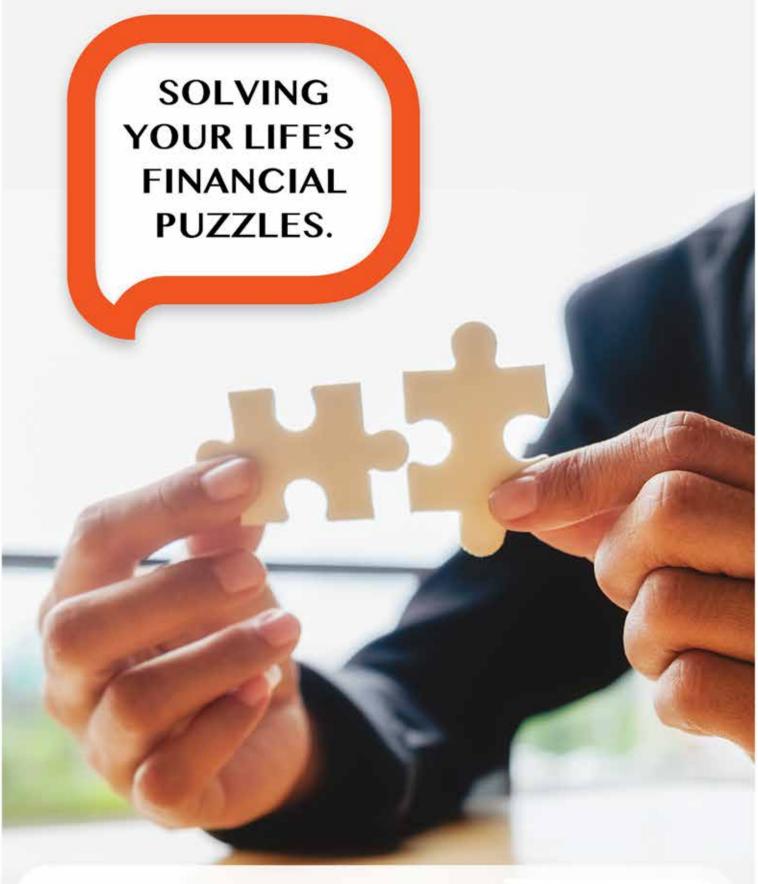


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IMPORTANT INFORMATION AND DISCLAIMERS

THIS PROSPECTUS CONTAINS IMPORTANT INFORMATION ABOUT THE ISSUER AND THE NOTES. INVESTORS CONTEMPLATING PURCHASING NOTES SHOULD CAREFULLY READ THIS DOCUMENT BEFORE MAKING AN INVESTMENT DECISION, AND SHOULD CONSULT THEIR PROFESSIONAL ADVISORS IF THEY HAVE QUESTIONS ABOUT THEIR INVESTMENT DECISION.

BOND Savings and Loans Limited (the "Issuer"), a public company with limited liability duly incorporated under the Companies Act, 1963 (Act 179) and licensed in 2007 as a Savings and Loans Company under the Non-Bank Financial Institutions Act, 2008 (Act 774)), has established a Domestic Medium Term Note Programme (the "Programme") described in this Prospectus Pursuant to the Programme, the Issuer may from time to time issue notes ("Notes") up to the maximum aggregate principal amount of GHS 100,000,000. The Bank of Ghana ("BoG") has indicated that it has no objection to the Issuer issuing the notes.

Under this Programme the Issuer may from time to time issue notes, denominated in Ghana Cedis ("GHS") (as shall be set out in an Applicable Pricing Supplement as agreed by the Issuer and the relevant Dealer(s) (as defined herein) and further subject to the terms and conditions of the Notes contained in this Programme Memorandum (the "Conditions"), all Applicable Laws and, the debt listing requirements of the Ghana Stock Exchange ("GSE"). Any other terms and conditions not contained in the Conditions that are applicable to any Notes, replacing or modifying the Conditions, will be set forth in a pricing supplement (the "Applicable Pricing Supplement").

Capitalised terms used in this Prospectus are defined in the Conditions, unless separately defined, and/or in relation to a Tranche or Series of Notes, in the Applicable Pricing Supplement. As at the Programme Date (as defined herein), the Programme Amount is GHS 100,000,000. This Prospectus will apply to the Notes issued under the Programme in an aggregate outstanding Nominal Amount which will not exceed GHS 100,000,000 unless such amount is increased by the Issuer pursuant to the section of this Prospectus headed "General Description of the Programme".

The Notes may comprise, without limitation, Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes and/or such combination of the foregoing Notes and/or such other type of Notes as may be determined by the Issuer and the relevant Dealer(s) and specified in the Applicable Pricing Supplement. Each Applicable Pricing Supplement shall be subject to the approval of the Securities and Exchange Commission (the "SEC"). Notes will be issued in Tranches or Series. A Tranche or Series of Notes will be issued on, and subject to, the Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Tranche or Series of Notes set out in the Applicable Pricing Supplement.

Application has been made for the Notes to be admitted to listing and trading on the Ghana Fixed Income Market("GFIM"). Provisional approval has been obtained from the GSE (as defined below) for permission to list and trade quotation of all notes of the issuer on the GFIM upon the Issuer fulfilling all listing requirement. This Prospectus ("Prospectus") has been reviewed and approved by the SEC in accordance with section 3 of the Securities Industry Act, 2016 (Act 929) (as amended) and the SEC Regulations, 2003 (LI 1728). In its review, the SEC examined the contents of this Prospectus to ensure that adequate disclosures have been made. To ascertain the financial soundness or value of the Notes, prospective investors are advised to consult a dealer, investment advisor or other professional duly authorised under the Securities Industry Act, 2016 (Act 929) (as amended)...

Neither the GSE nor the SEC assumes any responsibility for the correctness of any statements made, opinions expressed or reports contained in this Prospectus. Neither the GSE nor the SEC has verified the accuracy and truth of the contents of this Prospectus or any other documents submitted to it, and the SEC and the GSE will not be liable for any claim of any kind whatsoever. Approval of the issue and/or listing of the Notes by the GSE or the SEC are not to be taken as an indication of the merits of the Issuer or of any issue of the Notes. Prospective investors should have regard to the factors described under the section with the heading "Risk Factors" in this Prospectus.

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

A. General Information

The Issuer accepts full responsibility for the information contained in this Prospectus and all documents incorporated by reference (see the section of this Prospectus headed "Incorporation of Documents by Reference"). To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit any fact which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made.

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

To the best of the Arranger's knowledge and belief, the Prospectus constitutes full and fair disclosure of all material facts about the Programme and the Issuer. None of the Arranger, Dealer, Note Trustee, Legal Advisor, Reporting Accountant, Registrar or any of their directors, affiliates, advisors or agents, has independently verified the information contained herein. Accordingly, no representation or warranty, expressed or implied, is made by the Arranger, Dealer, Note Trustee, Legal Advisor, Reporting Accountant, Registrar or any of their directors, affiliates, advisors or agents, with respect to the accuracy or completeness of such information at any time, of this Prospectus or any Supplement hereto or any Applicable Pricing Supplement. Nothing contained in this Prospectus, is to be construed as, or shall be relied upon as, a promise, warranty or representation, whether to the past or the future, by the Arranger, Dealer, Note Trustee, Legal Advisor, Reporting Accountant, Registrar or any of their directors, affiliates, advisors or agents, in any respect. Furthermore, none of the Arranger, Dealer, Note Trustee, Legal Advisor, Reporting Accountant or Registrar makes any representation or warranty or assumes any responsibility, liability or obligation in respect of the legality, validity or enforceability of any Notes, or the performance and observance by the Issuer of its obligations in respect of any Notes, or the recoverability of any sums due or to become due from the Issuer under any Notes.

This document is to be read and construed with any amendment or supplement thereto and in conjunction with any other documents which are deemed to be incorporated herein by reference (see the section headed "Documents Incorporated by Reference") and, in relation to any Tranche or Series (as defined herein) of Notes, should be read and construed together with the Applicable Pricing Supplement. This Prospectus shall be read and construed on the basis that such documents are incorporated into and form part of this Prospectus.

No person has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Prospectus or any other document entered into in relation to the Programme or any other information supplied by the Issuer in connection with the Programme and, if given or made, such information or representation

must not be relied upon as having been authorised by the Issuer, the Arranger, or the Dealer(s).

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

Each person contemplating the subscription for, or purchase of any Notes, should determine for that person the relevance of the information contained in this Prospectus and should make their own independent investigation of the financial condition and affairs, and its own appraisal of the credit worthiness of the Issuer and its subscription for, or purchase of Notes should be based upon any such investigation as it deems necessary. Neither this Prospectus nor any Applicable Pricing Supplement nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuer, the Arranger, or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Prospectus nor any Applicable Pricing Supplement nor the offering, sale or delivery of any Note shall at any time imply that the information contained herein is correct at any time subsequent to the date hereof, or that any other financial statements or other information supplied in connection with the Programme is correct at any time subsequent to the date indicated in the document containing the same. The Arranger, the Dealer(s), and other professional advisors expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme. Investors should review, interalia, the most recent financial statements, if any, of the Issuer, when deciding whether or not to subscribe for or purchase any Note.

Neither this Prospectus nor any Applicable Pricing Supplement constitutes an offer to sell or the solicitation of an offer to buy or an invitation to subscribe for or purchase any Note. The distribution of this Prospectus and any Applicable Pricing Supplement and the issue, sale or offer of Notes may be restricted by law in certain jurisdictions. Persons in whose possession this Prospectus or any Applicable Pricing Supplement or any Note may come are required by the Issuer, the Arranger, or the Dealer(s) to inform themselves about and observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Prospectus or any Applicable Pricing Supplement and other offering material relating to the Notes, see the section headed "Subscription and Sale".

None of the Issuer, the Arranger, or the Dealer(s) represents that this Prospectus may be lawfully distributed, or that any Note may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available there under, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger, or the Dealer(s) which would permit a public offering of any Note or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement nor other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any Applicable Laws and Regulations. The Dealer(s) has represented that all offers and sales by it will be made on the same terms.

The price/yield and amount of a Tranche or Series of Notes to be issued under the Programme

will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.

B. CAUTION

Prospective investors should carefully consider the matters set forth under the section headed "Investor Considerations". Please consult your investment advisor, stockbroker/dealer, legal advisor or tax advisor before making any investment decision in relation to the Notes to be issued under the Programme.

A copy of this Prospectus has been delivered to the Registrar of Companies, Registrar General's Department Ghana ("Registrar General"), for filing. The Registrar General has not checked and will not check the accuracy of any statements made and accepts no responsibility therefore for the financial soundness of the Issuer or the value of the securities concerned.

In the event that this Prospectus is delivered to or comes into the possession of any person (the "Recipient") at any time after the date hereof, it is for and the responsibility of the Recipient to ascertain whether any supplement or amendment of the information herein contained has been made or issued, or whether updated information is available and reliance on this Programme Memorandum at any time subsequent to the date hereof shall be at the Recipient's risk.

C. PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Unless otherwise indicated, the financial information regarding the Issuer set forth in this Prospectus has been derived from:

- a) its audited Income Statement, Statement of Financial Position, Statement of Cash Flow and Statement of Changes in Equity for the period ending 31 December 2012 to 31 December 2016 included elsewhere in this Prospectus. The Issuer's financial statements, which were audited by Messrs' Deloitte & Touche, Ghana, have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are presented in GHS, the reporting currency of the Issuer; and/or
- b) the Financial Report prepared by Messrs' KPMG Ghana as the Reporting Accountant to the Programme, which reviewed the Issuer's historical financial statements for the period 31 December 2012 to 31 December 2016.

D. ROUNDING

Some numerical figures included in this Prospectus may have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in certain figures may not be an arithmetic aggregation of the figures that preceded them.

E. FORWARD-LOOKING STATEMENTS

This Prospectus includes "forward-looking statements". All statements other than statements of historical facts included in this Prospectus including, without limitation to those regarding the Issuer's financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. Such forward-looking statements involve

known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer's present and future business strategies and the environment in which the Issuer will operate in the future. These forward-looking statements speak only as of the date of this Prospectus. The Issuer expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. A prospective purchaser of Notes should not place undue reliance on forward-looking statements, and is cautioned that forward-looking statements do not guarantee future results, performance or achievements of the Issuer.

F. MARKET SHARE AND INDUSTRY INFORMATION

Industry and market information on the Ghanaian financial market included in this Prospectus has been provided by the Issuer or has been obtained from third-party sources that are believed to be reliable. No assurance can be given, however, as to the accuracy and completeness of such information, and such market and position data has not been independently verified.

G. TRANSACTION ADVISORS

Algebra Securities Limited (Algebra) is acting as Arranger (as defined below) to the Issuer in respect of the Programme. Algebra consents to act in the specified capacities and to its name being stated in this Prospectus. Neither Algebra nor any of its employees or principals has any material direct or indirect economic or financial interest in the Issuer.

SBG Securities Limited (SBG) is acting as Sponsoring Broker to the Issuer in respect of the Programme. SBG consents to act in the specified capacity and to its name being stated in this Prospectus. Neither SBG nor any of its employees or principals has any material direct or indirect economic or financial interest in the Issuer.

Fidelity Bank Ghana Limited (Fidelity Bank) is acting as Note Trustee (as defined below), Paying Agent (as defined below), Paying Bank (as defined below) and Escrow Bank (as defined below) in respect of the Programme. Fidelity Bank consents to act in the specified capacities and to its name being stated in this Prospectus. Neither Fidelity Bank nor any of its employees or principals has any material direct or indirect economic or financial interest in the Issuer.

Central Securities Depository (Ghana) Limited (CSD) is acting as Registrar (as defined below), Transfer Agent (as defined below) and Calculation Agent (as defined below) in respect of the Programme. CSD consents to act in the specified capacities and to its name being stated in this Prospectus. Neither CSD nor any of its employees or principals has any material direct or indirect economic or financial interest in the Issuer.

KPMG Ghana is acting as the Reporting Accountant to the Issuer in respect of the Programme. KPMG Ghana consents to act in the specified capacity and to its name being stated in this Prospectus and confirms that it has not withdrawn its consent to any statement or report prepared by it being included in this Prospectus (in the form and context in which it is included). As indicated above, KPMG Ghana has prepared the financial reports and forecasts set out under Section 9 (Financial Reports and Performance) of this Prospectus. The financial

reports and forecasts are on the basis of KPMG Ghana's review of the Issuer's historical financial statements for the years ended December 31, 2012 to December 31, 2016. KPMG Ghana confirms that, based on its review, nothing has come to its attention that causes it to believe that the financial statements and forecasts set out under Section 9 (Financial Reports and Performance) of this Prospectus do not represent a true and fair view in accordance with IFRS and the Companies Act. Neither KPMG Ghana, nor any of its employees or partners has any material direct or indirect economic or financial interest in the Issuer.

Ashong Benjamin and Associate ("AB") is acting as Legal Advisor (as defined below) to the Issuer in respect of the Programme. AB consents to act in the specified capacity and to its name being stated in this Prospectus and confirms that it has not withdrawn its consent to any statement or report prepared by it being included in this Prospectus (in the form and context in which it is included). AB has prepared the Legal Compliance Letter (as defined below) set out under Section 16 (Legal Compliance Letter) of this Prospectus. Neither AB nor any of its employees or partners has any material direct or indirect economic or financial interest in the Issuer.

H. OTHER DIRECTORS AND MANAGEMENT DISCLOSURES

The Issuer declares that none of its directors, chief executive officer or a person nominated to any of these positions has been involved in a petition under bankruptcy in any jurisdiction filed against him or her as a person or any partnership in which he or she was a partner or any corporation of which he or she was a director or chief executive officer.

The Issuer states that none of its directors or chief executive officer or a person nominated to any of these positions has been convicted of fraud, misappropriation or breach of trust or any other similar offence.

The Issuer declares further that none of its directors, chief executive officer or a person nominated to any of these of positions has been a subject of any order, judgment or ruling of court of competent jurisdiction or administrative body enjoining him or her from acting as an investment adviser, dealer's representative, investment representative, a director of a financial institution or engaging in any type of business or professional activity.

I. DIRECTOR RESPONSIBILITY STATEMENT

The Issuer and its directors accept responsibility for the information contained in this Prospectus. This Prospectus has been seen and approved by the directors of the Issuer, who collectively and individually accept full responsibility for the accuracy of the information provided herein.

Signed for and on behalf of the Issuer on [], 2017

Mr Krobo Edusei Jnr Director

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CORPORATE INFORMATION OF THE ISSUER

ISSUER: Bond Savings and Loans Limited

Bond House, Safebond Car Terminal

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Website: www.bond.com.gh gofosuhene@bond.com.gh

DIRECTORS: Peter Osei Duah (Chairman)

George Ofosuhene (Chief Executive Officer) Krobo Edusei Jnr (Non-Executive Director) Newton Brenya (Non-Executive Director) Isaac Kodom (Non-Executive Director)

Welbeck Abra-Appiah (Non-Executive Director)

SECRETARY: Lucy Genevieve-Lamptey

P.O Box 6709 Accra-North

Accra

SOLICITORS: Legal Link

PMB 24

Kanda-Accra Accra-Ghana

AUDITORS: Deloitte & Touche

4 Liberation Road P.O Box GP 453 Accra-Ghana

BANKERS: Fidelity Bank Ghana Limited

First Atlantic Bank Limited Unibank Ghana Limited

CONTACT DETAILS OF TRANSACTION ADVISORS

ARRANGER: Algebra Securities Limited

Capital Place

11 Patrice Lumumba Road Airport Residential Area

Contact: Kofi Osafo Sampong

kofi.sampong@algebracapital.com.gh

SPONSORING BROKER: SBG Securities Ghana Limited

Stanbic Heights, Airport City, Accra, Ghana

P.O Box CT 2344 Cantonments Contact: Fouad Idun-Ogde Idun-OgdeF@stanbic.com.gh

NOTE TRUSTEE: Fidelity Bank Ghana Limited

Ridge Tower, Accra, Ghana

P.O. Box PMB CT, Cantonments, Accra

Contact: John Taricone

itaricone@myfidelitybank.net

REPORTING ACCOUNTANT: KPMG

117 Yiyiwa Drive, Abelenkpe P. O. Box GP 242, Accra, Ghana Contact: Servant Jacques Bleindou

sjbleindou@kpmg.com

LEGAL ADVISOR: Ashong Benjamin & Associates

No. 6 4th Norla Street, Labone

P. O. Box CT 6265, Cantonments, Accra

Contact: Ekua Hayfron-Benjamin ekua@ashongbenjamin.com

DEFINITIONS

In these Conditions, unless inconsistent with the context or separately defined in the Applicable Pricing supplement the following expressions shall have the following meanings:

TERM	DEFINITION
Additional Amount	means additional amounts payable as a result of any change in Applicable Laws, which change or amendment becomes effective on or after the date of the Prospectus
Affiliate	in relation to a corporate body, means any other corporate body over which that corporate body has Control
Agency Agreement	means the agency agreement dated [] and made between the Issuer, the CSD and the Note Trustee, under which the Issuer appoints the CSD as transfer agent, calculation agent and registrar and the Note Trustee as paying agent and paying bank in relation to the Notes;
Applicable Laws	means any laws or regulations (including any foreign exchange rules or regulations) of any governmental or other regulatory authority which govern the Programme, the Conditions and the Notes issued thereunder in accordance with which the same are to be construed
Applicable Pricing Supplement	means the pricing supplement issued in relation to each Series or Tranche of Notes giving details of that particular Series or Tranche of Notes and the terms and conditions applicable to each Note in that Series or Tranche of Notes in so far as such terms and conditions are different from the Conditions of the Notes;
Arranger	means Algebra Securities Limited, which is acting as the arranger in relation to the Programme
Auditors	means Deloitte & Touche, the statutory auditors of the Issuer for the financial year ending December 31, 2016
Board	means the board of directors of the Issuer.
Book Closure Period	means 10 Business Days prior to each date upon which a payment of Interest or Principal Amount is due, as set out in the Applicable Pricing Supplement
Broken Amount	means the amount of any initial or final Interest which does not correspond to the Fixed Coupon Amount and the Interest Payment Dates to which they relate, calculated in respect of a Fixed Rate Note, as provided for by the Applicable Pricing Supplement
Business Day	means a day (other than a Saturday or Sunday or official public holiday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Ghana

TERM	DEFINITION
Business Day Convention	means each of the Floating Rate Business Day Convention: the Following Business Day Convention, the Modified Following Business Day Convention and the Preceding Business Day Convention, which may be applicable to the calculation of Interest
Calculating Agent	unless otherwise set out in an Applicable Pricing Supplement, means the CSD
Call Option	means the call option on the Notes, which may be provided to the Issuer and exercised in accordance with Condition 6.3 of the Conditions and as set forth in the Applicable Pricing Supplement
Central Securities Depository or CSD	means the Central Securities Depository (Ghana) Limited, a company incorporated in Ghana and operating as a central securities depository where Noteholders will be credited with the Notes and information on the Noteholders will be maintained, or any additional or alternate securities depository approved by the Issuer;
Companies Act	means the Companies Act 1963, (Act 179) (as amended) or any statutory re-modification or re-enactment thereof;
Conditions	means the terms and conditions of the Notes, substantially as set out under Section 13 (Conditions) as amended, modified or supplemented from time to time
Currency	Means GHS or any foreign currency as may be specified in the Applicable Pricing Supplement. The primary currency of the Notes shall be GHS.
Clearing System	means the local clearing system operated by the CSD
Day Count Fraction	has the meaning provided for in Condition 5.5.2 below
Dealers	means a dealer specified in an Applicable Pricing Supplement;
Depository	means the Central Securities Depository, a company incorporated in Ghana and operating as a central securities depository where Noteholders will be credited with the Notes and information on the Noteholders will be maintained, or any additional or alternate depository approved by the Issuer
Directors	means the directors of the Issuer from time to time
Early Redemption	means the early redemption of a Note prior to its due date
Early Redemption Amount	means the amount payable upon the Early Redemption of a Note
Encumbrance	any mortgage, charge, lien, pledge, hypothecation, assignment by way of security, deposit by way of security or any other agreement or arrangement (whether conditional or not and whether relating to existing or to future assets), having the effect of providing a security interest to a creditor or any agreement or arrangement to give any form of a secured claim to a creditor but excluding statutory preferences and any security interest arising by operation of law
Escrow Account	means the temporary collection account set up with the Escrow Bank into which the Noteholders shall pay the relevant amounts for the purchase of Notes

TERM	DEFINITION
Escrow Account Agreement	means the escrow account agreement dated 7th, February, 2017 entered between the Issuer, the Sponsoring Broker, and the Escrow Bank, in relation to the Escrow Account
Escrow Bank	means Fidelity Bank Ghana Limited, which is acting as the escrow bank in relation to the Escrow Account
Event of Default	means an event contemplated in Condition 17 below
Exercise Notice	means the formal notification by the Issuer of the exercise of a Call Option
Final Redemption	means the Final Redemption of a Note on the Maturity Date
Final Redemption Amount	means the Principal Amount of a Note payable in respect of each Note, upon Final Redemption there of
Financial Indebtedness	means any obligation of the Issuer (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent for or in respect of: (i) Indebtedness for Borrowed Money; or (ii) bonds, standby letters of credit, guarantees or other similar instruments, issued, in connection, with the performance of
	instruments issued in connection with the performance of contracts
Fixed Coupon Amount	means the amount of Interest in respect of a Fixed Rate Note (as set forth in the Applicable Pricing Supplement)
Fixed Interest Period	means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date
Fixed Rate Notes	means Notes entitled to a fixed rate of Interest (as set forth in the Applicable Pricing Supplement)
Floating Rate Business Day Convention	means a Business Day Convention specified in Condition 5.2.2 below
Floating Rate Notes	mean Notes entitled to a floating rate of Interest (as set forth in the Applicable Pricing Supplement)
Following Business Day Convention	means a Business Day Convention specified in Condition 5.2.2 below
GFIM	means the Ghana Fixed Income Market
Ghana	means the Republic of Ghana
GHS	means the lawful currency of Ghana, being the Ghana Cedi, any divisions thereof, or any successor currency
Global Note Certificate	a certificate evidencing title to the issued Notes under the Programme and issued to the Note Trustee as nominee for the Noteholders;
Income Tax Act	means the Income Tax Act, 2015 (Act 896) (as amended) or any statutory re-modification or re-enactment thereof

TERM	DEFINITION
	means any indebtedness of the Issuer for or in respect of:
	(i) monies borrowed;
	(ii) amounts raised by acceptance under any credit facility;
	(iii) amounts raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or similar instruments;
Indebtedness for Borrowed Money	(iv) amounts raised pursuant to any issue of shares of any person, which are expressed to be redeemable;(v) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with generally accepted accounting standards in the jurisdiction of incorporation of the lessee, be treated as finance or capital leases;
	(vi) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred primarily as a means of raising finance or financing the acquisition of the relevant asset or service; or
	(vii) amounts raised under any other transaction (including any forward sale or purchase agreement and the sale of receivables on a "with recourse" basis) having the commercial effect of a borrowing
Interest	means the amount of interest payable on a Note (as set forth in the Applicable Pricing Supplement and Condition 5
Interest Commencement Date	means the date that Interest shall commence to accrue/be calculated (as set forth in the Applicable Pricing Supplement)
Interest Determination Date	means the date upon which Interest and the Interest Rate is calculated for a specified Interest Period and as set forth in the Applicable Pricing Supplement
Interest Period	means, in relation to a Tranche or Series of Notes, each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date, as specified in the Applicable Pricing Supplement
Interest Payment Date	the date for the payment of Interest (as set forth in the Applicable Pricing Supplement) or, if no express Interest Payment Date(s) is/ are specified in the Applicable Pricing Supplement, the last day of the Interest Period commencing on the preceding Interest Payment Date, or, in the case of the first Interest Payment Date, commencing on the Interest Commencement Date
Interest Rate	means the rate of Interest (as set forth in the Applicable Pricing Supplement and Condition 5

TERM	DEFINITION
Issue Date	means, with respect to a Tranche or Series of Notes, the date of issue of such Notes
Issue Price	means the price at which the Notes may be issued, either on a fully paid or partly paid basis (as specified in the Applicable Pricing Supplement). The price and amount to be issued under any Series or Tranche of Notes will be determined by the Issuer, the relevant Dealer at the time of issue in accordance with prevailing market conditions
Issuer	means Bond Savings and Loans Limited, a public limited liability company registered in Ghana with registration number CS510682014 and licensed by the Bank of Ghana as licensed to carry out the business of savings and loans
Last Day to Register	means 17:00 on the last Business Day before the first day of a Book Closure Period
Legal Advisor	means Ashong Benjamin & Associates, which is acting as the legal advisor to the Issuer in relation to the Programme
Legal Compliance Letter	means the legal compliance letter prepared and issued by AB in relation to compliance of the Programme with Ghanaian law requirements, and which is set out under Section 16 (Legal Compliance Letter)
Maturity Date	means, in respect of a Series or Tranche of Notes, the date upon which the Notes are to be finally redeemed and all amounts due on the Notes are to be repaid by the Issuer and as set forth in the Applicable Pricing Supplement
Maximum Interest Rate	means the maximum rate of the Interest that may be payable on a Floating Rate Note, as agreed by the Issuer, the Arranger and Dealer(s) and as set forth in the Applicable Pricing Supplement
Minimum Interest Rate	means the minimum rate of the Interest that may be payable on a Floating Rate Note, as agreed by the Issuer, the Arranger and Dealer(s) and as set forth in the Applicable Pricing Supplement
Modified Following Business Day Convention	means a Business Day Convention specified in Condition 5.2.2below
Note	means a note issued under an Applicable Pricing Supplement to this Programme
Note Trustee	means Fidelity Bank (Ghana) Limited, or such other person as may be appointed under the Trust Agreement and specified in the Applicable Pricing Supplement as the Note Trustee
Noteholder	means a holder of a Note from time to time and recorded as such in the Register
Optional Redemption	means the redemption of a Note upon exercise of the Call Option, as specified in the Applicable Pricing Supplement
Optional Redemption Amount	means the amount payable upon exercise of the Call Option (as specified in the Applicable Pricing Supplement)
Optional Redemption Date	means the date for redemption of Notes, as specified in the Exercise Notice

TERM	DEFINITION
Paying Agent	unless otherwise set out in an Applicable Pricing Supplement, means Fidelity Bank
Paying Bank	unless otherwise set out in an Applicable Pricing Supplement, means Fidelity Bank
Permitted Encumbrance	means: (i) any Encumbrance existing as at the date of the Applicable Pricing Supplement; (ii) any Encumbrance with regard to receivables of the Issuer or which is created pursuant to any securitisation or like arrangement in accordance with normal market practice and whereby the Indebtedness for Borrowed Money is limited to the value of such receivables; (iii) any Encumbrance with respect to inter-company Indebtedness for Borrowed Money incurred between the Issuer and subsidiaries; (iv) any Encumbrance created over any asset owned, acquired, developed or constructed, provided that the Indebtedness for Borrowed Money so secured shall not exceed the bona fide market value of such asset or the cost of that acquisition, development or construction (including all interest and other finance charges, adjustments due to changes in circumstances and other charges reasonably incidental to such cost, whether contingent or otherwise) and where such market value or cost both apply, the higher of the 2; (v) any Encumbrance over deposit accounts securing a loan equal to the amounts standing to the credit of such deposit accounts, including any cash management system; or (vi) any Encumbrance created in the ordinary course of business, which includes, accounts receivable or deposit accounts, save that the secured liability of any Encumbrance referred to in (i) to (vi) above, should be equal or less than 10% of the total assets of the Issuer as published in the Issuer's latest audited financial statements, at the time the Encumbrance is established
Preceding Business Day Convention	means a Business Day Convention specified in Condition 5.2.2 below
Principal Amount	means the face value of the Notes, inclusive of any additional amounts which may be payable under the Conditions
Programme	means the GHS 100,000,000 domestic note issuance programme established by the Issuer (as amended from time to time) under which the Issuer may, from time to time, issue Notes denominated in the Currency and having such maturity as may be set forth in the Applicable Pricing Supplement

TERM	DEFINITION
Prospectus	means the prospectus dated [] prepared by the Issuer in connection with the Programme, as amended, modified or supplemented from time to time;
Redemption	means Final Redemption or Early Redemption (as the case may be)
Redemption Amount	means the amount payable on the Redemption of a Note on the Redemption Date (as set forth in the Applicable Pricing Supplement)
Redemption Date	means the date upon which a Series or Tranche of Notes is redeemed by the Issuer (as set forth in the Applicable Pricing Supplement)
Reference Rate	means the benchmark interest rate so specified in the Applicable Pricing Supplement for each Series or Tranche of Floating Rate Notes to be issued under the Programme
Register	means the register of the Noteholders maintained by the CSD in electronic form
Registrar	means the CSD appointed as Transfer Agent and Registrar for the Programme under the Agency Agreement
Registrar- General's Department	means the public registry in Ghana, which is responsible for the incorporation of companies and the registration of, among others, public offer documents in accordance with the provisions of the Companies Act
Regulations	means the regulations of the Issuer adopted by a special resolution passed on [] (and any modification or amendment thereof)
Relevant Time	means the time on the Interest Determination Date, if any, specified in the Applicable Pricing Supplement for calculating the Interest Rate and Interest payable on a Note
Reporting Accountant	means KPMG, the Reporting Accountant for the Programme
Series	means a series of Notes having one or more Issue Dates and identical terms as to the Maturity Date, Interest and redemption (except that, among Series, the Issue Dates, Interest Commencement Dates, Interest Payment Dates and amounts of the first interest payment and related matters may differ)
SEC	means the Securities and Exchange Commission of Ghana
Securities Industry Act	means the Securities Industry Act, 2016 (Act 929) or any statutory re-modification or re-enactment thereof
SEC Regulations	means the Securities and Exchange Commission Regulations, 2003 (L.I. 1728) or any statutory re-modification or re-enactment thereof
Senior Unsecured Notes	means Notes which constitute direct, general, unconditional, unsecured and unsubordinated obligations of the Issuer and have been designated as such in the Applicable Pricing Supplement

TERM	DEFINITION
Sponsoring Broker	means SBG Securities, which is acting as the sponsoring broker to the Issuer in relation to the Programme
Subordinated Notes	means Notes which constitute direct, general, unsecured and subordinated obligations of the Issuer and which have been designated as such in the Applicable Pricing Supplement
Taxes	has the meaning provided for in Condition 8 below
Tranche	means a tranche of a Series which are identical in all respects
Transfer Agent	means the CSD, which is acting as the transfer agent for the Programme under the Agency Agreement
Transfer Form	has the meaning provided for in Condition 2.4.1 below
Trust Agreement	means the trust agreement dated [],2017 and any amendments thereto) and entered into between the Issuer and the Note Trustee in terms of which the Note Trustee agrees to act as trustee for the protection and enforcement of the rights of the Noteholders.
USD	means United States Dollars, the lawful currency of the United States of America
Zero Coupon Notes	means Notes on which no interest is due whatsoever (as set forth in the Applicable Pricing Supplement)

1. LEGAL BASIS AND REASON FOR THE PROGRAMME

1.1 Legal Basis for the Programme

On 16 November, 2016, the board of directors of the Issuer approved the establishment of the Programme and listing of the Notes on the GFIM to raise debt financing of up to GHS 100,000,000. On 16 November, 2016, the shareholders of the Issuer approved the issue and listing of the Notes on the GFIM and the establishment of the Programme.

1.2 Reasons for the Programme and Use of Proceeds

The Issuer has established the Programme in order to raise debt financing of up to GHS 100,000,000. The issuer will use the net proceeds it receives from each issue of the Notes to finance loans and advances to its customers, to expand its branch network, set up agencies (cash centers), to improve IT infrastructure and introduce electronic banking services.

USE OF FUNDS	PERCENTAGE ALLOCATION
Credit Creation (Loan and Advance)	85%
Working Capital (re-profiling of high cost deposit)	10%
Set up of cash centers	2.5%
IT infrastructure improvement and introduction of electronic banking services	2.5%

2. SUMMARY OF PROGRAMME

The following is qualified in its entirety by the remainder of this Prospectus and, in relation to the terms and conditions of any particular Series or Tranche of Notes, the Applicable Pricing Supplement.

ISSUER:	BOND Savings and Loan Limited, a public limited incorporated according to the laws of Ghan Registration Number CS510682014 and a Sa institution licensed by the Bank of Ghana to services under the Banking Act, 2004 (Act 673)	a with Company avings and Loans provide financial
Description:	Note issuance programme.	
Size	Up to GHS100,000,000 aggregate Principal A outstanding at any one time. From time to time increase the aggregate nominal amount of the resistance under the Programme subject to SEC appropriate to SEC app	e, the Issuer may Notes that may be
	Subject to any Applicable Laws and so far as it may be required, the approval of the board of Directors and shareholders of the Issuer, the Issuer may without consent of the Noteholders increase the aggregate nominal amount of the Notes that may be issued under the Programme by issuing a supplementary prospectus thereof to Noteholders in accordance with the Conditions. Upon the issuance of such a supplementary prospectus, all	
	references in the Prospectus or any other aging document in relation to the Programme to the agon of the Notes, shall be and shall be deemed to the increased aggregate nominal amount.	reement, deed or aggregate amount
	The issuer will use the net proceeds it receives of the Notes to finance loans and advances to expand its branch network, set up agencie to improve IT infrastructure and introduce e services.	to its customers, es (cash centers),
II. CD.	USE OF FUNDS	PERCENTAGE ALLOCATION
Use of Proceeds	Credit Creation (Loan and Advance)	85%
	Working Capital (re-profiling of high cost deposit)	10%
	Set up of cash centers	2.5%
	IT infrastructure improvement and introduction of electronic banking services	2.5%
Type of Notes	Notes may be senior unsecured and subord specified in the Applicable Pricing Supplement.	dinated Notes, as

Early Redemption:	The Notes are subject to redemption, as stated in the Applicable Pricing Supplement, in whole or in part of their Principal Amount or appropriate part thereof plus accrued Interest, if any, prior to their stated Maturity Date at the option of the Issuer; if it decides to restructure its balance sheet or refinance its existing indebtedness
Senior or Subordinated Notes:	Notes to be issued under the Programme may be Senior Notes or Subordinated Notes, as stipulated in the Applicable Pricing Supplement.
Status of Senior Notes:	Senior Notes issued under the Programme will constitute direct, general, unconditional and unsecured obligations of the Issuer.
Status of Subordinated Notes:	Subordinated Notes issued under the Programme will constitute direct, unconditional and unsecured obligations of the Issuer and subordinate to the claims of direct, unconditional and secured creditors of the Issuer and the claims of holders of Senior Notes, and will at all times rank pari passu among themselves.
Negative Pledge:	The Issuer agrees that, so long as any Notes remain outstanding, it shall not create or permit to exist any mortgage, charge, lien, pledge or other security interest upon or with respect to any of its undertakings, assets or revenues to secure any Financial Indebtedness unless the Notes are secured equally and rateably with such other Financial Indebtedness.
Events of Default:	Events of Default in respect of the Notes include, but are not limited to, the events set out in Condition 17 of the Conditions).
Taxation:	The Issuer is a Ghana Resident for tax purposes. All payments of principal and interest in respect of the Notes will be made in compliance with income tax laws of Ghana. Currently, the Issuer is required by the Income Tax Act to withhold tax at the rate of 8% on all interest payments to Noteholders, except where the Noteholders are individuals or are otherwise exempted by Applicable Law. Noteholders are advised to seek professional tax advice as to tax obligations relating to investing in the Notes.
Form and Delivery of Notes:	The Notes shall be in registered form held electronically on the Central Securities Depository. The Issuer shall issue a single Global Note Certificate to the Note Trustee (in respect of each series or tranche of Notes) who will hold all the Notes as nominee for the Noteholders.
Book Closure Period:	The Register will be closed 10 (ten) Business Days prior to each Interest Payment Date each year until the Redemption Date or for such other periods as the Issuer may determine, subject to the prior approval of the SEC.
Last Day to Register:	17:00 GMT on the last Business Day before the first day of a Book Closure Period.
Redemption Payments:	Payment of principal and interest income due on that Note will be paid by the Note Trustee on Redemption Dates.

Selling Restrictions:	For a description of certain restrictions of deliveries of Notes and on distribution of of Republic of Ghana see "Subscription and Sa	fering materi	
Register:	The Register will be maintained electronically on a book-entry system in the Central Securities Depository and a single Global Note Certificate will be issued to the Note Trustee in respect of each Series and Tranche of Notes. The Register of Notes in issue will be held and updated by the CSD, which shall record each Series and Tranche of Notes, the number of Notes in each Series and Tranche, the Number of Notes in each Series and Tranche held by each Note holder and the names and addresses and bank account details of each Note holder.		
Noteholders:	The holder of a Note or Notes from time t as such in the Register	o time and re	ecorded
Rating:	Notes issued under the Programme in a particular Series or Tranche may be rated or unrated. Where a Series or Tranche of Notes is rated, such rating will be indicated in the Applicable Pricing Supplement but will not necessarily be the same as any rating assigned to the Issuer. Credit ratings assigned to Notes do not necessarily mean that the Notes are a suitable investment. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the rating agency. Similar ratings on different types of notes do not necessarily mean the same thing. The ratings do not address the marketability of any Notes or any market price. Any change in the credit ratings of Notes or the Issuer, could adversely affect the prices that a subsequent purchaser will be willing to pay for the Notes. The significance of each rating should be analysed independently from any other rating.		
	The total cost and expense of the Programme is not anticipated to exceed 5.0% (five percent) of the Programme size. The Issuer will bear all costs relating to the Programme. The cost of the Programme excluding Taxes is summarised below:		
	Legal Fees	100,000	0.10%
	Financial Advisory	1,500,000	1.50%
Cost and Expenses of the	Reporting Accountant	112,500	0.11%
Programme:	Trustee Fees	145,000	0.15%
	Regulatory Fees - SEC	50,000	0.05%
	Regulatory Fees - GSE	40,000	0.04%
	Central Securities Depository	18,000	0.02%
	Printing and Pubilcity Expenses	60,000	0.06%
	Total Fees and Expenses	2,025,500	2.03%
Governing Law:	The Notes, the Trust Agreement, and the Agency Agreement will be governed by, and construed in accordance with the Laws of the Republic of Ghana.		

Listing:	All Notes issued under the Programme will be listed on the Ghana Fixed Income Market ("GFIM"). Trading in the Notes is subject to the listing rules of the GSE and Notes will be settled in accordance with the applicable GSE settlement procedures. The purpose of the listing is for the Issuer to take advantage of the benefits of listing such as accessing a larger pool of capital and enhancing liquidity of the Notes.
Programme Expiry:	The Programme will expire 5 (five) years from the date of this Prospectus. All Notes issued prior to the expiry of the Programme will be valid and remain contractual obligations of the Issuer.

3. GENERAL DESCRIPTION OF THE PROGRAMME

3.1 The Terms and Condition

The final Issue Price, aggregate Principal Amount and Interest payable in respect of the Notes and any other terms and conditions not contained in the Conditions, which are applicable to any Series or Tranche will be agreed between the Issuer, the Arranger and, if applicable, the relevant Dealer(s) at the time of issuance in accordance with prevailing market conditions and will be set forth in the Applicable Pricing Supplement issued in respect of the Series or Tranche. Each Applicable Pricing Supplement will be submitted for approval by the SEC.

3.2 The Note

The Notes (which expression shall, unless the context otherwise so requires, be deemed to include a reference to any further notes issued) will be issued in one or more Series or Tranches by the Issuer under the Programme. The Notes shall constitute Senior Notes or Subordinated Notes and shall be Floating Rate or Fixed Rate or Zero Coupon. Notes will be issued under the Programme in Tranches or Series. Details applicable to each Tranche or Series will be specified in the Applicable Pricing Supplement.

3.3 Programme Documents

The Issuer has entered into a Trust Agreement, with Fidelity Bank Ghana Limited as the Note Trustee (the "Trust Agreement"), in terms of which the Note Trustee acts as trustee for the protection and enforcement of the rights of the Noteholders. The Issuer has also entered into an Agency Agreement (the "Agency Agreement"), with the Note Trustee as Paying Agent and Paying Bank, and the Central Securities Depository ("CSD") as Registrar, Transfer Agent and Calculation Agent.

The Noteholders are bound by, subject to, and are deemed to have knowledge of all the provisions of this Prospectus, the Applicable Pricing Supplement, the Trust Agreement, and the Agency Agreement. In certain circumstances, the Note Trustee can (subject to it being indemnified and/ or secured to its satisfaction) be required, by Noteholders holding at least 30% of the aggregate Principal Amount of the Notes outstanding or by a Special Resolution of the Noteholders, to exercise its powers under the Trust Agreement. Copies of the Trust Agreement will be available for inspection during usual business hours at the offices of Fidelity Bank Ghana Limited, the Note Trustee, for the time being, at Ridge Tower, West Ridge, Accra, Ghana.

3.4 Summary Role of Note Trustee

The Note Trustee is the primary representative of all Noteholders and acts in their interest to ensure that all necessary terms underlying the offer are adhered to. The full details of these responsibilities are contained in the Trust Agreement.

3.5 Summary Role of Calculation Agent

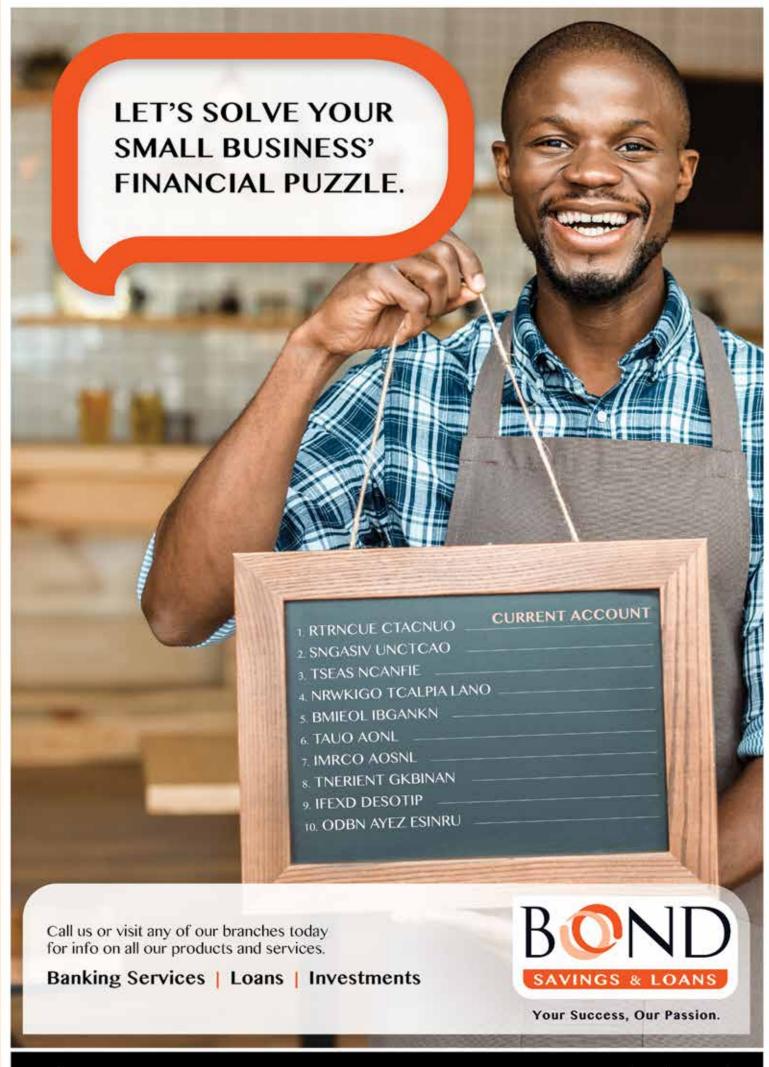
The Calculation Agent is primarily responsible for the determination of the Interest Rate for Floating Rate Notes and the calculation of any Principal Amount and Interest due from time to time.

3.6 Summary Role of Paying Agent

The Paying Agent is responsible for the processing of any Principal Amount and Interest due to each individual Noteholder when required. The full details of these responsibilities are contained in the Agency Agreement.

3.7 Summary Role of Escrow Bank

The Escrow Bank is responsible for setting up and operating the Escrow Account for the deposit of all amounts raised from each issue of Notes until payment of the deposits therein to the Issuer subject to the approval of the SEC and satisfaction of all conditions precedent to disbursement (set out under the Trust Agreement). The full details of these responsibilities are contained in the Escrow Account Agreement.



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4. INCORPORATION OF DOCUMENTS BY REFERENCE

The following documents shall be deemed to be incorporated in, and to form part of, this Prospectus.

- (a) all amendments and supplements to this Prospectus prepared by the Issuer from time to time;
- (b) as at the Programme Date, the published audited annual financial statements, and Notes there to, of the Issuer for the five financial years ended 31st December, 2012, 31st December, 2013, 31st December, 2014, 31st December, 2015 and 31stDecember, 2016 and in respect of any issue of Notes after the Programme Date, the published audited annual financial statements, and notes thereto, of the Issuer in respect of further financial years, as and when such published audited financial statements become available;
- (c) the financial due diligence report as prepared by Messrs KPMG dated [];
- (d) the Trust Agreement, as amended and/or supplemented, entered into between the Issuer and Fidelity Bank Ghana Limited as Note Trustee dated [];
- (e) the Agency Agreement, as amended and/or supplemented, entered into between the Issuer, Fidelity Bank Ghana Limited as Paying Agent and Paying Bank, and the Central Securities Depository (Gh) Limited as Registrar, Transfer Agent and Calculation Agent dated □;
- (f) the Escrow Account Agreement dated 7th, February, 2017; and
- (g) each Applicable Pricing Supplement relating to any Tranche or Series of Notes issued under the Programme,

save that any statement contained in this Prospectus or in any of the documents incorporated by reference in and forming part of this Prospectus shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

The Issuer and the Note Trustee will, for as long as any Note remains outstanding provide at its registered office, without charge, to any person, upon request of such person, a copy of all of the documents which are incorporated herein by reference, unless such documents have been modified or superseded, in which case the modified or superseding documentation will be provided. Requests for such documents should be directed to the Issuer and the Note Trustee at its registered office..

The Issuer will, subject to the approval of the SEC and for so long as any Note remains Outstanding, publish a new Programme Memorandum or a supplement to this Programme Memorandum, as the case may be, if:

- (a) a change in the condition (financial or otherwise) of the Issuer has occurred which is material in the context of the Notes so listed and the Issuer's payment obligations there under; or
- **(b)** an event has occurred which affects any matter contained in this Prospectus, the disclosure of which would reasonably be required by Noteholders and/or potential investors in the Notes; or
- (c) any of the information contained in this Prospectus becomes out-dated in a material respect.

5. FORM OF THE NOTES

The details of the form of the Notes shall be as follows:

- (a) the Notes shall be held electronically at the Central Securities Depository;
- **(b)** all Noteholders will be required to open and maintain CSD accounts, which will be credited with the Notes upon allotment;
- (c) the Register will be maintained electronically on a book-entry system on the Central Securities Depository and no certificates will be issued to individual Noteholders;
- (d) the CSD shall maintain a Register, which shows a record of Noteholders' respective elec tronic book entries in the CSD system, the particulars of Noteholders and their respective holdings;
- (e) entry on the Register shall represent proof of ownership of the rights in a Note
- (f) the Issuer shall issue a single Global Note Certificate to the Note Trustee (in respect of each Series or Tranche of Notes) who will hold the Global Note Certificate as nominee for the Noteholders; and
- (g) if Notes are transferred subsequent to issue, rights of ownership will be transferred via entries in the Register, per the rules of securities transfer of the CSD.

6. RISK FACTORS

An investment in the Medium Term Notes involves certain risks, including risks relating to the general economic activity in the country, the issuer and the note. An investment should be undertaken only by investors capable of evaluating the merits and risks of the Medium Term Notes and bearing the risks an investment in them represents. Prospective investors should carefully consider the following factors in addition to the matters set forth elsewhere in this Base Prospectus, prior to investing in any medium term Note. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Medium Term Notes. The considerations set out below in respect of the Medium Term Notes are not intended to be, a comprehensive list of all considerations relevant to a decision to purchase or hold the Medium Term Notes. Additional risks and uncertainties not presently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its business operations and on the Medium Term Notes.

6.1 Risk Relating to the Republic of Ghana

6.1.1 Weak or deteriorating economic conditions in Ghana could adversely affect the performance of the issuer.

The business activities of BOND Savings and Loans are dependent on the level of banking, finance and financial services required by their customers. In particular, levels of borrowing are heavily dependent on customer confidence, employment trends, the state of the economy and market interest rates at the time. As the Issuer conducts its respective business, its performance will be influenced by the level and nature of business activity in the country, which is, in turn, affected by both domestic and international economic and political events. There can be no assurance that a weakening in the Ghanaian economy will not have a material effect on its future results.

6.1.2 Macroeconomic Factors

Ghana continues to develop as an emerging economy and the macroeconomic framework remains constantly in flux. Although significant strides have been made by policymakers to reduce inflation to manageable levels as well as stabilize interest rates and other macroeconomic fundamentals, these fundamentals are still in a developing stage. Investors in the Notes should be cognisant of the potential impact of changes in the macroeconomic framework on the business of the Issuer.

6.1.3 Regulatory Framework

The Ghanaian financial services sector continues to develop, with the regulator, the Bank of Ghana, having required of participants in the financial services sector to increase their capital quite significantly over the past 4 (four) years. Although the Issuer has currently met all its capital obligations, any subsequent increase in the capital requirement by Bank of Ghana would have to be met by the Issuer and its shareholders and may have an impact on the Issuer□s business operations.

6.2 Risks Related to the Business of the Issuer

As a result of their business activities, the Issuer is exposed to a variety of risks, the most significant of which are credit risk, market risk, operational risk, liquidity risk and the impact of regulatory changes. Failure to control these risks could result in material adverse effects on the financial performance and reputation of the Issuer.

6.2.1 Credit Risk

Risks arising from changes in credit quality and the recoverability of loans and amounts due from counterparties are inherent in a wide range of the businesses of the Issuer. Adverse changes in the credit quality of their borrowers and counterparties or a general deterioration in the economic conditions in the country, or arising from systematic risks in the financial systems, could affect the recoverability and value of their assets and require an increase in the allowance for impairment losses on credit exposures and other provisions of the Issuer.

6.2.2 Market Risk

The most significant market risks the Issuer faces are interest rate, exchange rate risks and bond risk. Changes in interest rate levels, yield curves and spreads may affect the interest rate margin realised between lending and borrowing costs. Changes in currency rates affect the value of assets and liabilities denominated in foreign currencies and may affect income from foreign exchange dealing. Deteriorating exchange rate can also have an indirect effect as it will affect the Issuer customer's ability of meet obligations. The performance of financial markets may cause changes in the value of the investment and trading portfolios of the Issuer. The Issuer has implemented risk management methods to mitigate and control these and other market risks to which they are exposed. However, it is difficult to predict with accuracy changes in economic or market conditions and to anticipate the effects that such changes could have on the financial performance and business operations of the Issuers and the Guarantor.

6.2.3 Operational Risk

The businesses of the Issuer are dependent on their ability to process a number of transactions efficiently and accurately. Operational risk and losses can result from fraud, errors by employees, failure to document transactions properly or to obtain proper internal authorisation, failure to comply with regulatory requirements and conduct of business rules, equipment failures, natural disasters or the failure of external systems; for example, those of suppliers or counterparties. Although the Issuers have in place risk controls and risk mitigation procedures, it is not possible to implement procedures which are fully effective in controlling each of these operational risks.

6.2.4 Liquidity Risk

The inability of any deposit taking financial institution, including the Issuer, to anticipate and provide for unforeseen decreases or changes in funding sources could have consequences on such financial institution a ability to meet its obligations when they fall due.

6.2.5 Impact of Regulatory Changes

The Issuer is subject to financial services laws, regulations, administrative actions and policies. Changes in supervision and regulation, in Ghana, could materially affect the business of the Issuer, the products and services offered or the value of their assets. Although the Issuer works closely with their regulators and continually monitors the situation, future changes in regulation, fiscal or other policies can be unpredictable and are beyond the control of the Issuer.

6.3 Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its
own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by

reference in this Prospectus or any applicable Supplement to this Offering Prospectus;

- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial advisor) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

6.4 Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

6.4.1 Notes subject to optional redemption by the relevant Issuer

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The relevant Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

6.4.2 Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

6.4.3 Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that may convert from a fixed rate to a

floating rate, or from a floating rate to a fixed rate and such conversion may affect the secondary market and the market value of the Notes. If the Notes convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than the prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Notes convert from a floating rate to a fixed rate, the fixed rate maybe lower than then prevailing rates on its Notes.

6.4.4 Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

6.4.5 The Issuer obligations under Subordinated Notes are subordinated

The Issuer's obligations under Subordinated Notes will be unsecured and subordinated and will rank junior in priority of payment to the claims of Unsubordinated Creditors. Although Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is a risk that an investor in Subordinated Notes will lose all or some of its investment should the relevant Issuer become insolvent.

6.5 Risks related to Notes generally

Set out below is a brief description of certain risks relating to the Notes generally:

6.5.1 Modification, waivers and substitution

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The conditions of the Notes also provide that the Trustee may, without the consent of Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes or (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such.

6.5.2 Change of law

The Notes are governed by, and will be construed in accordance with, Ghanaian law in effect as at the Programme Date. No assurance can be given as to the impact of any possible judicial decision or change to Ghanaian law or administrative practice in Ghana after the Programme Date.

6.5.3 Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisors to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

7. INFORMATION ON THE ISSUER

7.1 Company History

BOND (then called Bond Financial Services Limited) was incorporated in 2007 in Ghana and licensed as a Non Bank Financial Institution licensed in 2007 under the Financial Institutions (Non-Banking) Law, 1993 (PNDCL 328) to provide financial services. The company commenced operations as a Finance House in 2008 and in 2014, its seventh year of operations, was able to acquire a Savings and Loans license under the Non Bank Financial Institutions Act, 2008 (Act 774).

The idea to establish a finance house was mooted by seasoned businessman, Mr. Krobo Edusei Jnr. of the Safebond Group having realized the need of business for financing solutions that are crafted to meet their specific challenges. From humble beginnings BOND has confidently navigated through the turbulent courses of the financial services industry with distinction. BOND is now a household name and takes pride in the wide portfolio of loyal customers who have not just passed through its corridors but customers who have been with the company since inception in fulfilment of the proposition to support and be with them every step of the way.

As a Savings and Loans Company licensed and supervised by Bank of Ghana, BOND Savings and Loans has been licensed to engage in the following permissible activities;

- a. acceptance of deposits and other repayable funds from the public;
- **b.** lending;
- c. financial leasing;
- d. moneytransmissionservices;
- e. guarantees and commitments;
- f. credit reference services:
- g. safe custody of valuables;
- h. electronicbanking;
- i. any other services that the Bank of Ghana may determine.

7.2 Strategy and Vision

Vision statement

To be the choice in the provision of tailored and innovative financing solutions that inspire and generate growth to financially empower all stakeholders to achieve prosperity.

Mission statement

To provide relationship-based financial services that focus on value-driven, innovative products and services through branch network efficiencies, strong branding and exceptional coordination that delivers stability and ultimately leads to sustainable long term stakeholder value

7.3 Shareholding Structure of the Issuer

The shareholding of BOND is made up of individuals with proven track record of success and years of experience in commerce, trade financing, business development and financial innovation. Shareholders are endowed with enormous financial and technical resources, necessary for the development of a competent and professional Savings and Loans business that is poised to establish a new order in the non-bank sub-sector of the financial services industry.

Safebond Africa Group's driving force and visionary, Mr. Krobo Edusei Jnr. a key shareholder in the business, also provides the impetus and energy to propel BOND on its mission, and bring a unique dimension to the team.

The Issuer is registered with 10,000,000 ordinary shares of no par value of which it has issued 3,000,000 all of which are fully paid as at the date of this Prospectus. The Issuer has no shares held in treasury and there is no outstanding payment in respect of shares issued. The Issuer currently has a stated capital of GHS16,535,267. As at the date of this Prospectus, the details of the shareholding of the Issuer are as follows:

NAME OF SHAREHOLDERS	NO. OF SHARES	% HOLDING
Krobo Edusei Jnr	1,650,000	55
Isaac Kodom	675,000	22.5
Newton Brenya	300,000	10
George Ofosuhene	300,000	10
Shirley Longdon	45,000	1.5
Elizabeth Blankson	30,000	1

There has not been any significant change in percentage ownership held by any major shareholder during the past 3 years immediately preceding the date of this offer document;

NAME OF SHAREHOLDERS	% HOLDING- 2014	% HOLDING- 2015	% HOLDING- 2016
Krobo Edusei Jnr	57.5	57.5	55
Isaac Kodom	22.5	22.5	22.5
Newton Brenya	10	10	10
George Ofosuhene	5	5	10
Shirley Longdon	-	-	1.5
Elizabeth Blankson	-	-	1
MSOP1	5	5	-

7.4 Overview of business of Issuer

7.4.1 Banking Services

BOND offers comprehensive banking solutions and a wide variety of services with personalized approach to satisfying the needs of its clients. BOND aims at differentiating its performance in the financial services/banking industry through its service quality and attend to all of its clients with efficiency and courtesy. BOND offers a wide variety of banking services such as; Current Accounts, Savings Accounts, Cash Management, Cheque Clearing Services, Inward Remittances and Fund Transfer Services

7.4.2 Investment Products

The Issuer offers a range of investment products designed for individuals, corporate organizations, enterprises and associations at very attractive interest rates and with the safety and security of clients' funds in mind. These products are not only designed to meet the needs of corporate investors or those who have surplus funds, but encourage individuals to put aside part of their earnings prudently to yield good returns for the future. BOND provides fixed deposit investments with varying maturities priced at highly competitive rates with unique and flexible liquidation terms.

7.4.3 Loan Products

1 'MSOP' refers to a Management Share Option Plan which is an employee share ownership scheme.

BOND provides loan or credit products at convenient payment terms. The table below shows the details of the Company's loan products:

NAME	DESCRIPTION OF PRODUCTS
BOND Working Capital Support	This loan product is offered to help finance businesses in need of working capital support.
BOND Local Purchase Orders (LPO) Loans	These are credit facilities to finance local purchase orders or contracts involving the supply or delivery of visible items or products whose specifications are set out in a contractual agreement or document.
BOND Import Loan (Warehousing)	These are credit facilities offered to traders who require financing to import raw materials or finished goods for sale. The facility finances; payment of goods, freight, duty, clearing charges etc.
BOND Discount Loan	The BOND Discount loan offers credit facilities to individuals and businesses involved in hire purchase arrangements that are supported by post-dated cheques.
BOND Church Finance	This offers credit facilities to churches in the country.
Bond Educational Loan (Daakye pa / Adesua Boafo)	This product gives financial support to employees for the payment of their own or ward's school fees.
Bond Asetenapa	This product is mainly designed for salaried workers and businesses for the purchasing of assets; home appliances, vehicles etc. Clients can purchase items from any vendor and not necessarily BOND's approved vendors. This product attracts interest of minimum 3.5% to be paid within three (3) or six (6) months.
Bond Hire Purchase	This credit facility is also designed for salaried workers in financing assets such as home appliances, brand new vehicles, tiles, mobile phones, cars and general home appliances for home improvement. However, clients have to purchase items from BOND's approved vendors; Hisense, Electroland, Prolux, Forwin, Beko home appliance, I2, Goodluck Africa, Ederick Ghana Limited.
Bond Executive Loan	This has been designed for Business Executives and Business Owners (Senior Executives) of various institutions to help finance their personal projects and expenses.
Bond Dwadie Boafo	It offers flexible collateral terms for small business owners and caters for facilities between GHC 5,000 to GHC 20,000. It requires two guarantors and stock as collateral for the loan.
Bond Micro Loan	This credit facility also offers flexible collateral terms for small business owners and caters for facilities between GHC 5,000 to GHC 10,000. It requires one guarantor and 25% of loan amount is used as collateral

NAME	DESCRIPTION OF PRODUCTS
Bond Personal Loan (Adwumafo Boafo)	This credit facility offers loan to both non – bank and bank staff. Facilities of GHC 6,000 and above attracts collateral and non – bank staff are to provide a compulsory undertaking from employers to deduct at source
Bond Scheme Loan	A minimum of five staff qualify to start a scheme loan and the scheme loan agreement and undertaking is to be backed with a compulsory undertaking from employers to deduct at source

7.4.4 Other Banking Services

BOND provides the following banking services in addition to the above-mentioned services; Internet Banking, Mobile Money Services, ATM Services and Payment of utilities.

7.5 Branch Network

The Issuer maintains branches in the following locations;

- 1. Coplan House-Kojo Thompson Road
- 2. Design House-Osu, Accra
- 3. Menaba Plaza- Makola, Accra
- 4. First Eye Plaza- Adum, Kumasi
- 5. Kumasi Main- Adum, Kumasi
- 6. BOND House Community Two, Tema

Its head office is located in BOND House, Meridian Road, Community Two, Tema.

7.6 Strategic Objectives

- The provision of first class customer service by leveraging on investment in people and technology.
- Focusing on our core business/competencies providing loans and investment opportunities to individuals and corporate institutions.
- Ensuring that staff are well motivated and have a conducive work environment.
- Recruiting and retaining the best human resource to carry out BOND's mandate.
- Applying best practices in internal policies, procedures, processes, and delivery.
- Constant improvement in shareholder value.

7.7 Corporate Governance and Board Members

BOND's services are anchored on good corporate governance to ensure efficient and accountable use of resources.

The Issuer's Board brings vast and diverse experience that ensures the delivery of products and services driven by innovation to meet all customer needs.

The Board of Directors of the Issuer consists of Seven (7) directors, including the chairman. The summarised profiles of the directors are set out below:

Mr. Peter Osei Duah (Chairman), Ghanaian, 68 years

Mr. Osei Duah has over 30 years experience as a Manager and a technical expert in the business of insurance and pensions. He holds a BA and MBA in finance and statistics from the University of Chicago, Illinois and has worked in various capacities with very reputable institutions both local and foreign.

His experience spans actuarial analysis for both corporate and individual clients, pricing of annuities and life insurance products, structuring of asset portfolios, pension plans and post-retirement between 1990-1992, where he designed plans and actuarial valuations of private pension plans under ERISA (Employment Retirement Income Security Act.) Prior to that, he had worked with Life Insurance Company of Virginia for close to 7 years eventually taking up the position of Director of the Investment Products Division of the actuarial department.

He was Executive Chairman and Chief Financial Officer of the Tri-Star Financial Group in Ghana, providing advice and operational strategies for insurance companies in Ghana and developing new products for the Ghanaian market including universal life insurance, funeral and health insurance. He designed the actuarial model for pricing of the National Health Insurance Scheme. He is a former Managing Director of the largest insurance company in Ghana, SIC Insurance Company Ltd (SIC), a position he held from 2001 – June 2009. He is credited with changing the face of SIC and leading the company to win major awards in the country. Under his leadership, SIC was successfully listed on the Ghana Stock Exchange. His professional designations include Associate Society of Actuaries (1983), Member, American Academy of Actuaries (1987) and Enrolled Actuary (1990).

Krobo Edusei Jnr. (Non-executive Director), Ghanaian, 66 years

Mr. Krobo Edusei Jnr. holds a Bachelors degree in Economics and MBA. He is an experienced and accomplished international businessman and entrepreneur with over 25 years working experience in various capacities including Chief Executive Officer, Executive Director and Group Executive Chairman in the oil, mining and port industries in Ghana, Nigeria and England. He has also established and headed a number of businesses including Carbon Energy Ltd, Nigeria, CarlTiedemann Stevedoring (GH) Ltd, Safebond Company Ltd, and BOND Savings & Loans Ltd among others. Mr Krobo Edusei Jnr. is currently the Group Executive Chairman of Safebond Africa Ltd. The group is the current principal operator of the Tema and Takoradi ports in Ghana with operational offices in Sierra Leone and Liberia.

Welbeck Abrah-Appiah (Non-executive Director), Ghanaian, 73 years

Mr. Abrah-Appiah has over 27 years experience as a Banker and Financial Analyst. His experience covers a wide range of consultancy services for many micro, small and medium enterprises. Some of the enterprises include Stanbic Bank, Amal Bank, The Trust Bank and Bank for Housing Construction. Each one of these banks won several awards under his watch.

He holds a B.A. in Economics, Sociology and Political Science from the University of Ghana, a diploma in Credit Analysis from Manchester UK, AIB. Mr. Abrah-Appiah was the Managing Director for Amalgamated Bank (now Bank of Africa) from Aug.2000-July 2006 where he was responsible to the Board for the performance of the Bank. He is also a former Managing Director for Bank for Housing and Construction. He served as the Managing Director (Proposed) for Stanbic Bank Ghana Ltd Oct. 1996 – Dec. 1999. He was also the Deputy Managing Director in Charge of Banking Operations at The Trust Bank Ltd from Jan.1995 – Sept. 1996. He was the Branch Manager for several branches for the Ghana Commercial Bank across Accra, including UK.

He is a council member of the Chartered Institute of Bankers (Ghana), member of the General Council of the Ghana Association of Bankers.

Newton Brenya (Non-executive Director), Ghanaian, 62 years

Mr. Newton Brenya has been the Managing Director for Safebond Company Ltd since 2006 to date. He is a former Deputy Managing Director for CarlTiedeman Stevedoring Co. Ltd., Ghana from 2002 – 2006, Deputy Managing Director for Speedline Stevedoring Co. Ltd. from 1984 – 2001 and also a Manager in Grayston Ltd in the United Kingdom.

He holds a Masters Degree in Management Science from the University of Kent, Canterbury, United Kingdom, a post graduate diploma in Management Studies from the Kingston University, Surrey, United Kingdom and a distinction in Higher National Diploma in Business Studies from the South-West London College, Streathham, United Kingdom. Mr. Brenya serves as a board member for Safebond Company Ltd, BOND Savings & Loans Ltd. and All- Time Capital Ltd.

Isaac Kodom (Non-executive Director), Ghanaian, 51 years

He is an Executive Director of the board with over 16 years experience in managing and developing a range of diverse and complex services sector businesses. He is fully conversant in all areas of finance and accounting, strategy and business development, an experienced manager with strong leadership and communication skills; effective team builder and has good corporate relation skills; proven capability in strategic work; successful deliverer of profitable growth; innovative and excellent problem-solving skills.

Mr. Kodom is the Group Deputy Managing Director for Safebond Africa Ltd and its subsidiaries a position he has held since June 2008. He holds an MBA from the University of Hohenheim Stuttgart - Germany, a BSc. Business Administration (HONS) from the University of Hohenheim, Germany, a diploma in German Language from the University of Wuppatal Hohenheim - Germany and member of the Association of Chartered Certified Accountants (ACCA) - 2005.

He is a board member for Safebond Company Ltd, BOND Savings & Loans Ltd, All-Time Capital Ltd and Vike Ltd.

George Ofosuhene, (Chief Executive Officer), Ghanaian, 56 years

George, the CEO of BOND also a member of the Board, has over 29 years' experience in banking. He has previously worked extensively in high level positions in three different banks in Ghana.

The CEO first worked as an investment officer at Merchant Bank Ghana Ltd (now UMB) where he was responsible for the development of merchant banking products, project evaluation and appraisal, assisting in the identification of potential investors for projects, offering advice on investment opportunities, privatization, and mergers and acquisition transactions. Mr. Ofosuhene in 1992 joined the former Meridian BIAO Bank (now part of Ecobank Group) as deputy head of the Corporate Finance Department where he successfully provided corporate advisory services

and structured various financial packages for clients, before moving up to head of corporate finance/credits at the bank in 1994. The CEO was the immediate past Executive Director, Credit & Marketing, of First Atlantic Bank where he played a colossal role in its growth and development from 1995 to 2007

Lucy Genevieve Lamptey (Board Secretary), Ghanaian, 69 years

Mrs. Lucy Genevieve Lamptey is a legal practitioner with over 30 years experience. Lucy brings to the Board, rich experience having represented SSNIT on the Board of The Trust Bank from July 1998 to 2000 and on the board of Prudential Bank from February 2001 to February 2002. She also represented SSNIT on the board of Home Finance Company from March 1997 to February 2002.

Mrs. Lamptey had part of her formal education at the Queen Mary College, London University, England, Council for Legal Education, Holborn England and undertook a 3 month course in customary law at the University of Ghana.

A summary of the details of the directors of the Issuer is as follows:

DIRECTOR	DATE OF APPOINTMENT	PERIOD SERVED	DIRECTORS TYPE	OTHER DIRECTORSHIP
Mr Peter Osei Duah	12th May, 2009	8 Years	Non-Executive Chairman	Acacia Health Insurance Limited
Mr Krobo Edusei Jnr	sei Jnr 20th April, 2007 9 Year		Non-Executive Director	Acacia Health Insurance, Safebond Company Ltd
Mr Newton Brenya	Rrenva 20th April 2007 9 Years		Non-Executive Director	Acacia Health Insurance Limited, Safebond Company Ltd
Mr Isaac Kodom 20th April, 2007		9 Years	Non-Executive Director	Acacia Health Insurance Limited, All Time Capital, Safebond Company Ltd
Mr Welbeck Abrah- Appiah	3rd November 2010 7 Ye		Non-Executive Director	
Mr George Ofosuhene	1st January, 2008	8 Years	Chief Executive Officer	Acacia Health Insurance Limited, All Time Capital Limited,

7.8 Board Committees

In line with good corporate governance and current best practices, the Board of Directors has established the Audit and Compliance Committee (ACC). The ACC is chaired by Mr. Isaac Kodom and other members including Mr. Newton Brenya, Mr Malik Aidoo and Miss Shirley Longdon. The ACC evaluates the adequacy and efficiency of the internal control systems, accounting practices, information systems, internal audit process, external audit process, regulatory reporting process, compliance function, and risk management process (including credit risk), applied in the day-to-day management of the business.

The executive committee is made of up of Mr. Abrah Appiah as chairman, Mr Krobo Edusei Jnr – Member, Mr. George Ofosuhene – Member and Mrs Lucy Lamptey – Secretary.

The functions of the committee include but not limited to Determination of performance measuring indicators of the company, determination of the strategic direction of the Company, approving of specific major investments, consideration and approving of major proposals and projects, Business Development, Human Resource and Personnel Issues, Oversight responsibilities for all Credit matters, Consideration of loans and advances above the limit of Management Credit Committee etc.

BOND also has a Business Continuity and Disaster Recovery Plan as well as senior management succession plan in place.

7.9 Senior Management

Profiles of the Senior Management of the Issuer are as follows:

(a) George Ofosuhene (Chief Executive Officer) Please see section 8.7above for his profile.

(b) Elizabeth Blankson (Mrs.)

Elizabeth is a Senior Manager in charge of Corporate Banking. She is a chartered accountant with rich experience in accounting and banking. In addition, she holds an MBA in Strategic Management from the University of Westminster, UK. She brings international and multi- sectoral appreciation of corporate accounting and financial practices to BOND. She has previously worked with SG Ghana Ltd, First Atlantic Merchant Bank, and also in accounting and finance in the UK with Turnbull Rutherford Solicitors (UK) and Hays Specialist Recruitment (UK).

Her experience spans banking operations, account management including monitoring market trends, management of risk assets, corporate banking, and corporate relationship management. She has arranged financial packages for customers, reviewed and prepared credit applications and liaised with all departments in the banking process to ensure customers' needs are met.

(c) Shirley Longdon (Ms.)

Shirley is a corporate lawyer with over 20 years of experience and the Senior Manager in charge of Legal, Human Resource and Corporate Affairs. Ms Longdon possess a wide industry appreciation and deep knowledge on issues of labour law, mergers and acquisition, legal due diligence, banking, commercial and contract law, including extensive corporate work in leading Ghanaian industries (both private and public companies) and banks. She has under her belt, successful stints with Unilever Ghana Ltd as corporate Lawyer as well as Fidelity Bank (formerly Fidelity Discount House) also as Company Secretary.

As a seasoned professional with in-depth understanding of banking and Finance transactions, the wealth of knowledge and familiarity with business issues that such experience represents is a great asset that will facilitate finance solutions to the benefit of the customers of BOND.

(d) Catherine Kakra Quaidoo

Catherine is the Senior Manager, Operations. Having previously worked with two different high-level banks in Ghana, she has built a wealth of experience in banking operations as well as customer management. She is the immediate past Manager, Operations Audit, First Atlantic Bank where she ensured there was assurance on all operational processes.

A graduate of the Kwame Nkrumah University of Science and Technology, Miss Quaidoo holds an ACCA Diploma in Financial Management and an MBA in Entrepreneurial Management from the University of Ghana Business School. Miss Quaidoo has deep insight into relationship management, banking and internal control processes. In addition, she adds to the management team, tenacity, strategic thinking and effective relationship building.

(e) Malik Aidoo

Malik is the Financial Controller of BOND. He is chartered accountant by profession and has an EMBA with a major in Finance. Mr. Aidoo's strengths lie in Financial Statement analysis, Risk Management and Compliance. He is a well-baked professional having gone through the mill as audit trainee with several auditing and accounting firms of international repute.

Mr. Aidoo joined BOND in 2008 from Sterling Financial Services where he was the Head of Finance and presided over budget preparation and implementation amongst other duties. In addition to his profession, Mr. Aidoo has also undergone various skill specific and leadership programs, which support his credentials as a financial expert.

(f) Benjamin Annan Ollennu

Mr Ollennu is the Head of Treasury. He has expansive experience and skills in Strategic Planning, Finance, Performance Management, Treasury as well as Marketing spanning over ten years in the financial services sector. He is a Fellow of the Association of Chartered Certified Accountants (FCCA) and also holds an MBA in Finance from the University of Leicester in the UK. Benjamin, prior to joining BOND, worked with Intercontinental Bank (now Access Bank) as a Senior Executive in charge of Performance Management, a role he effectively discharged by ensuring a 100% growth in Balance Sheet size and Profitability.

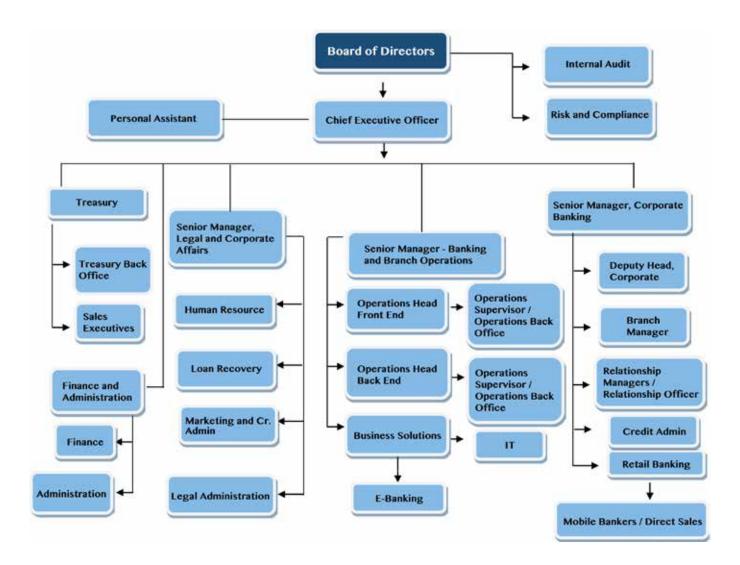
He also worked as Senior Dealer, as Head of the Treasury Marketing Unit for two year at Access Bank. He also worked as the Senior Executive in charge of Assets and Liability Management (ALM) unit at Intercontinental Bank where he served as a key member of a committee set up to churn out the first Financial Statement under the IFRS regime and was very instrumental in a software upgrade exercise implemented to improve capacity and service delivery. Ben has also worked with Allied Products Ltd, Accra as Head of the Finance, Hays Accountancy as well as Bloomfaith & Co, both Accounting Services Companies, all in the United Kingdom.

7.10 Organisational Structure

BOND has an organisational structure, organized along its five core operations:

(1) Treasury; (2) Legal and Corporate Affairs; (3) Banking and Branch Operations; (4) Corporate Banking; (5) Finance and Administration

The Chief Executive Officer oversees the activities of these operational departments and reports to the Board of Directors. BOND also has internal audit and risk compliance departments that report directly to the Board. The organisational structure is presented in the chart below:



7.11 Employees

Total number of employees of the Issuer as at 31st December, 2016 was 142. The figure is made up of 86 permanent staff and 56 fixed term contract staff. None of the Issuer's management staff and other employees are members of a union.

	PERMANENT STAFF	TEMPORARY STAFF
2016	86	56
2015	78	30
2014	75	-

LOCATION	USE	LEASE START DATE	LEASE END DATE	TERM
Tema Port, Tema (BOND House)	Head Office	15th March 2011	14th March 2031	20 years with an option to renew
Hs No. C209/12, Ofori Kpakpo Road, Accra (Coplan House)	Branch Office	In the process of being renewed	In the process of being renewed	In the process of being renewed
Fuller Road Property, Kumasi (First Eye Plaza)	Branch Office	1st September 2014	31 August 2019	5 years with an option to renew for a further 5 years
Guggisberg Road Property, Kumasi (Kumasi Main)	Branch Office	31st July 2015	30 June 2020	5 years with an option to renew for a further 5 years
Ground Floor, Menaba Plaza, Kwame Nkrumah Avenue, Makola Accra	Branch Office	19th May 2015	18 May 2020	5 years with an option to renew for a further 5 years
Second Floor, Menaba Plaza, Kwame Nkrumah Avenue, Makola Accra	Branch Office	1st July 2015	30 June 2020	5 years with an option to renew for a further 5 years
Hs. No. 807, 7th, 11th Lane, Osu RE	Branch Office	29th July 2015	28th July 2020	5 years with an option to renew for a further 5 years

7.13 Insurance

The Company maintains the following insurances:

- A banker's indemnity insurance policy with Glico General Insurance Company Limited commencing from 10th November 2016 to 9th November 2017 for a total sum insured of GHS 4,900,000. The policy covers infidelity of employees, premises, transit, forged cheques, cash holdups and cash in safe.
- A public liability policy with Glico General Insurance Company Limited commencing from 10th November 2016 to 9th November 2017 for a total sum insured of GHS 500,000 with a payout limit at any one time of GHS 250,000. This policy applies to accidental bodily injury to or illness of any person (whether fatal or not) and accidental loss of or damage to property occurrence in connection with the business during the period of insurance at any of the places to which the policy applies. The places to which the policy applies to include the insured premises and other

operational sites in Ghana.

- A fire and allied perils policy with Glico General Insurance Company Limited commencing from 10th November 2016 to 10th November 2017. The sum insured is GHC 1,355,125.44 and the coverage are office contents and supplies contained in the building of the insured situate at Bond House, Meridian Road, Community 1- Tema.
- A burglary business policy with Glico General Insurance Company Limited commencing from 10th November 2016 to 9th November 2017 for a total sum insured GHS101,367.00.
- Combined fire and theft policy with Glico General Insurance Company Limited commencing from 10th November 2016 to 9th November 2017 for a total sum insured of GHS 250,000. This policy covers vehicles situate at Bond, Tema branch office.
- Group personal policy with Glico General Insurance Company Limited for a total sum insured of GHS 2,181,378.60. This policy covers bodily injury.

7.14 Litigation

Soniag Company Limited brought an action against the Company on 21st January 2016 claiming the sum of approximately GHC 6,000,000 inclusive of interest for the Company's alleged negligence in the transfer of funds on its behalf.

Apart from this case, which could impact on its BOND operations, it is not involved in any litigation the results of which might have an adverse or material effect on the financial position or conduct of its business. The case is currently before the High Court, Commercial Court 7.

However, there are other cases that BOND is involved in which will not have a material impact on its financial position or the conduct of its business. We have set out the list of cases below:

- **a.** BOND vrs Marriot Travel and Tours & Ors- recovery of the sum of GHC 114,364.74 which is currently before the High Court, Commercial Division, Accra.
- **b.** BOND vrs Jorbies Transport recovery of an amount of GHC 754,161.79.
- **c.** BOND vrs G. Isakos Company Limited, Kwame Anane Boakye and Kofi Agyekum Boakye recovery of the sum of GHC 44,391.13 including interest from 26th August 2014 to date of final payment.
- **d.** Diamond Rock Auto vrs J.Y. Oppong and BOND claim that for ownership of a motor vehicle used as collateral for a loan. Injunction granted to prevent BOND from realizing the collateral and revocation of BOND's title over the motor vehicle.
- **e.** BOND vrs Mountcrest University College and two directors of Mountcrest recovery of the sum of GHC 570,840.29. The case is currently before the High Court, Commercial Division, Accra.
- **f.** BOND vrs Visigo Optical Limited and its directors- recovery of the sum of GHC 929,249.50. The case is currently before the High Court, Commercial Division, Accra.
- **g.** BOND vrs Vista Hospitality Limited and its directors fee recovery of the sum of GHC 1,799,702.29. The case is currently before the High Court, Commercial Division, Accra.

7.15 Material Contracts

All contracts that BOND has entered into are those entered into in the normal course of its business. Below are details of material contracts between Bond and its service providers.

NAME OF SERVICE PROVIDER	SUBJECT	FEES PAYABLE		
ICS Financial Systems		The total site licence fee for work listed in (appendix-1) Item (1) Core and Extended Core Modules for (8) branches and one Head Office is USD250,000. The total site licence cost for work listed in (appendix-1) Item (2) Delivery Channels for One Head Office is USD100,000.		
Limited dated 5th December 2016	Software Supply	Total license fee USD350,000.		
		The license fee for any additional branch in Ghana after the (8) branches will be (USD21,000) in maintenance fee paid in advance.		
		The maintenance fees shall be 18% per annum of the total license fee USD350,000.		
Phase 2 Consulting Services dated 29th December 2014	Sale and maintenance of Automated Teller Machines and software	The total Annual Support Contract (ASC) price USD100,000. If Bond requires to extend support ASC shall payable at rate of 21% of USD100,000 per annum for ASC and post warranty support. It products are warranted for a period of six (6) mon from the date of User Acceptance Test (UAT). It contract price is exclusive of all taxes and levies. It contract price includes the Cost of Delivery (CIF) 80% payment as advance along with PO; remaining 20% shall be paid when the softwar has been installed to Licensee, installed and run		
	solutions	a UAT mode confirmed to have complied with all specifications and features required by Licensee which the Licensee shall confirm within 30 days of such delivery. Annual support charges shall be payable in advance together with applicable taxes upon expiry of the warranty.		

7.16 Related Party Transactions

There are no related third-party transactions.

7.17 Takeover offers

The Issuer has not received any takeover offer from third parties in respect of the Issuer's shares, neither has the Issuer made any takeover offers in respect of other company's shares during the last and current financial year.

7.18 Directors disclosures on working capital adequacy

The directors for the Issuer have declared that the working capital of the company is sufficient, and if for any reason the working capital is insufficient they propose to augment the additional required.

7.19 Dividend Policy

A minimum of thirty percent (30%) of the residual profit would be paid as dividend for the year to eligible shareholders.

7.20 Capital Adequacy Disclosure

	2015	2016
Capital Adequacy Ratio	16.17%	13.35%

7.21 Directors and Executive Officers Aggregate Compensation

The Issuer paid an amount of GHC191,849.00 to its directors as remuneration for the year 2016. The chief executive officers and executive officers received a remuneration of GHC 637,089.00 for the year 2016.

7.30 Details of Investments in Associate Companies

INVESTEE COMPANY	DATE OF INVESTMENT	AMOUNT INVESTED	CURRENT VALUE
Acacia Health Insurance Limited	2015	GHS 7,000,000.00	GHS 8,536,000.00

8. FINANCIAL REPORTS AND PERFORMANCE

8.1 Reporting Accountant's Report on Historical Financial Information



Review of Historical and Forecast Financial Information BOND Savings and Loans Limited - Final Report April 2017

The Directors
BOND Savings and Loans Limited
BOND House
Safebond Car Terminal PMB 245, Com 1
Tema
27 April 2017

Dear Messrs,

Independent Reporting Accountant's limited assurance report on the historical financial statement of Bond Savings and Loans Limited

We have reviewed the accompanying financials of Bond Savings and Loans Limited that comprises of the statement of financial performance for the years ended, Cash flow statements and the statement of financial positions as at 31 December 2012, 2013, 2014, 2015 and 2016; and a summary of significant accounting policies and other information.

Management's Responsibility for the Financial Statements

Management of Bond Savings and Loans Limited is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards (IFRS), and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Reporting Accountant's Responsibility

KPMG's responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not give a true and fair view of the financial positions of Bond Savings and Loans Limited as at 31 December 2012, 2013, 2014, 2015, 2016 and of its financial performance and cash flows for the years then ended, in accordance with the International Financial Reporting Standards.

Kpmh

Signed by: Nathaniel D. Harlley (ICAG/P/1056)

Partner

For and on behalf of:

KPMG: (ICAG/F/2017/038) CHARTERED ACCOUNTANTS 13 YIYIWA DRIVE, ABELENKPE P O BOX GP 242

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8.2 Historical Financial Statements

This section presents a review of the historical financial statements of BOND. The review was based on the Company's audited financial statements from 2012 to 2015 and 2016 management accounts. The 2012 to 2015 financial statements were prepared in compliance with the International Financial Reporting Standards (IFRS) and their interpretation approved by the International Accounting Standards Board (IASB).

8.2.1 Income Statement Source: BOND& KPMG Analysis

GHC'000	2012 AUDITED	2013 AUDITED	2014 AUDITED	2015 AUDITED	2016 AUDITED	CAGR
Interest Income	23,518	38,217	48,793	62,200	85,624	38%
Interest Expense	(17,809)	(29,911)	(33,742)	(44,109)	(59,312)	35%
Net Interest Income	5,709	8,307	15,051	18,091	26,312	47%
Fees & Commissions	894	1,424	1,354	1,455	1,332	10%
Other Operating Income	9	38	65	386	2,131	
Operating Income	6,613	9,768	16,470	19,932	29,776	46%
Operating Expenses	(3,880)	(4,689)	(7,212)	(10,175)	(13,133)	36%
Impaired Charges	(692)	(878)	(1,217)	(1,334)	(7,928)	84%
Share of Profit of associate	-	-	-	-	1,536	
Profit before Tax	2041	4,201	8,041	8,424	10,251	50%
Income Tax Expense	(489)	(1,017)	(2,180)	(2,271)	(1,829)	
NFSL	-	(98)	(393)	(81)	(513)	
Profit After Tax	1,552	3,086	5,467	6,072	7,910	50%

8.2.2 Statement of Financial Position

	AUDITED	AUDITED	AUDITED	AUDITED	AUDITED	CAGR
ASSETS	NODITED	NODITED	NODITED	NODITED	NODITED	
Cash in Hand	2	2	585	1,180	2,944	
Due from other banks and FI's	6,070	919	5,260	11,804	29,739	49%
Financial Investments	55,322	66,608	65,779	52,321	50,277	-2%
Loans and Advances to Customers	50,449	77,736	91,752	123,677	159,305	33%
Unquoted Equity Investments	-	-	-	7,000	8,536	
Other Assets	187	299	586	1,622	1,995	81%
Deferred Tax Assets					2,202	
Property, Plant & Equipment	5,187	5354	7014	7,867	7,320	9%
Total Assets	117,217	150,917	170,376	205,471	262,319	23%
LIABILITIES						
Customer Deposits	102,226	132,107	135,153	165,588	210,083	22%
Interest Payable & Other Liabilities	5,595	5,524	6,790	8,207	12,069	
Current Tax Liabilities	119	416	992	625	2,436	
Bank Overdraft	-	1,103	3,792	-	-	
Total Liabilities	107,941	139,151	146,727	174,420	224,588	20%
EQUITY						
Stated Capital	7,035	7,035	14,035	16,535	16,535	
Income Surplus Account	842	1,657	3,728	5,707	3,494	
Statutory Reserve Fund	1,373	2,965	5,700	8,736	12,690	
Regulatory Credit Reserve	26	109	186	73	5,011	
Total Equity	9,276	11,767	23,649	31,051	37,731	42%
Total Equity & Liabilities	117,217	150,917	170,376	205,471	262,319	22%
Source: BOND& KPM	G Analysis					

8.2.3 Statement of Cash Flows

STATEMENTS OF CASH FLOWS								
GHC'000 CASH FLOWS FROM OPERATING ACTIVITIES	2012 AUDITED	2013 AUDITED	2014 AUDITED	2015 AUDITED	2012 AUDITED			
Profit before tax	2,041	4,201	8,041	8,424	10,251			
Adjustments for: Non- cash items								
Depreciation	692	304	676	1,186	1,520			
Impairment Charge	692	878	878	1,318	5,729			
Loans & Advances written off	(491)	(691)	340	16	1,099			
Interest on Suspense	(38)	(389)	485	431	4,106			
Profit on Disposal	-	(26)		-	(20)			
Share of profit of associate					(1,536)			
Operating Items								
Increase in Other Assets	246	(112)	(287)	(1,036)	(373)			
Increase in liabilities	2,640	(71)	1,266	1,416	3,863			
Increase in customer deposits	19,242	29,880	3,046	30,435	44,494			
Increase in Loans & Advances to Customers	(22,354)	(27,085)	(15,719)	(33,689)	(46,562)			
Decrease in Financial Investments	-	-	1,429	12,858	-			
Tax Paid	(455)	(818)	(1,997)	(2,719)	(2,733)			
Net Cash from/(used in) operating activities	1,807	6,073	(1,843)	18,640	19,838			
Cash flows from Investing Activities								
Purchase of property, plant & equipment	407	(471)	(2,336)	(2,039)	(973)			
Sale of Property, Plant & Equipment	-	26	-	-	20			
Financial Investments	4,292	(1,287)	-	_	2,044			
Net Cash from/(used in) investing activities	3,886	(11,732)	(2,336)	(2,039)	1,091			

STATEMENTS OF CASH FLOWS						
GHC'000 CASH FLOWS FROM OPERATING ACTIVITIES	2012 AUDITED	2013 AUDITED	2014 AUDITED	2015 AUDITED	2012 AUDITED	
Cash flows from financing activ	vities					
Dividend paid	(48)	(596)	(585)	(1,170)	(1,230)	
Increase in Stated Capital	-	-	7,000	2,500	-	
Investment in Subsidiary	-	-	-	(7,000)	-	
Net cash generated from financing activities	(48)	(596)	6,415	(5,670)	(1,230)	
Net/(decrease) in cash and cash equivalents	5,645	(6,255)	2,236	10,931	19,699	
Cash & Cash equivalents at the beginning of the year	427	6,072	(182)	2,053	12,984	
Cash &Cash equivalents at the end of the year	6,072	(182)	2,053	12,984	32,683	
Made up of:						
Cash at hand	2	2	585	1,180	2,944	
Due from other banks	6,070	919	5,260	11,804	29,739	
Bank Overdraft	-	(1,103)	(3,792)	-	-	
Total	6,072	(182)	2,053	12,984	32,693	
Source: BOND& KPMG Analysi	S					

8.1 Reporting Accountant's Report on Historical Financial Information



Review of Historical and Forecast Financial Information BOND Savings and Loans Limited - Final Report April 2017

The Directors
BOND Savings and Loans Limited
BOND House
Safebond Car Terminal PMB 245, Com 1
Tema
27 April 2017

Dear Messrs,

Independent reporting accountants' limited assurance report on the forecast financial statement of Bond Savings and Loans Limited

We have examined the forecast financial statements of Bond Savings and Loans Limited which comprise the statement of financial position, comprehensive income and cash flows for the period 2017 to 2021. These forecast financial statements have been prepared for inclusion in the Prospectus of Bond Savings and Loans Limited for the purpose of raising up to GHC 100 million of debt by issuing a Medium Term Note (MTN) on the Ghana Alternative Market.

These forecast financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS).

Directors' Responsibility

The Directors of Bond Savings and Loans Limited are responsible for the forecast, including the assumptions set out in the Prospectus to the Company, on which it is based and for the financial information from which it has been prepared. This responsibility includes determining whether the assumptions, barring unforeseen circumstances, provide a reasonable basis for the preparation of the forecast, whether the forecast has been properly compiled on the basis stated and whether the forecast is presented on a basis consistent with the accounting policies of Bond Savings and Loans Limited.

Reporting accountants' Responsibility

Our responsibility is to provide a limited assurance report on the forecast prepared for the purpose of complying with the accounting policies of Bond Savings and Loans Limited. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE). This standard requires us to obtain sufficient appropriate evidence as to whether:

- Management's best-estimate assumptions on which the forecast is based are not unreasonable and are consistent with the purpose of the information.
- The forecast is properly prepared on the basis of the assumptions
- The forecast is properly presented and all material assumptions are adequately disclosed; and

• The forecast is prepared and presented on a basis consistent with the accounting policies of Bond Savings and Loans Limited for the period concerned

In a limited assurance engagement, the evidence gathering procedures are more limited than for a reasonable assurance engagement and, therefore, less assurance is obtained than in a reasonable assurance engagement. We believe our evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Conclusion

Based on our examination of the evidence obtained, nothing has come to our attention which causes us to believe that:

- the assumptions, barring unforeseen circumstances, do not provide a reasonable basis for the preparation of the forecast;
- the forecast has not been properly compiled on the basis stated;
- the forecast has not been properly presented and all material assumptions are not adequately disclosed; and
- the forecast is not presented on a basis consistent with the accounting policies of Bond Savings and Loans Limited.

Actual results are likely to be different from the forecast since anticipated events frequently do not occur as expected and the variation may be material; accordingly no assurance is expressed regarding the achievability of the forecast.

Signed by: Nathaniel D. Harlley (ICAG/P/1056)

Partner
For and on behalf of:
KPMG: (ICAG/F/2017/038)
CHARTERED ACCOUNTANTS
13 YIYIWA DRIVE, ABELENKPE
P O BOX GP 242
ACCRA

28 April 2017

8.4 Forecast Financial Statements

The following financial statements are extracts of the Issuer's projected financial statements for the period up to 2017 to 2021. Further information on the Issuer's financial affairs, including its accounting policies, notes to its financial statements and the Reporting Accountant's report are contained in the full financial due diligence report. Copies of this can be obtained from the registered offices of the Issuer during normal business hours of any Business Day.

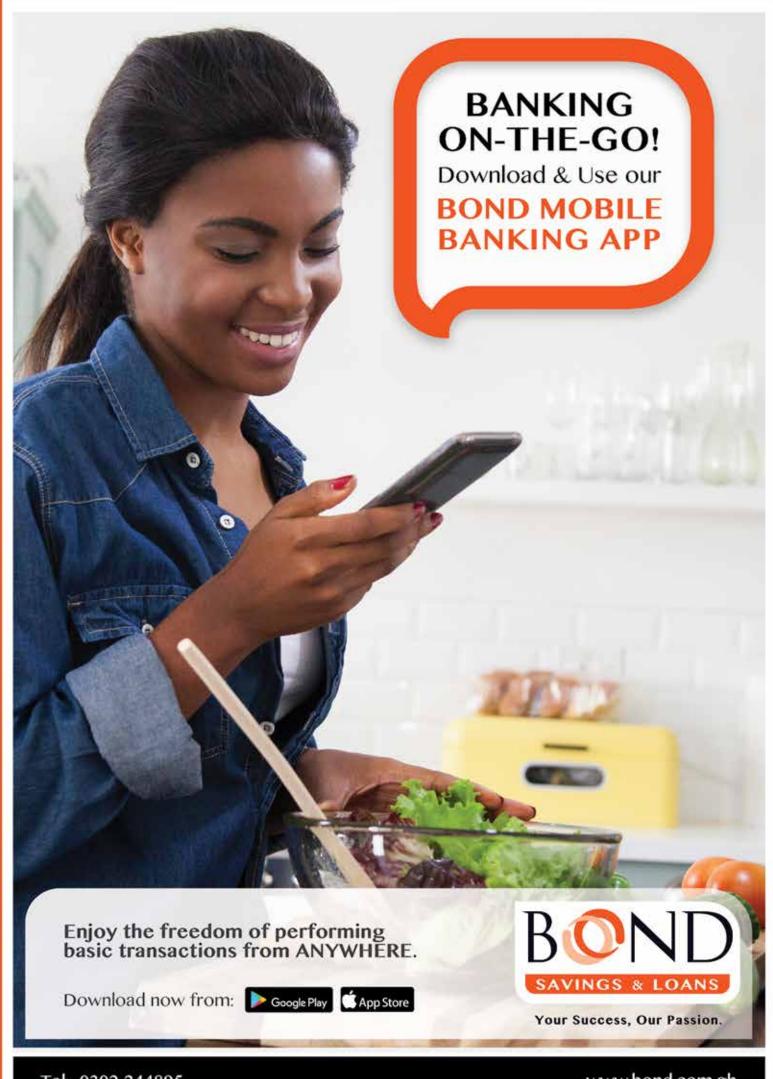
8.4.1 Income Statement

Income Statement							
GHC'000	2017 FORECAST	2018 FORECAST	2019 FORECAST	2020 FORECAST	2021 FORECAST	CAGR (2016 - 2021)	
Interest Income	96,470	119,862	133,598	149,328	162,729	14%	
Interest Expense	(63,148)	(78,890)	(86,080)	(94,112)	(95,363)	10%	
Net interest Income	33,322	40,971	47,518	55,216	67,366	21%	
Fees and Commissions	5,110	5,793	6,291	6,888	7,547	41%	
Other operating Income	1,584	1,704	1,910	2,153	2,423	3%	
Operating Income	40,016	48,469	55,719	64,257	77,335	21%	
Operating expenses	(19,267)	(21,642)	(24,918)	(28,501)	(33,363)	20%	
Impaired Charges	(15,578)	(13,983)	(12,458)	(13,130)	(13,728)	12%	
Profit Before Tax	5,171	12,844	18,344	22,626	30,245	-10%	
Income Tax Expense	(1,293)	(3,211)	(4,586)	(5,657)	(7,561)	33%	
NFSL	(52)	(128)	(183)	(226)	(302)	-10%	
Profit After Tax	3,827	9,504	13,574	16,743	22,381	23%	
Source: BOND & K	CPMG Analysi	S					

Income surplus account								
GHC'000	2017 FORECAST	2018 FORECAST	2019 FORECAST	2020 FORECAST	2017 FORECAST			
Balance at 1 January	3,494	2,567	3,082	4,593	6,667			
Profit After Tax	3,827	9,504	13,574	16,743	22,381			
Transfer to statutory reserve	(1,913)	(4,752)	(6,787)	(8,372)	(11,190)			
Transfer to credit risk reserve	(2,075)	(2,337)	(2,561)	(2,949)	(3,192)			
Dividend proposed	(765)	(1,901)	(2,715)	(3,349)	(4,476)			
Balance at 31 December	2,567	3,082	4,593	6,667	10,189			
Dividend Payout	20%	20%	20%	20%	20%			
Source: BOND & KPMO	G Analysis							

8.4.2 Statement of Financial Position

GHC'000	2017 FORECAST	2018 FORECAST	2019 FORECAST	2020 FORECAST	2021 FORECAST	CAGR (2016 - 2021)
ASSETS	'					
Cash in Hand	6,438	8,303	8,438	7,784	7,352	
Due from other banks	9,809	24,443	38,033	38,678	39,220	
Financial Investments	96,916	156,417	170,868	215,168	231,342	36%
Loans and Advances to Customers	182,650	212,225	247,701	293,041	348,056	17%
Unquoted Equity Investments	8,536	8,536	8,536	8,536	8,536	
Other Assets	2,095	2,556	3,195	3,930	4,637	
Deferred Tax Assets	858					
Property, Plant & Equipment	16,269	17,570	18,976	20,494	22,134	
Total Assets	323,571	430,051	495,748	587,631	661,277	20%
LIABILITIES						
Customer Deposits	234,106	271,751	326,249	393,469	488,048	18%
Interest Payable & Other Liabilities	12,673	13,687	14,097	15,366	16,288	
Current Tax Liabilities	-	218	148	146	386	
Medium Term Notes	30,000	80,000	70,000	70,000	20,000	
Total Liabilities	276,779	365,656	410,493	478,981	524,723	18%
EQUITY						
Stated Capital	22,535	32,535	42,535	52,535	62,535	
Income Surplus Account	2,567	3,082	9,344	17,279	28,834	
Statutory Reserve Fund	14,604	19,356	21,392	23,903	27,261	
Regulatory Credit Reserve	7,086	9,422	11,983	14,932	18,125	
Total Equity	46,792	64,396	85,255	108,650	136,554	29%
Total Equity & Liabilities	323,571	430,051	495,748	587,631	661,277	20%
Source: BOND & k	CPMG Analysi	s				



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8.4.3 Statement of Cash Flows

GHC'000	2017	2018	2019	2020	2017
CASH FLOWS Cash flows from opera		FORECAST	FURECAST	FORECAST	FURECAST
Profit before tax	5,171	12,844	18,344	22,626	30,245
Tront before tax	3,171	12,044	10,544	22,020	30,243
Adjustments for: Non- o	cash items				
Depreciation	2,265	2,673	3,261	3,979	4,854
Interest on Suspense	548	950	1,250	1,598	1,841
Provision for bad and doubtful debt	5,578	5,983	6,354	6,721	6,999
Bad debts written off	10,000	8,000	6,103	6,409	6,729
Operating Items					
Increase in gross loans & advance	(39,471)	(44,509)	(49,184)	(60,068)	(70,583)
(Increase) in other assets	(100)	(461)	(639)	(735)	(707)
Increase in customer deposits	24,024	37,645	54,498	67,221	94,580
Increase in creditors and accruals	603	1,014	411	1,269	922
Tax Paid	(2,436)	(2,263)	(4,840)	(5,884)	(7,624)
Net Cash from/ (used in) operating activities	11,008	12,254	30,483	37,441	67,254
Cash flows from Invest	ing Activities	,			
Acquisition of PP&E	(11,152)	(3,975)	(4,667)	(5,497)	(6,494)
Proceeds from sale of assets	20				
Financial Investments	(46,639)	(59,502)	(14,451)	(44,299)	(16,174)
Net Cash from/(used in) investing activities	(57,853)	(63,476)	(19,118)	(49,796)	(22,668)

GHC'000 CASH FLOWS	2017 FORECAST	2018 FORECAST	2019 FORECAST	2020 FORECAST	2017 FORECAST					
Cash flows from finance	Cash flows from financing activities									
Proceeds from BOND issue	30,000	50,000	20,000	-	-					
Repayment of BOND principal	-	-	(30,000)	-	(50,000)					
Dividend Paid	(765)	(1,901)	(2,715)	(30,000)	(4,476)					
Investment in Subsidiary	-	-	-	(2,715)	-					
Capital Injection	6000	10,000	10,000	10,000	10,000					
Net cash generated from financing activities	35,235	58,099	(2,715)	(2,715)	(44,919)					
Net/(decrease) in cash and cash equivalents	(16,436)	16,499	13,725	(9)	110					
Cash & Cash equivalents at January	32,683	16,247	32,746	46,471	46,462					
Cash & Cash equivalents at December	16,247	32,746	46,471	46,462	46,573					

8.4.4 Forecast Assumptions

Medium Term Note	Medium Term Note							
	BOND Amount	30,000,000 First tranche	50,000,000 Second tranche		20,000,00 Third tranch			
		• The Company intends to raise up to GHC 100 million from 2017 to 2019 in three tranches as shown in the table above.						
	• The bond raised in 2017 has a term of 2yrs. The bonds raised in 2018 at 2019 both have terms of three years each.							
	• The GHC 30 million bond would be redeemed in 2019 using proceeds from the issuance of the GHC 20 million bond if interest rates are low in 2019 otherwise it would be retired using funds from operation.							
	• The GHC 50 million bond would be redeemed in 2021 using cash from operations.							
	• The GHO operations	20 million bo	nd would be r	redeemed in	2022 using cas	sh from		
Use of funds	to finance network, s	er will use the loans and advect up agencies electronic ban	ances to its co s (cash center	ustomers, to rs), to improv	expand its bra e IT infrastruc	nch		
Equity	Capital In	jection						
	GHC'000	2017 Forecast	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast		
	Capital Injection	6,000	10,000	10,00	10,000	10,000		
	the Foreca	pany projects t ast Period (201 to the Issuer a	7-2021), GHC	C6Million of e	quity has alrea	ady been		

8.4.5 Income Statement Analysis

Interest Income

The table below shows projected interest income over the Forecast Period (2017 - 2021).

GHC'000	2017 FORECAST	2018 FORECAST	2019 FORECAST	2020 FORECAST	2021 FORECAST	CAGR (2016 - 2021)
Loans and advances	69,976	79,328	86,142	94,318	103,343	11%
Investment Securities	26,495	40,533	47,456	55,010	59,386	20%
Total	96,470	119,862	133,598	149,328	162,729	14%

The Company expects interest income to grow at a CAGR 14% over the Forecast Period. Interest income from loans and advances is projected to represent on average 66% of interest income vs. 60% in the Historical Period. Interest income from investment will represent the remainder.

Yields

Despite carrying a higher yield than investment securities, interest income on loans and advances is expected to grow at a slower pace. As a consequence, the proportion of interest income from loans and advances will retreat from 74% in 2016 to 58% in 2021.

BOND expects the yield on investment securities to trend downward from 36% to 27% due to a projected fall in the medium to long term inflation rate. Despite the decline over the Forecast Period, the yield on investment securities is still expected to be higher than the yield on the three MTNs that BOND expects to issue over the period.

The yield on loans and advances is also expected to trend downward from 41% to 32%. This downward trend is attributed to an increase in industry competition and to some extent to inflation.

Interest Expense

Interest expense is projected to grow at a CAGR of 10% over the Forecast Period, which is 4 percentage points (pp) below the CAGR of interest income. Interest expense from time deposits is expected to form on average 83% of interest expense while interest expense from the bond issues is expected to form on average 12% of interest expense. The remainder is interest expense on demand deposits, the cheapest source of funding.

Fees and Commissions

The Company projects fees and commission income to grow six-fold from GHC 1.3 million in 2016 to GHC 7.5 million in 2021, at a CAGR of 41%. The main contributor to fees and commission income is arrangement fees which is expected to contribute between 76% and 77% of fees and commission income. The Company expects the proportion of "Other fees" to fees and commission income to increase as it expects to increase its demand deposit portfolio by 35% which would in turn increase fees charged on banking services (Other fees).

Operating Income

BOND projects operating income to grow 2.5-fold from GHC 29.7 million in 2016 to GHC 77.3

million in 2021, at a CAGR of 21%. The main contributor to Operating income is Net Interest Income which is expected to contribute between 83% and 88% of Operating income vs. 85% to 91% during the Historical Period.

Operating Expenses

Operating expenses is expected to grow from GHC 13 million in 2016 to GHC 33 million at a CAGR of 20%.

GHC'000	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	CAGR (2016 - 2021)
Staff cost	8,347	9,181	10,283	11,311	13,008	24%
Other operating expenses	4,600	5,428	6,622	8,078	9,856	20%
Depreciation	2,265	2,673	3,261	3,979	4,854	26%
Occupancy Costs	2,561	2,753	3,001	3,241	3,565	37%
Advertising and marketing	1,494	1,607	1,751	1,891	2,080	-4%
Total	19,267	21,642	24,918	28,501	33,363	20%

The increase in operating expenses over the Forecast Period is mainly driven by staff costs, occupancy costs, depreciation and marketing costs.

An analysis of 2017 operating expenses shows that operating expenses is expected to increase by 47% the highest y-o-y increase due to: (i) a 66% expected increase in staff cost; (ii) and the 46% expected increase in other expenses due to the planned increase in activities; and (iii) a 249% increase in occupancy cost as the company rolls out new branches and set ups six new agencies. The main driver of the 66% expected increase in staff costs is the 25% projected increase in staff salaries to meet the consumer price index and maintain a competitive posture in the industry. This will in turn increase the associated costs like payment of social security, taxes on salaries and provident fund employer contributions as the Company has also decided to start paying social security for their contract staff.

Cost-to-Income Ratio

Cost to income ratio is projected to fall from 48.1% to 43.1% over the Forecast Period, a trend which is consistent with the historical trend. The forecast trend is mostly the result of growing Net Interest Income at a faster rate (CAGR of 21%) than that of its Operating expenses (CAGR of 20%).

Impairment Charges

The company expects annual impairment charges to be over GHC 12 million over the Forecast Period vs only GHC 6.8 million in 2016. The spike in impairment charges (+97%) in 2017 is the result of the relatively high NPL of 21.4% in 2016 vs. historical levels. Going forward, the level of projected impairment charges can be considered as a natural accompaniment of the increase in the loan portfolio of the Company.

The table below shows the Management's projected impairment over the Forecast Period

GHC'000	HISTORICAL	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
Identified impairment	6,828	5,578	5,983	6,354	6,721	6,999
Bad debt written off	1,099	10,000	8,000	6,103	6,409	6,729
Total	7,928	15,578	13,983	12,458	13,130	13,728
Provision / Gross Loan	3.3%	2.75%	2.50%	2.25%	2.00%	1.75%
NPL ratio	21.4%	9.2%	7.1%	3.8%	3.3%	2.9%

8.4.6 Balance Sheet Assumptions

Assets

The Company projects to increase its total assets 2.5 times from GHC 260 million in 2016 to GHC 661 million in 2021. This represents a CAGR of 20%.

Net loans and advances to customers is expected to constitute the single largest contributor to total assets constituting on average 51% of total assets, followed by "Financial investments" that is expected to constitute on average 35%.

GHC'000	HISTORICAL	FORECAST 2016	FORECAST 2017	FORECAST 2018	FORECAST 2019	FORECAST 2020	Average % of total
Cash in hand	2,944	6,438	8,303	8,438	7,784	7,352	2%
Due from other banks	29,739	9,809	24,443	38,033	38,678	39,220	6%
Financial Investments	50,277	96,916	156,417	170,868	215,168	231,342	35%
Loans and advances	159,305	182,650	212,225	247,701	293,041	348,056	51%
Unquoted equity investments	8,536	8,536	8,536	8,536	8,536	8,536	2%
Other asset	1,995	2,095	2,556	3,195	3,930	4,637	1%
PP&E	7,320	16,269	17,570	18,976	20,494	22,134	4%
Total assets	260,117	322,713	430,051	495,748	587,631	661,277	100%

Loans and Advances to Customers

The Company expects to grow its gross loan portfolio by GHC 227 million between 2016 and 2021. The balance of provisions for bad and doubtful debts is expected to grow by GHC 32 million during the same period, with a sharp increase in 2017 due to a spike in NPL ratio in 2016. Overall, Gross loans is projected to increase at a CAGR of 18% and Net loans, at a CAGR of 17%. Non-current assets

Non-current assets relates to PP&E.

The Company expect to incur a capital expenditure of GHC 31.8 million over the Forecast Period. This represents 4.4 times the existing net PP&E in 2016. This amount is expected to be incurred on upgrading the electronic banking IT infrastructure, branch network expansion and the introduction of cash centers which are mini agencies.

Interest Earning Assets

Interest earning assets are expected to grow at a CAGR of 21% with the ratio of interest earning assets to total assets ranging from 92% to 95%.

Liabilities

Total liabilities are expected to grow at a CAGR of 19% over the Forecast Period. The increase in total liabilities is mainly driven by an 18% CAGR in customer deposits. Customer deposits constitute the largest component of the Company's liabilities over the Forecast Period. Deposit to total liabilities is expected to range from 78% to 96%, averaging 86% vs. 95% observed in the Historical Period. Customer deposits is projected to represent a lower proportion of total liabilities than the one observed during the Historical Period, as the Company diversifies its source of funding via the MTN programme.

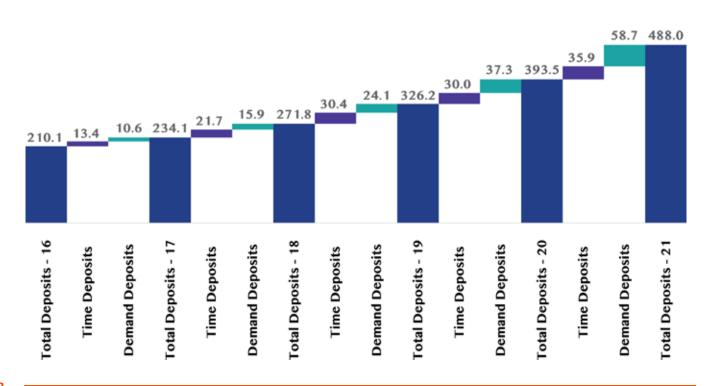
The bond balance is the next major liability item averaging 13% of total liabilities with a peak of 22% in 2018.

Customer Deposits

Customer deposits is expected to increase by GHC 278 million from GHC 210 million in 2016 to GHC 488 million in 2021, representing a CAGR of 18%. This increase is mostly driven by demand deposits which are expected to increase by GHC 146 million, at a CAGR of 35%. Time deposits are projected to increase by GHC 131 million, at a CAGR of 12%.

Over the Forecast Period the Company aims to change the mix in customer deposits in favour of demand deposits to reduce its cost of funds.

Customer Deposit Buildup (GHC millions)



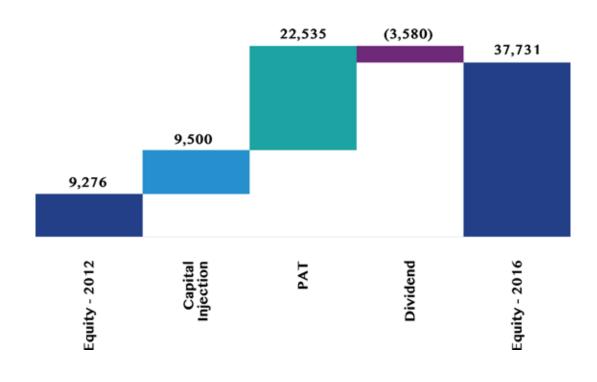
Equity

GHC'000	HISTORICAL 2016	FORECAST 2017	FORECAST 2018	FORECAST 2019	FORECAST 2020	FORECAST 2021
Balance as at 1 January	31,051	37,731	46,792	64,395	85,255	108,650
Increase in stated capital	-	6,000	10,000	10,000	10,000	10,000
Profit After Tax	7,910	3,827	9,504	13,574	16,743	22,381
Dividend paid	(1,230)	(765)	(1,901)	(2,715)	(3,349)	(4,476)
Balance at 31 December	37,731	46,792	64,395	85,255	108,650	136,554

Shareholders' fund is expected to increase by GHC 99 million between 2016 year end and 2021, mostly from profit after tax (GHC 66 million) and through new equity contribution (GHC 46 million).

The Bridge chart below breaks down the overall evolution of Shareholders' Equity between 2016 and 2021.

Change in Equity (GHC'000s)



9. OVERVIEW OF GHANA

9.1 Economic Overview and Outlook

Ghana's economy grew at 3.6% in 2016, the lowest growth rate in about 2 decades having been revised from a projection of 4.1%. The Non-Oil real GDP grew at an estimated 4.6 percent, same as target. Overall budget deficit on cash basis was the equivalent of 8.7 percent of GDP against an IMF ECF Programme target of 5.3 percent of GDP. On commitment basis, the fiscal deficit was 10.3 percent of GDP. Overall growth gathered momentum in the third quarter of the year, after a blip in the previous quarter had seen growth slow markedly. Gross domestic product (GDP) expanded 4.0% in Q3 2016 compared to the same period of the previous year, rising from the 2.5% growth recorded in Q2. Q2's lower growth was mainly due to a halt in oil production caused by a technical problem, which has since been resolved.

The industry sector is estimated to contract by 1.2% in 2017 compared to a growth of 1% in 2015 while services is estimated to recover from a growth of 5.2 percent in 2015 to 5.9 percent in 2016. Financial intermediation within the service sector is estimated to grow 3.8 percent from a growth of 22.9 percent and 3.2 percent in 2014 and 2015 respectively. Agriculture sector is estimated to grow at 3.6 percent in 2016.

Growth remained subdued for the most part of 2016 largely due to tight credit conditions and the downturn in commodity prices. On the foreign exchange market, Ghana cedi cumulatively depreciated by 9.6 percent and 5.3% against the US dollar and the euro respectively in 2016, compared with cumulative depreciation of 15.5 percent against the US dollar in the same period last year.

Ghana went into a general election on the December 7th, 2016, an election whose outcome saw the opposition NPP led by Akufo-Addo winning. The new government will maintain the fiscal austerity required by the IMF's Extended Credit Facility program, even though Akufo-Addo had championed a shift in economic policy focus, promising several tax cuts that would help businesses. The country will benefit from a gradual increase in commodities prices and an expected boost in oil and gas production as the Tweneboa-Enyera-Ntomme (TEN) oil fields come on stream. Analysts expect the economy to grow 6.2% in 2017. Coming into power on the back of the slowest economic growth in over two decades, the key risk factors that confronts the economy is the level of public debt which is about 70% of GDP, high inflation and high cost of credit with the Bank of Ghana policy rate at 25.5%. Inflation has been outside the central bank□s target band of 6 percent to 10 percent for almost four years, with consumer prices rising 15.4 percent in December.

9.1.2 Structure of Ghana's Economy

Ghana's macro-economic structure consist of 3 main sectors; the agriculture, industry and services sectors. Subsectors falling under the agriculture sector are crops & cocoa, livestock, fishing, forestry & logging sub sectors. Historically, the agriculture sector was the largest in terms of percentage contribution to GDP and employment provided by the sector. Agriculture was followed by industry and services in that order. Economic activities classified under the industry sector are construction, manufacturing, electricity, mining & quarrying, water & sewage and crude oil. Following the first production of crude oil in 2011, the industry sector growth outpaced the agriculture sector. The services sector comprises of finance and insurance, ICT, transportation, trade, health and education. Currently, the services sector has overtaken both agriculture and industry to become the largest and fastest growing sector in Ghana, accounting for 61.8% of GDP in Q2 2016. Industry and agriculture followed at a distance with respective GDP contributions of 26.2% and 12%.

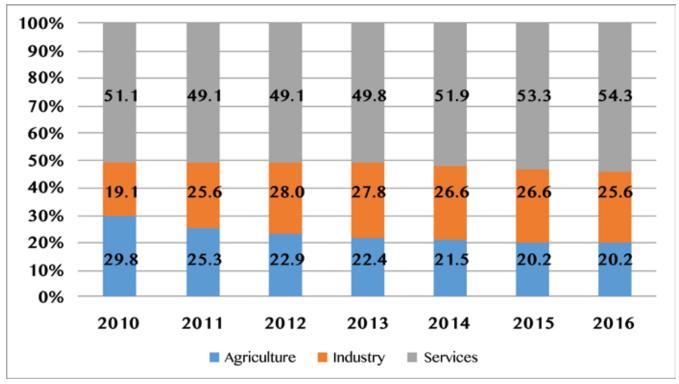


Figure 2: Sector Distribution of GDP, 2010 - 2016

Sources: Ghana Statistical Service / Ministry of Finance

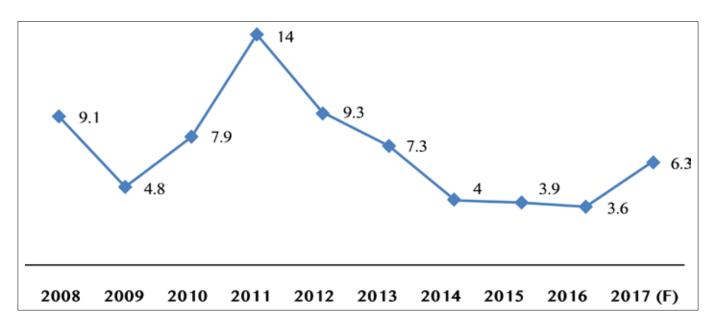
*Revised** Provisional

Going forward, it is expected that the new government will implement policies which will include undertaking financial sector reform to deepen financial markets, promote financial inclusion, enhance the supervision and regulation of financial institutions and move the country's payment system away from a predominantly cash towards an electronic payments system and tax incentives. The services sector growth will be sustained through efforts to increase financial inclusion through the introduction and widespread usage of mobile money which provides convenient banking in remote regions for Ghana's large unbanked population. Increased trading and commerce activity, supported by a relatively stable foreign exchange environment, a boom in finance and insurance operations (riding on the back of the young oil and gas industry as well as projected lower treasury bill interest rates and improved non- performing loans to support loan growth) will keep services as the most prominent sector. ICT advances reflecting in the impending digital migration and keen competition in the entertainment and media space will contribute to growth. Transportation services, linked to improvement in roads, lower cost of aviation fuel and efforts to deepen the capital markets as the engine for private sector led economic growth will provide further impetus for services sector growth. In the Industry sector, we expect improvement in the finances of the energy sector SOEs due to petroleum levies, efforts to sanitise and expand electricity power sector through restructuring, the proposed Electricity Company of Ghana concession agreement as well as production from the TEN and Sankofa Gye Nyame oil fields.

9.1.3 GDP Growth

Gross Domestic Product (GDP) growth in 2016 was 3.6% from 3.9% in 2015. GDP in 2014 was 4% and 7.3% in 2013. Ghana's GDP expanded by 4% YOY in the third quarter of 2016, following a downwardly revised 2.3% growth in the preceding quarter. The lower growth rates achieved since 2013 resulted from disruptions to energy supplies, higher interest rates and falling worldwide commodity prices. In contrast, the high GDP growth in 2011 (14%) resulted from the first full year of oil production from the Jubilee Field. In 2015, the agriculture, industry and services sector registered growth rates of 2.4%, 1.2% and 5.7%, respectively while in 2016 the agriculture, industry and services sector registered growth rates of 4.1%, -5.0% and 6.0%, respectively.

Growth GDP Trend



9.1.4 Inflation Trend

Inflation decreased from 18.1 percent in 2008 to a low of 8.6 percent in 2011. It increased progressively to 16.3% in January 2016. Inflation subsequently eased to 15.4 percent in December 2016 and then subsequently to 13.3 percent in January, 2017. This raises the expectation of a sustained decline in headline inflation towards the Bank of Ghana medium term target of $10\% \square 2\%$ in 2017.

9.1.5 Medium Term Economic Outlook

The medium term macro-economic outlook on the Ghanaian economy as was presented in the 2017 budget can be looked at from these policy directions;

• restore and sustain macroeconomic stability; shift the focus of economic management from taxation to production;

It is expected that output from oil and gas production will increase in 2017 and the mediumterm as a result of higher production from the TEN fields and introduction of crude oil and gas production from the SGN field. In addition, the non-oil GDP is expected to witness significant growth in spite of fiscal consolidation objective. This growth will be propelled by increase in economic activities from tax incentives to the private sector as well as a number of growth enhancing special initiatives to be implemented in a decentralized manner to promote local development.

9.1.6 Risks to the Outlook

The positive outlook hinges critically on sustained stability in power supply together with additional production of hydro-carbons from the TEN and Sankofa oil fields to augment current production on the Jubilee oil field. Despite these positive projections, economic activity in the short-term remains vulnerable to risks arising from the uncertainty in the global commodities market, the continued fiscal and monetary tightening as well as the challenging domestic operating environment.

10. GHANA'S FIXED INCOME MARKET

10.1 Historical Overview

Before 1994, the Bank of Ghana issued Bank of Ghana and Government of Ghana securities (comprising notes of 2-year maturity periods and bonds of 3 to 5 years' maturity periods). Due to high inflation rates in the domestic economy, the issuance of 5-year bonds was discontinued in 1994 in favour of short dated securities (the 91-day and 182-day bills).

Between 1990 and 1999, only 5 bonds were issued on the GSE. The first bond was the 26% GSE Commemorative Registered Stock with a total par value of GHS 5 billion, issued on behalf of the Government of Ghana to commemorate the launching of the GSE in 1990. HFC Bank (Ghana) Limited (then, the Home Finance Company Limited) ("HFC") on September 17, 1996 made a shelf registration of USD 35 million bonds on the GSE, under which four (4) bonds were issued as of October 1999. On August 13, 2002, the HFC again made a shelf registration of GBP 1.20 million bonds on the GSE.

In the 2000s, as the economy recovered and became relatively stable, the Government of Ghana, as a policy, revisited the issuance of long dated treasury bonds. This has continued up to date. The activities of the bond market between 2004 and 2008 (as reported in BoG Annual Reports) are outlined below:

- 2004 The market for both corporate and government bonds remained relatively quiet at the secondary level in spite of deliberate attempts by the Government of Ghana to boost the long term end of the financial market. A total of USD 73,417 worth of corporate bonds were traded during the year compared with USD 606,600 traded in 2003;
- 2005 The corporate bond market remained relatively quiet. However, the USD denominated corporate bonds traded on the market increased by USD 41,783 to USD 115,200;
- 2006 During the year, 35 Government of Ghana 2-year fixed rate notes totalling GHS 204,020 and 27 GOG 3-year fixed rate bonds amounting to GHS 41,629,000 were issued on the GSE. Standard Chartered Bank Ghana Limited's GHS 35 million medium-term notes were also issued on the Exchange. HFC's corporate bonds worth USD 40,000 were exchanged while USD 1,210.4 billion worth of Government of Ghana bonds were sold;
- 2007 A total of 48 Government of Ghana 2-year, 3-year and 5-year bonds amounting to GHS 1,337.1 million were issued on the GSE during the year. HFC also issued a corporate bond (Series J) totalling USD 3.9 million. Government of Ghana bonds worth GHS 3.8 million, Standard Chartered Bank Ghana Limited's medium-term bonds totalling GHS 1.4 million and HFC's corporate bonds worth USD 20,000 were traded on the GSE;
- 2008 A total of GHS 1,237.5 million Government bonds consisting of 2-year, 3-year and 5-year maturities were listed on the GSE as at the end of the year. The other listed bonds on the market were HFC bonds (series H \(\sigma\)\(\sigma\) and series J \(\sigma\)\(\sigma\)\(\sigma\) and SCB medium term notes amounting to USD 6.4 million and GHS 35.0 million respectively. There were no trades in both the HFC bonds and SCB medium term notes. However, GHS 3.4 million worth of Government bonds were traded in 2008; and
- 2014 to 2015 Between 2014 and 2015, 4 companies, Izwe Loans Company Limited, AFB

Company Limited, Edendale Properties Plc Limited and Bayport Financial Services Limited issued and listed corporate bonds on the GFIM

• 2016- PBC Limited issued and listed corporate bonds on the GFIM

10.2 Overview of the Fixed Income Market

Ghana's Fixed Income Market (GFIM) is a market to facilitate the secondary trading of all fixed income securities and other securities to be determined from time to time. The market has been established by key stakeholders in the financial market led by the Bank of Ghana (BoG), Ghana Stock Exchange, (GSE), Central Securities Depository Ghana Ltd (CSD), Ghana Association of Bankers, the Ministry of Finance, Financial Market Association (ACI Ghana) and Licensed Dealing Members (LDMs) of the Ghana Stock Exchange.

The GFIM is based on the existing license that the Ghana Stock Exchange (GSE) has to operate a market for securities. The GFIM will within the initial years of its existence, operate under a governing committee of stakeholders. However because GFIM is not a separate company yet, the Council of the GSE shall have ultimate responsibility for the market.

The main regulator for the market is the Securities and Exchange Commission. The Bank of Ghana shall be consulted on matters to do with the requirements and responsibilities of primary dealers as far as the market is concerned and also in respect of certain types of products to be dealt in on the GFIM, especially money market instruments.

The following securities or instruments when issued shall be automatically admitted (listed) and traded on the GFIM:

- (a) Government of Ghana treasury bills, notes and bonds; and
- (b) Bank of Ghana money market instruments.

The following securities or instruments may be admitted (listed) and traded on the GFIM:

- (a) quasi-Government of Ghana institutions' money market instruments, notes and bonds;
- **(b)** corporate notes and bonds;
- (c) local government bonds (i.e. metropolitan, municipal and district bonds);
- (d) supra-national bonds;
- (e) repos; and
- (f) other fixed income or money market securities

The main objectives of the Ghana fixed income market are to improve transparency, increase market efficiency, enhance price discovery and increase liquidity in the secondary trading of fixed income securities in Ghana. Ultimately, secondary trading of fixed income securities in Ghana is expected to align with international best practices.

The main dealers on the market are:

- Primary Dealers (PDs) authorised by the Bank of Ghana and licensed by the SEC to deal in securities in Ghana. The PDs participate in the primary auction of Government of Ghana and Bank of Ghana securities;
- Non-PD banks licensed by the SEC to deal in securities trading; and LDMs.

The market infrastructure which aids the operation of the Ghana Fixed Income market includes:

- an electronic trading and market surveillance system provided by Bloomberg L. P. and
- a clearing and settlement system operated by the CSD with the Bank of Ghana as the settlement bank.

10.3 Market Structure and Performance

The GFIM is dominated by Government of Ghana securities in terms of listings and trading. There are currently 5 listed corporate debt securities (combined value of approximately GHS 110 million) issued by Izwe Loans Limited, AFB Ghana Limited, Edendale Properties Plc Limited, Bayport Financial Services Limited and PBC Ghana Limited..

The Government of Ghana securities comprise of bills (91-day and 182-day), notes (1-year and 2-year) and bonds (3-year, 5-year, and 7-year). The 91-day bills account for the largest share (33.5%) of the total outstanding Government of Ghana securities, followed by the 182- day (23.6%) and the 3-year bond (18.5%) while the 7-year bond accounts for only 0.7% of the total outstanding Government of Ghana securities. This is evident of the need to increase and deepen activities on GFIM (especially, the bonds market).

As at the end of September 2016, total outstanding domestic debt made up of short term instruments and medium term instruments was about GHS 36.7 billion. Deposit money banks held 32% of outstanding debt, foreign investors held 30%, SSNIT and insurance companies held 5% and 0.4% respectively. Other holders including rural banks, firms & institutions and individual together held 38% of outstanding issue..

Trading activity on GFIM is highly concentrated in the 3-year Government of Ghana securities and a substantial amount of bills discounting also occurs over-the-counter. Activity in the longer-dated securities (5-year and 7-year) is relatively low. One of the reasons for the low secondary market activity in the 5-year and 7-year securities is the inadequacy of market information, and low transparency which inhibits market efficiency and price discovery.

11. OVERVIEW OF THE GHANAIAN FINANCIAL SECTOR

Ghana's financial services sector can be classified into three main categories i.e., banking, insurance and capital markets. The sector has shown significant development over the past decade.

11.1 Overview of the banking sector

The banking sector in Ghana continues to enjoy stability in its operations making it one of the drivers of economic growth. The key challenges for the sector in 2016 included the decline in profitability due to high operational cost mainly as a result of the energy crisis, which has since seen some improvement, and rising Non-Performing Loans (NPLs). Banks were cautious in lending due to the challenging economic conditions and the implications for loan recoveries. The rise in NPLs for many banks was partly attributed to the "legacy debt" which resulted from unpaid subsidies on energy prices and foreign exchange under recoveries in relation to organisations in the energy sector such as Tema Oil Refinery (TOR), Volta River Authority (VRA), Ghana Grid Company (GRIDCo), Electricity Company of Ghana (ECG) and the Bulk Distribution Companies (BDCs), preventing these institutions from repaying their bank loans on schedule. The level of NPLs and its impact on the general solvency of banks and the economy at large was of such concern to BoG that with the help of the International Monetary Fund (IMF), BoG requested a diagnostic review of the loans as well as advances and investments held by commercial banks as at 31 May 2015. The aim among others was to ensure that adequate impairment allowances are made for NPLs and to provide the Regulator with an informed view on the capital adequacy of banks to inform appropriate intervention, if required.

The Energy Sector Levies Act 2015 (Act899) was passed by Parliament to raise revenue to help settle the debts owed by state-owned enterprises in the energy sector. In addition to the levies, plans are advanced in securitising or restructuring the debts of BDCs and similar options are being considered for the TOR, VRA, GRIDCo and ECG debts. Meanwhile, the collection of the energy sector levies has also provided some banks a viable deposit mobilisation avenue by way of keeping the levies until it is used to pay the debts for which the levies were introduced.

11.2 The Regulatory Environment

The Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930)

Act 930 was passed on 11 October 2016. This Act repealed the then existing Banking Act, 2004 (Act 673) as amended by the Banking (Amendment) Act, 2007 (Act 738). Act 930 regulates the operations of banks and "specialised deposit-taking institutions". The latter are essentially all deposit taking companies. Among the changes introduced by Act 930 is the extension of the Bank supervisory powers to financial holding companies requiring them to register with it or obtain a waiver. The Bank may prescribe minimum capital requirements for financial holding companies.

Act 930 will extend reporting requirements to boards of directors of specialised deposit taking institutions and will require them to provide a written report to the Bank of Ghana if they have reason to believe that, inter alia, an institution is not likely to meet its obligations in the near future or has suspended or is about to suspend a payment of any kind.

GHANA DEPOSIT PROTECTION ACT, 2016 (ACT 931)

Act 931 came into force on 11th October 2016 and applies to banks and specialised deposit-taking institutions licensed by the Bank of Ghana.

Act 931 provides for the establishment of a deposit insurance scheme via a Deposit Protection Scheme, a Deposit Protection Corporation (the Ghana Deposit Protection") and a Deposit Protection Fund. This Act would require BOND, as a specialised deposit-taking institution, to become a member of the Deposit Protection Scheme and to insure all deposits held with it with the exception of certain deposits. The deposits expected include deposits held with the specialised deposit-taking institution by a financial institution, pension fund, insurance company and government, deposits denominated in foreign currency and accounts belonging to officers of the institution, corporate persons holding 25% or more in the capital of the specialised deposit taking institution, individual shareholders with voting rights of at least 5% and auditors of the institution.

Specialised deposit-taking institutions would be required to pay (i) an initial premium of 0.1% of the "required minimum capital" for specialised deposit-taking institutions; and (ii) an annual premium to be determined by the Deposit Protection Corporation ranging between 0.3% to 1.5% of the average deposits insured by the Scheme. The Corporation may pursuant to the provisions of Act 931, "on the basis of an assessed risk level" of a member assess different premiums payable by that member but may not do so until 3 years after the coming into force of Act 931. A penalty of 5000 penalty units is prescribed for a failure to pay premiums and interest is payable on late payments.

On the occurrence of an insured event (which include the revocation of the banking licence and the appointment of a receiver or liquidator in respect of the institution) insured depositors may claim compensation. The limit payable by the Corporation to a claimant is GHS1,250 in respect of a specialised deposit-taking institution. However the depositor is entitled to claim from the liquidator or receiver of the institution the difference between the amount to the depositor credit with the specialised deposit-taking institution and the amount received from the Corporation. The specialised deposit-taking institution would be required to provide the Corporation with certain reports, information, data and statements in the form and manner determined by the Corporation.

REGULATION OF SECURITIES EXCHANGES ETC

The Securities Industry Act, 1993 (PNDCL 333) was recently repealed by the Securities Industry Law, 2016 (Act 929). Act 929 establishes the Securities and Exchange Commission which is mandated to regulate, among others, securities exchanges, securities depositories, credit rating agencies and dealers.

Some of the expressed aims of the changes introduced by Act 929 are for the purpose of removing "obstacles to the facilitation of securities market development" and to "ensure compliance with the International Organisation of Securities Commissions (IOSCO) objectives and principles to meet IOSCO qualification requirements in line with IOSCO core principles of regulation, internationally accepted benchmarks and best practices."

ANTI-MONEY LAUNDERING

The laws governing this area are: the Anti-Money Laundering Act, 2008 (Act 749) and the Anti-Money Laundering Regulations, 2008 (L.I. 1925) as well as guidelines established by the Bank of Ghana and the Financial Intelligence Centre (FIC).

Act 749 requires an accountable institution and other entities to maintain an anti-money laundering policy and to report to the FIC suspicious transactions. Under section 23 of the Act 749 an accountable institution is required to keep the following records in respect of a business relationship: identity of the person; the transaction and suspicious transaction reports made to the Financial Intelligence Centre.

Accountable institutions include specialised deposit – taking institutions.

DATA PROTECTION

The Data Protection Act, 2012 (Act 843) provides that a data controller incorporated in Ghana and processing data in Ghana is subject to Act 843. Bond falls within the definition of a data controller. A data controller is mandated to register with the Data Protection Commission after satisfying certain statutory requirements. Bond is duly registered with the Commission.

CREDIT REPORTING

The Credit Reporting Act, 2007 (Act 726) requires financial institutions to provide to licenced credit bureau certain details of loans extended by it.

Regulatory Framework and overview of Savings and Loans

Savings and loans companies will be regulated by Act 930. They may only undertake the business set out in that Act. These include acceptance of deposits, lending, investment in financial securities, participation in securities issues and provision, financial advisory. However they may not "engage in the trading of foreign exchange or offer services denominated in a foreign currency".

Overview of Banks and Non-Bank Financial Institutions Structure

Total assets of the industry Deposit Money Banks (DMBs), Rural and Community Banks (RCB, Non Banking Financial Institutions (NBFIs) and Micro Finance Institutions (MFIs) grew by 23.3 per cent to GHC74,381.1 million at the end of 2015. The twenty nine (29) DMBs accounted for 85.1 per cent of the industry's assets compared with 85.2 per cent in 2014. The growth in the industry's assets reflected mainly in Loans & Advances and Investments which increased respectively by 21.4 per cent and 22.4 per cent compared with increases of 40.0 per cent and 69.2 per cent in 2014. The expansion in total assets was funded from increases in deposits (27.6%) Shareholders'Funds (22.5%) and Borrowings (12.1%). Deposits which remained the most significant source of funding increased slightly from a share of 63.0 per cent of total assets in 2014 to 64.5 per cent in 2015.

The ratio of total earning assets (Loans & Advances and Investments) to total assets was 65.9 percent compared to 66.7 per cent in 2014.

Deposit Money Banks (DMBs)

The total assets of DMBs amounted to GHC63,303.7 million in 2015, an increase of 23.1 per cent over the 2014 amount. The growth reflected mainly in loans and advance, investment and cash & bank balances. The growth was mainly funded by deposits.

11.3 Regulatory Framework and overview of Savings and Loans

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11.4.1 Deposit Money Banks (DMBs)

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11.4.2 Profitability

The profitability of the DMB's dipped in the review year as shown by the key profitability indicators. The reduction resulted from high interest costs, high non-performing loans (NPL) which led to high provision for bad debts and high operating costs as a result of the energy supply shortfalls.

INDICATOR	2012 (%)	2013 (%)	2014 (%)	2015 (%)
Return on Equity	25.8	30.9	33.1	22.2
Return on Assets	4.8	6.2	6.6	4.6
Return on Earning Assets	6.5	8.1	8.7	6.2
Net Interest Spread	10.3	11.5	12.6	12.5
Cost to Income Ratio	53.8	48.2	48.4	53.2
Net Interest Margin	10.9	12.6	13.4	13.8
Source: Bank of Ghana 2015 Annual Report				

11.4.3 Solvency

In the review year, the DMBs remained solvent and generally complied with the minimum Capital Adequacy Ratio (CAR) of 10.0 per cent. The DMBs' CAR as at end-2015 was 17.8 per cent compared with 17.9 per cent in 2014. The net worth of DMBs increased by 22.5 per cent to GHC10,780.8 million as at end-2015, mainly on account of growth in reserves and paid-up capital by 22.4 per cent and 22.7 per cent respectively. Non-performing loans (NPL) ratios of DMBs deteriorated in 2015. The NPL ratio (including the loss category) increased to 14.7 per cent at end 2015 from 11.0 per in 2014, mainly on account of the general slowdown in economic activity and challenges posed by the worsening energy crisis. Adjusting for the fully provisioned loan loss, the NPL ratio stood at 6.8 percent in 2015, compared with 5.3 per cent in 2014.

INDICATOR	2012 (%)	2013 (%)	2014 (%)	2015 (%)
Liquid Assets to Total Assets	34.8	37.6	39.4	41.8
Liquid Assets to Total Deposit	50.1	58.3	62.5	64.1
Liquid Asset to Short Term Borrowing	592.0	328.0	315.8	371.7
Current Loans Ratio	83.3	84.0	83.9	78.9
Past Due Loan Ratio	16.7	48.2	16.0	21.1
Source: Bank of Ghana 2015 Annual Report				

12. CONDITIONS OF NOTES

The following are the Conditions of the Notes to be issued by the Issuer under the Programme. The Applicable Pricing Supplement in relation to any Series or Tranche of Notes may specify other terms and conditions, which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the following Conditions for the purpose of such Series or Tranche of Notes. The Conditions, as replaced or modified by the Applicable Pricing Supplement, will be incorporated by reference in each Note.

The Notes are issued subject to the Trust Agreement. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Trust Agreement.

Copies of the Trust Agreement are available for inspection by the Noteholders, upon request, at the registered office of the Note Trustee, being at the date hereof, Ridge Tower, West Ridge, Accra, Ghana and for so long as any Notes remain outstanding.

1.1 Authorisation

The issue of the Notes by the Issuer and these Conditions were approved by resolutions of the Shareholders of the Issuer and of the Board both passed on 16th November, 2016 respectively.

1.1.2

A total Principal Amount of GHS 100,000,000 is authorised for issue under this Programme.

1.1.3

The Principal Amount of each Note issued by the Directors shall be as recorded in the Applicable Pricing Supplement.

1.2 Issue and Subscription

1.2.1

The Issuer may issue Notes to such applicants and on such dates as the Issuer deems fit. The Issuer reserves the right, in its sole discretion, to refuse any application in whole or in part, or to accept some applications for the Notes in full and others in part, or to refuse all applications for the Notes on any basis determined by it.

1.2.2

Each Note shall be held subject to the Conditions, which Conditions shall be binding on the Issuer and each Noteholder.

1.2.3

The Noteholders are (by virtue of their subscription for, or purchase of, the Notes) deemed to have notice of, entitled to the benefit of, and are subject to, all the provisions of the Trust Agreement.

2. Form, Denomination, Title And Transfer

2.1

Form of Notes

2.1.1

The Notes are in dematerialised form and will be electronically maintained on the CSD with an identifying number that will be recorded in the Register.

2.1.2

All Noteholders will be required to open and maintain CSD accounts, which will be credited with the Notes upon issue.

2.2Denomination of Notes

Notes shall be issued in the Currency specified in the Applicable Pricing Supplement.

2.3 Title to the Notes

2.3.1

Title to the Notes shall pass by registration in the Register, unless Applicable Laws provide otherwise or provide for additional formalities for transfer of title. In so far as Applicable Law requires notification to the debtor for a valid transfer of title to the Notes, the registration of the transfer in the Register shall constitute evidence of this notification. Except as ordered by a court of competent jurisdiction or as required by law, the Noteholder, as reflected in the Register, shall be deemed to be and may be treated as the absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the Noteholder.

2.3.2

The Issuer shall issue a single Global Note Certificate to the Note Trustee in respect of each series or tranche of Notes. The CSD shall maintain a record of Noteholders' respective electronic book entries in the Register showing the particulars of Noteholders and their respective holdings.

2.3.3

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

2.4 Transfer of Notes

2.4.1

No transfer of Notes may be registered unless a form of transfer has been delivered to the CSD as per the rules of CSD relating to transfer of securities. Each form of transfer shall be in writing in the usual form or in any other form approved by the CSD. Each form shall be signed by the Noteholder or his duly authorised agent and be delivered to the CSD in respect of the Notes to be transferred and such evidence as to identity, title, authority and legal capacity of the transferor and transferee and their respective agents, if any, as the Issuer or the CSD, may reasonably require (the "Transfer Form").

2.4.2

The Register shall contain the name, address and bank account details of the Noteholders. The Register shall set out the Principal Amount of the Notes issued to any Noteholder and shall show the date of such issue, the date upon which the Noteholder became registered as such and the unique serial numbers of all securities as pertains in the CSD system.

2.4.3

The CSD shall make information on Noteholders contained in the Register available to any Noteholder or any person authorised in writing by the Noteholder as they may reasonably request. The CSD shall not record any transfer other than on Business Days or while the Register is closed.

2.4.4

The Register shall be closed during the Book Closure Period. Noteholders entitled to participate in a distribution of Interest, or a Redemption Amount shall be those registered as such on the Last Day to Register.

2.4.5

The CSD shall alter the Register in respect of any change of name, address or bank account number of any of the Noteholders of which it is notified in accordance with these Conditions.

2.4.6

In the case of an exercise of the Issuer's right to Early Redemption or a partial redemption of a holding of Notes held in the CSD system, the CSD will change the holdings in the Register to reflect the redemption and the balance of the holding not redeemed.

2.4.7

Exchange and transfer of Notes and securities on registration, transfer, partial redemption or exercise of an option shall be effected according to the rules of the CSD and subject to charges by the CSD and brokers.

2.4.8

No Noteholder may require the transfer of a Note to be registered during a Book Closure Period, after any such Note has been called for Redemption, or (in the case of a partial redemption of Notes) during the period beginning on the 10th Business Day before the date of the partial redemption and ending on the date of the partial redemption (both inclusive).

3. STATUS

3.1

Status of the Senior Unsecured Notes

The Senior Unsecured Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall rank pari passu among themselves and (save for certain obligations required to be preferred by Applicable Law) equally with all other present and future unsecured and unsubordinated obligations of the Issuer, from time to time outstanding.

3.2

Status of the Subordinated Notes

The Subordinated Notes constitute direct, unconditional, subordinated and unsecured obligations of the Issuer and shall rank pari passu among themselves and equally with all other present and future unsecured and subordinated obligations of the Issuer, from time to time outstanding.

4. Negative Pledge

So long as any Note remains outstanding, the Issuer shall not create, incur, assume or permit to arise or subsist any Encumbrance other than a Permitted Encumbrance upon the whole or any part of its undertakings, assets or revenues, present or future, to secure any Financial Indebtedness unless, at the same time or prior thereto, the Issuer's obligations under the Notes:

- (a) are secured equally and rateably therewith, to the satisfaction of the Note Trustee;
- **(b)** have the benefit of such other arrangement as shall be approved by a Special Resolution (as defined in the Trust Agreement) of the affected Noteholders.

5. Interest

5.1

Interest on Fixed Rate Notes

5.1.1

Each Fixed Rate Note bears Interest on its outstanding Principal Amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Interest Rate, such Interest being payable in arrears on each Interest Payment Date up to the Maturity Date.

5.1.2

If a Fixed Coupon Amount or a Broken Amount is specified in an Applicable Pricing Supplement, the amount of Interest payable on each Interest Payment Date in respect of the Fixed Interest Period will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and, in the case of the Broken Amount, will be payable on the particular Interest Payment Date(s) specified hereon.

5.2

Interest on Floating Rate Notes

5.2.1

Interest Payment Dates

Each Floating Rate Note bears Interest on its outstanding Principal Amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Interest Rate, such Interest being payable in arrears on each Interest Payment Date up to the Maturity Date.

5.2.2

Business Day Convention

5.2.2.1

If any date referred to in these Conditions would otherwise fall on a day that is not a Business Day then such date is subject to adjustment by:

- (a) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event
- (i) such date shall be brought forward to the immediately preceding Business Day and
- (ii) each subsequent such date shall be the last Business Day of the month in which such date

would have fallen had it not been subject to adjustment;

- **(b)** the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day;
- (c) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day; or
- (d) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

5.2.3

Interest Rate for Floating Rate Notes

5.2.3.1

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

5.2.3.2

The Interest Rate for each Interest Period shall be either

- (a) the offered quotation; or
- **(b)** the arithmetic mean (rounded if necessary to the second decimal place, with 0.002 being rounded upwards) of the offered quotation, (expressed as a percentage rate per annum) for the Reference Rate (as specified in the Applicable Pricing Supplement), in the case of Government of Ghana treasury bill rate on the relevant Interest Determination Date (as specified in the Applicable Pricing Supplement) plus or minus the margin (if any), all as determined by the Calculation Agent.

5.3

Accrual of Interest

Interest shall cease to accrue on each Note on the Redemption Date, unless payment of the Principal Amount is improperly withheld or refused, in which event, Interest shall continue to accrue (before as well as after judgment) at the Interest Rate in the manner provided in this Condition 5 to the date of actual payment.

5.4

Minimum Interest Rate and/or Maximum Interest Rate

5.4.1

If the Applicable Pricing Supplement specifies a Minimum Interest Rate for any Interest Period, then, in the event that the Interest Rate in respect of such Interest Period (determined in accordance with this Condition 5) is less than such Minimum Interest Rate, the Interest Rate for such Interest Period shall be such Minimum Interest Rate.

5.4.2

If the Applicable Pricing Supplement specifies a Maximum Interest Rate for any Interest Period, then, in the event that the Interest Rate in respect of such Interest Period (determined in accordance with this Condition 5) is greater than such Maximum Interest Rate, the Interest Rate

for such Interest Period shall be such Maximum Interest Rate.

5.5

Calculation of Interest

5.5.1

The Interest payable in respect of any Note for any Interest Period shall be calculated by multiplying the Interest Rate and the outstanding Principal Amount by the applicable Day Count Fraction, unless the amount of Interest (or a formula for its calculation) is specified in the Applicable Pricing Supplement in respect of such Interest Period (the "Applicable Pricing Supplement Interest Amount"), in which case the Interest payable in respect of such Note for such Interest Period shall equal the Applicable Pricing Supplement Interest Amount. Where any Interest Period comprises 2 or more Interest Periods, the amount of Interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Periods.

5.5.2

"Day Count Fraction" in this Condition 5 means:

- (a) if "Actual/365" or "Actual/Actual" is specified in the Applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- **(b)** if "Actual/365 (Fixed)" is specified in the Applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365;
- (c) if "Actual/360" is specified in the Applicable Pricing Supplement, the actual number of days in the Interest Period divided by 360; and
- (d) if "30/360", "360/360" or "bond Basis" is specified in the Applicable Pricing Supplement, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12, 30-day months (unless (i) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).

5.5.3

For the purposes of any calculations of Interest required pursuant to these Conditions (unless otherwise specified):

- (a) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up);
- (b) all Interest and Interest Rate figures shall be rounded to 2 decimal places (with halves being rounded up); and
- (c) any Currency amount that falls due and payable shall be rounded to the nearest unit of the

Currency (with halves being rounded up). For these purposes "unit" means the lowest amount of the Currency.

5.6

Determination and Notification of Interest Rate, Interest and Redemption Amount

5.6.1

Determination of Interest

5.6.1.1 The Calculation Agent shall (as soon as practicable after the Relevant Time or as it may be required to) determine any Interest Rate, obtain any quotation, or calculate any Interest or Redemption Amount or other amount for review by the Note Trustee.

5.6.1.2

The Calculation Agent shall (as soon as practicable on the first day of the Book Closure Period) determine the Interest Rate, obtain the quotation, or calculate the Interest or Redemption Amount or other amount (as the case may be) for review by the Note Trustee.

5.6.2

Notification of Interest

5.6.2.1

In relation to the determination under Condition 5.6.1.1, the Calculation Agent shall cause:

- (a) the determination of such Interest Rate, obtaining of such quotation, or calculation of such Interest or Redemption Amount or other amount (as the case may be) and the relevant Interest Payment Date, to be notified to the Issuer and the Note Trustee
- **(b)** the Interest Rate and the relevant Interest Payment Date to be notified to the Noteholders, no later than the 4th Business Day after such determination or calculation.

5.6.2.2

In relation to the determination under Condition 5.6.1.2, the Calculation Agent shall cause the determination of such Interest Rate, obtaining of such quotation, or calculation of such Interest or Redemption Amount or other amount (as the case may be) and the relevant Interest Payment Date, to be notified to the Issuer, the Note Trustee and the Noteholders, no later than the 4th Business Day after such determination or calculation.

5.6.2.3

Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5.2.2 (Business Day Convention), the Interest and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

5.6.3

Finality of Determination

The determination of any rate or amount, the obtaining of any quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

6. Redemption, Purchase And Cancellation

6.1

Final Redemption

Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified thereon at its Final Redemption Amount.

6.2

Early Redemption

The Early Redemption Amount payable in respect of any Note shall be the Final Redemption Amount unless otherwise specified in the Applicable Pricing Supplement. In the case of a Zero Rate Note, the Early Redemption Amount shall be the "Amortised Face Amount" calculated as the Final Redemption Amount of such Note on the Maturity Date discounted back to the due date for payment at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none specified in the Applicable Pricing Supplement, shall be such rate as would produce an Amortised Face Amount equal to the Issue Price if it were discounted back to the Issue Price on the Issue Date) compounded annually.

6.3

Optional Redemption

6.3.1

The Notes may be redeemed at the option of the Issuer in whole (but not in part) at any time, on giving not less than 30 Business Days' but no more than 60 Business Days' notice to the Noteholders (which notice shall be irrevocable), at the Principal Amount, together with Interest accrued to the Redemption Date, if (immediately before giving such notice) the Issuer satisfies the Note Trustee that the Issuer has or will become obliged to pay any Additional Amount. Prior to the publication of any notice of redemption pursuant to this Condition 6.3, the Issuer shall deliver or procure delivery to the Note Trustee of:

- (a) a certificate signed by 2 Directors of the Issuer stating that the obligation to pay an Additional Amount has occurred or will occur (irrespective of whether the obligation is then effective); and
- **(b)** an opinion in form and substance satisfactory to the Note Trustee of independent legal advisors of recognised standing, to whom the Note Trustee shall have no reasonable objection, to the effect that the Issuer:
- (i) has or will become obliged to pay any Additional Amounts; or
- (ii) has or will become obliged to make any additional withholding or deduction as a result of such change or amendment in Applicable Laws (irrespective of whether the obligation is then effective).

6.3.2

The Note Trustee shall accept such certificate and opinion as sufficient evidence of the satisfaction of the circumstances set out in Condition 6.3.1.(a) and Condition 6.3.1.(b) above. Upon expiry of any such notice as referred to in this Condition 6.3, the Issuer shall be bound to redeem the Notes in accordance with this Condition 6.3.

6.3.3

All Notes in respect of which an Exercise Notice is served shall be redeemed, on the date specified in such notice in accordance with this Condition 6.

6.3.4

In the case of a partial redemption pursuant to a Call Option, the notice to Noteholders shall also contain the applicable Notes to be redeemed. In the case of a partial redemption, each Note in a Series or a Tranche shall be redeemed in the same percentage of its Principal Amount outstanding. In the case of partial redemption of all Notes, each Series or Tranche shall be redeemed in that percentage of the funds available for payment in redemption as the aggregate Principal Amount outstanding in that Series or Tranche bears to the aggregate Principal Amount of all Notes outstanding and each Note in the Series or Tranche shall be redeemed in the same percentage of Principal Amount outstanding, subject to compliance with any Applicable Laws.

6.3.5

The Issuer may at any time purchase or procure others to purchase for its account the Notes at any price in the open market or by tender or by private treaty. Notes so purchased may be held or resold or surrendered for cancellation, at the option of the Issuer. Any Notes so purchased, while held by or on behalf of the Issuer or any Affiliates, shall not entitle the Noteholder to vote at any meeting of Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of Noteholders.

6.3.6

Notes purchased by or on behalf of the Issuer, or any Affiliates may be cancelled and if so, together with all Notes redeemed by the Issuer, may not be reissued or resold and the obligations of the Issuer in respect of any cancelled Notes shall be discharged. Notes that have been cancelled shall be notified to the CSD.

6.3.7

Notwithstanding any provision in this Condition 6, the Issuer shall not redeem any of the Notes within 6 months of the relevant Issue Date.

7. PAYMENTS

7.1 General

Payments of Interest, Principal Amounts and Redemption Amounts shall be made by the Issuer via electronic funds transfer to the account designated for the purpose by the Note Trustee (Trustee Account) by 9:00 am on the 4th Business Day before the Redemption Date or Interest Payment Date. Such payment into the Trustee Account shall be a valid discharge by the Issuer of its obligation to pay Interest, the Principal Amount or the Redemption Amount on Redemption, as the case may be.

7.2 Payment Upon Redemption

Interest and Principal Amounts due on Redemption shall only be payable, in respect of Interest, to Noteholders registered as such on the Last Day to Register immediately preceding the Interest Payment Date in question, and, in respect of Redemption, to Noteholders registered as such on the Last Day to Register prior to the Redemption Date

7.3 Methods of Payment

Payments of Principal Amount and Interest in respect of the Notes shall be made in the Currency when due and the amounts credited via bank transfer or cheque payment to Noteholders. All payments of Principal Amount and Interest in respect of the Notes are subject, in all cases, to any Applicable Laws, but without prejudice to the provisions of Condition 8 (Taxation). No commissions or expenses shall be charged to the Noteholders in respect of such payments.

7.3.1

Electronic Transfers

Where payment is to be made by electronic transfer to a designated account, payment instructions (for value on the due date or, Business Day Convention per the Applicable Pricing Supplement) will be initiated (i) on the due date for payment, and (ii) on the due date for payment (in the case of Interest due other than on Redemption).

7.3.2

Payment by Cheque

7.3.2.1

Payments of Interest, Principal Amounts and Redemption Amounts may be made by cheque mailed to the Noteholder's address in the Register if it does not have a bank account, as indicated by the Noteholder on the application form.

7.3.2.2

Cheques in payment of Interest, Principal Amounts and Redemption Amounts shall be drawn on the Note Trustee and issued by the Note Trustee. Payment of cheques shall be a valid discharge by the Note Trustee of the obligation upon it to pay Interest, Principal Amounts and Redemption Amounts, as the case may be.

7.3.2.3

Cheques shall be made payable to the order of (i) the registered Noteholder or (ii) such other person as may have been notified in writing to the Note Trustee by the registered Noteholder (accompanied by the address of that person and such proof of authority as the Issuer or the Note Trustee may require) not later than the Last Day to Register in respect of the relevant Interest Payment Date or Redemption Date, as the case may be.

7.3.2.4

Cheques shall be dated with the relevant Interest Payment Date or Redemption Date, as the case may be, and shall therefore be payable on that date.

7.3.2.5

Cheques shall be posted to the Noteholder entitled thereto or such person notified by the Noteholder to the Note Trustee in terms of Condition 7.3.2.3:

- (a) in the case of Interest, a Business Day before the relevant Interest Payment Date; or
- (b) in the case of Redemption Amounts, a Business Day before the Redemption Date.

7.3.2.6

Cheques shall be posted by registered post, provided that neither the Issuer nor its agents shall be responsible for any loss in transmission and the postal authorities shall be deemed to be the agent of the Noteholders for the purposes of all cheques posted in terms of this Condition 7.

7.3.2.7

If written notice of the intention to collect a cheque is given to the Note Trustee at least 15 Business Days before the relevant Interest Payment Date or Redemption Date, the cheque shall be available for collection by the Noteholder or other person entitled pursuant to Condition 7.3.2.3 at the office of the Note Trustee:

- (a) in the case of Interest, on the relevant Interest Payment Date; or
- (b) in the case of Redemption, on the Redemption Date.

7.3.2.8

If a cheque is not collected within 2 Business Days of the date for collection set forth in Condition 7.3.2.7 above, the cheque shall be posted to the Noteholder or other person entitled thereto at his/her/its address set out in the Register (or to such other address as may have been notified in writing to the Note Trustee not later than the relevant Last Day to Register).

7.4 Partial Payments

If at any time a partial payment of Principal Amount and/or Interest is made in respect of any Note, the CSD shall endorse the Register with a statement indicating the amount and date of such payment.

7.5 Unclaimed Payments

The Issuer shall submit a report of any unclaimed payments of Principal Amounts and Interest to the SEC on an annual basis.

8. TAXATION

All payments made by the Issuer to the Noteholders in respect of the Notes will be subject to withholding tax under the Income Tax Act except where the Noteholder is exempt under Applicable Laws. The Issuer shall not be required to gross up any interest payments on account of any reduction resulting from withholding tax.

9. PRESCRIPTION

Claims against the Issuer for payment of Principal Amount or Interest in respect of the Notes, shall become void unless presented for payment within 6 years from the date on which such payment first becomes due.

10. MEETINGS OF NOTEHOLDERS, AMENDMENT, MODIFICATION, WAIVER AND SUBSTITUTION

10.1 Meetings of Noteholders

10.1.1

The Trust Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the modification of these Conditions and the Trust Agreement. Noteholder meetings may be convened by the Issuer or by the Note Trustee and shall be convened by the Issuer or the Note Trustee if so requested in writing by the Noteholders holding not less than 30% in aggregate of the total Principal Amount of the Notes then outstanding.

10.1.2

The quorum at any such meeting for passing a Special Resolution shall be as stated in the Trust Agreement.

10.1.3

A decision to:

- (a) amend the Maturity Dates or Redemption of any of the Notes, any Interest Payment Date on the Notes;
- **(b)** reduce or cancel the Principal Amount of, or any premium payable on Redemption of, the Notes;
- (c) reduce the Interest Rate/s in respect of the Notes or to vary the method or basis of calculating the amount of Interest, Interest Rate/s or the basis for calculating any Interest in respect of the Notes;
- (d) if a Minimum Interest Rate and/or a Maximum Interest Rate is shown hereon, reduce any such Minimum and/or Maximum;
- **(e)** vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount;
- (f) vary the Currency or Currencies of payment of the Notes; or
- (g) modify the provisions concerning the quorum required at any meeting of Noteholders or any

adjournment of such meeting or the majority required to pass the Special Resolution, may only be taken following approval by a Special Resolution.

10.1.4

Any Special Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed).

10.2 Modifications & Waiver

10.2.1

The Note Trustee may agree, without the consent of the Noteholders, to effect:

- (a) any modification of any provision of the Trust Agreement or the Notes (including these Conditions) which is of a minor nature or is made to correct a manifest error in the opinion of the Note Trustee, provided that such modification is not prejudicial to the interests of the Noteholders; and
- **(b)** any other modification and any waiver or authorisation of any breach or proposed breach of any provision of these Conditions or the Trust Agreement which are in the opinion of the Note Trustee, not materially prejudicial to the interests of the Noteholders -provided that no such modification shall be permitted unless an opinion of legal counsel is delivered to the Note Trustee to the effect that the Noteholders will be subject to Ghana tax on the same amount and in the same manner and at the same times as would have been the case if such modification had not occurred.

10.2.2

The Note Trustee may take into account, among other things, any confirmation from the rating agencies that the then current ratings of the relevant Notes would not be adversely affected in considering whether any such modification, waiver or authorisation would be materially prejudicial to the interests of the Noteholders.

10.2.3

Any such modification, waiver or authorisation may be given or made on such terms and subject to such conditions as the Note Trustee may in its sole discretion determine and shall be binding on the Noteholders and, unless the Note Trustee otherwise agrees, the Note Trustee shall cause such modification to be notified to the Noteholders within 5 Business Days after modification, provided that the Note Trustee shall not exercise any powers conferred upon it by this Condition 10 in contravention of any express direction by a Special Resolution or a request in writing made by the Noteholders of not less than 30% in aggregate Principal Amount of the affected Notes then outstanding (provided that no such direction or request shall affect any authorisation, waiver or determination previously given or made).

10.3 Substitutions

10.3.1

The Note Trustee may, without the consent of the Noteholders, agree on such terms as it may specify to the substitution of the Issuer successor in business where the substitution of the Issuer is as a result of a merger, an acquisition, or other form of business combination involving the Issuer.

10.3.2

Subject to obtaining the prior consent of the Noteholders, the Note Trustee may agree on such terms as it may specify to the substitution of the Issuer where the Issuer is substituted with its Affiliate in its place as issuer under the Trust Agreement and the Notes.

11. NOTICES

- 11.1 Notices to Noteholders will be deemed to be validly given if: (i) sent by first-class mail (airmail if overseas) to them (or, in the case of joint holders, to the first-named in the Register) at their respective addresses as recorded in the Register; or (ii) published in a newspaper of general circulation in Ghana and approved by the Note Trustee. Each such notice shall be deemed to have been validly given on the 10th Business Day after the date of postage.
- 11.2 Notices to the Issuer will be deemed to be validly given if delivered to the Issuer at its registered address and clearly marked on their exterior "Urgent Attention: Chief Executive Officer" (or at such other address and for such other attention as may have been notified to the holders in accordance with Condition 11.1). Such notices will be deemed to have been validly given at the opening of business on the next Business Day on which the Issuer's registered address is open for business.
- **11.3** Notices to the Note Trustee will be deemed to have been validly given if delivered to the registered office of the Note Trustee and clearly marked on their exterior "Urgent Attention: Director, Treasury."

12. FURTHER ISSUES

The Issuer may from time to time, without the consent of the Noteholders and in accordance with the Trust Agreement, create and issue further securities ranking pari passu with the Notes or a Series or Tranche in all respects (except for Interest, the first Interest Payment Date and Issue Date) and so that such further issues shall be consolidated and form a single series with the outstanding Notes. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition 12. Any such other securities shall be constituted by an addendum to the Trust Agreement.

13. ENFORCEMENT

- 13.1 At any time after the Notes become due and payable, the Note Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce the terms of the Trust Agreement and the Notes, but it need not take any such proceedings unless:
- (a) it shall have been so directed by a Special Resolution or so requested in writing by Noteholders holding, at least, 30% in Principal Amount of the Notes outstanding; and
- **(b)** it shall have been indemnified to its satisfaction.
- 13.2 No Noteholder may proceed directly against the Issuer unless the Note Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

14. INDEMNIFICATION OF THE NOTE TRUSTEE

14.1 The Trust Agreement contains provisions for the indemnification of the Note Trustee and for its relief from responsibility in certain circumstances. Subject to the fiduciary obligations of the Note Trustee to the Noteholders, the Note Trustee may enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit. The Note Trustee is not responsible for the validity, sufficiency or enforceability of the Trust Agreement or the Notes, nor is the Note Trustee obliged to take any action unless indemnified and/or secured to its satisfaction. The Note Trustee is also entitled to be paid its costs and expenses in priority to the claims of the Noteholders.

14.2 In the exercise of its powers and discretion under these Conditions and the Trust Agreement (including but not limited to those referred to in this Condition 14), the Note Trustee will have regard to the interests of the Noteholders as a class and will not be responsible for any consequence of such exercise for individual Noteholders of Notes as a result of such Noteholders being connected in any way with a particular territory or otherwise, and the Note Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

15. GOVERNING LAW AND JURISDICTION

- **15.1** The Notes and the Trust Agreement are governed by, and shall be construed in accordance with Ghanaian law.
- **15.2** The courts of Ghana shall have exclusive jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Notes or the Trust Agreement.

16. FINANCIAL COVENANTS

An Applicable Pricing Supplement may contain such financial covenants as may be determined by the Issuer.

17. EVENTS OF DEFAULT

The Note Trustee may (at its discretion) or shall (if so requested in writing by the Noteholders of not less than 30% in Principal Amount of the Notes then outstanding or if so directed by a Special Resolution) (subject in each case to being indemnified and/or secured to its satisfaction) give notice to the Issuer specifying any affected Notes and that such Notes are immediately due and repayable in the Principal Amount together with accrued interest if, in the case of the Notes, any of the following Events of Default occurs:

(i) Non-payment:

the Issuer fails to pay the Principal Amount of any of the Notes when the same becomes due and payable either at the Maturity Date, upon Redemption, by declaration or otherwise, or the Issuer is in default with respect to the payment of Interest or Additional Amounts on any of such Notes and such default in respect of Principal Amount, Interest or Additional Amounts continues for a period of 5 Business Days;

(ii) Breach of Other Obligations:

the Issuer is in default in the performance, or is otherwise in breach, of any warranty, covenant, obligation, undertaking or other agreement under the Notes or the Trust Agreement (other than a default or breach elsewhere specifically dealt with in this Condition 17(ii)) and such default or breach (if capable of remedy) is not remedied within 30 calendar days (or such longer period as the Note Trustee may in its sole discretion determine) after notice thereof has been given to the Issuer and, if applicable, by the Note Trustee;

(iii) Cross-default:

- (i) any Financial Indebtedness of the Issuer in excess of GHS 5,000,000 (A) becomes due and payable prior to the due date for payment thereof by reason of any default by the Issuer; or (B) is not repaid at maturity as extended by the grace period, if any, applicable thereto; or
- (ii) any guarantee given by the Issuer in respect of the Financial Indebtedness of any other person is not honoured when due and called, provided that the aggregate Principal Amount of such Financial Indebtedness referred to in (Condition 17(iii)(i)) or (Condition 17(iii)(ii)) exceeds GHS 5,000,000;

(iv) Insolvency:

- (a) any Person shall have instituted a proceeding or entered a decree or order for the appointment of a receiver, manager, administrator, liquidator or rehabilitation manager in any insolvency, rehabilitation, readjustment of debt, marshalling of assets and liabilities or similar arrangements involving the Issuer or all or substantially all of their respective assets and such proceeding, decree or order shall not have been vacated or shall have remained in force undischarged or unstayed for a period of 60 Business Days; or
- (b) the Issuer shall institute proceedings under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect to be placed into rehabilitation, adjudicated as bankrupt or shall consent to the filing of a bankruptcy, insolvency or similar proceeding against it or shall file a petition or answer or consent seeking reorganisation under any such law or shall consent to the filing of any such petition, or shall consent to the appointment of a receiver, manager, administrator, liquidator, rehabilitation manager or trustee or assignee in bankruptcy or liquidation of the Issuer or in respect of its property, or shall make an assignment for the benefit of its creditors or shall otherwise be unable or admit its inability to pay its debts generally as they become due or the Issuer commences proceedings with a view to the general adjustment of its Indebtedness, which event in any such case is (in the sole opinion of the Note Trustee), materially prejudicial to the interests of the Noteholders; or
- **(c)** Substantial Change in Business: the Issuer makes or threatens to make any substantial change in the principal nature of its business as presently conducted which is (in the sole opinion of the Note Trustee) materially prejudicial to the interests of the Noteholders;
- (d) Maintenance of Business: the Issuer fails to take any action as is required of it under the Applicable Laws or otherwise to maintain in effect its corporate existence or fails to take any action to maintain any material rights, privileges, titles to property, franchises and the like necessary or desirable in the normal conduct of its business, activities or operations which is (in the sole opinion of the Note Trustee) materially prejudicial to the interests of the Noteholders and such failure (if capable of remedy) is not remedied within 30 Business Days (or such longer period as the Note Trustee may in its sole discretion determine) after notice thereof has been

given to the Issuer;

- (e) Material Compliance with Applicable Laws: the Issuer fails to comply in any material respect with any Applicable Laws for any purpose to enable it lawfully to exercise its rights or perform or comply with its obligations under the Notes or the Trust Agreement or to ensure that those obligations are legally binding and enforceable or that all necessary agreements or other documents are entered into and that all necessary consents and approvals of, and registrations and filings with, any such authority in connection therewith are obtained and maintained in full force and effect;
- **(f)** Invalidity or Unenforceability: the Note Trustee is of the opinion determined in its sole discretion that any of following occurrences in this Condition 17 (iv) (f) is materially prejudicial to the interests of the Noteholders:
- (i) the validity of the Notes or the Trust Agreement is contested by the Issuer;
- (ii) it is or becomes unlawful for the Issuer to perform or comply with all or any of its obligations set out in the Notes or the Trust Agreement; or
- (iii) the Issuer shall deny all or any of its obligations set out in the Notes or the Trust Agreement (whether by a general suspension of payments or a moratorium on the payment of debt or otherwise);
- **(g)** Government Intervention:
- (i) all or any substantial part of the undertaking, assets and revenues of the Issuer is condemned, seized or otherwise appropriated by any person acting under the authority of any national, regional or local government; or
- (ii) the Issuer is prevented by any such person from exercising normal control over all or any substantial part of its undertaking, assets, revenues and, following the occurrence of any of the events specified in this Condition 17(g), the Note Trustee is of the opinion determined in its sole discretion that such occurrence is materially prejudicial to the interests of the Noteholders.
- (h) Financial Covenants: If any financial covenant specified in an Applicable Pricing Supplement falls below the required thresholds contemplated therein or in the Applicable Pricing Supplement and the said default is not rectified within 60 clear days; or
- (i) Negative Pledge: The Issuer fails to remedy a breach of Condition 4 (Negative Pledge) and such failure continues for a period of 10 Business Days after receipt by the Issuer of written notice from any Noteholder or the Note Trustee requiring same to be remedied.

13. TAXATION

The Issuer is a Ghana resident for tax purposes. All payments of principal and interest in respect of the Notes will be made in compliance with income tax laws of Ghana. Currently, the Issuer is required by the Income Tax Act, to withhold tax at the rate of 8% on all interest payments to Noteholders, except where the Noteholders are exempted by Applicable Law. The Issuer shall not be required to gross up any interest payments on account of any reduction resulting from withholding tax. Noteholders are advised to seek professional tax advice concerning their specific tax obligations relating to investing in the Notes.

14. SUBSCRIPTIONS AND SALE

14.1 General

The Notes will be offered from time to time by the Issuer to the Dealer that is appointed by the Issuer in respect of any Series or Tranche of Notes.

Any agreement for the sale of Notes will, inter alia, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be sold by the Dealer and the commissions or other agreed discounts (if any) payable or allowable by the Issuer in the event of an underwriting of the Notes by the Dealers.

14.2 Application Procedure

Application forms (as set out in Appendix B) for the Notes may be obtained from the head offices of the Dealers or the Issuer. Applications must be submitted directly to the Dealers or the Issuer at either of their respective head offices marked for the attention of the "Managing Director", so as to arrive no later than 17:00 hours GMT on the date specified in the Applicable Pricing Supplement. Successful Applicants will be notified by the Issuer or the Dealer of the amount of Notes allotted to them immediately after the allotment date specified in the Applicable Pricing Supplement.

14.3 Payment for the Notes and Delivery

Payment of the subscription price for the Notes is to be made in full to the Issuer in immediately available funds by the date specified in the Applicable Pricing Supplement. The Notes will be credited electronically on the CSD.

14.4 Settlement Procedure

Payment of the subscription price for the Notes may be made:

- either by banker's cheque drawn in favour of the "BOND Savings and Loans Notes Programme", such cheque to reach the Dealer no later than 15:00 hours (GMT) two (2) Business Days before the issue date against delivery of a deposit slip; or
- by bank transfer/ remittance, to be made on the instructions of the successful applicant to his/ her bank for the funds to be credited to the Issuer's Note Programme GHS Account number as detailed below:

"BOND Savings and Loans Notes Programme Collection Account", Fidelity Bank, Ridge Branch, Branch sort code 240101,

Account 1300004833569,

SWIFT: FBLIGHAC

14.5 Selling Restrictions

The Notes being issued under this Prospectus and the Applicable Pricing Supplement are restricted to distribution only within the Republic of Ghana and not for distribution in any other jurisdiction.

14.5.1

Supplementary or Modified Selling Restrictions

Selling restrictions may be supplemented or modified with the agreement of the Issuer subject to the approval of the SEC. Any such supplement or modification may be set out in the Applicable Pricing Supplement (in the case of a supplement or modification only relevant to a particular Series or Tranche of Notes) or in a supplement to this Prospectus.

14.5.2 General

Each Dealer undertakes that:

- (a) no action has been or will be taken in any country or jurisdiction that would permit a public offering of notes, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required; and
- **(b)** it will comply with all applicable law, regulations and directives in each jurisdiction in which it purchases, offers sells or delivers Notes or has in its possession or distributes the Prospectus or any offering material.

15. LEGAL COMPLIANCE LETTER ISSUED BY ASHONG BENJAMIN AND ASSOCIATES



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Cantonments. Acos.
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Labone. Acors. Ghana.
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E into@ashorgberjamin.com
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2nd August 2017

The Director-General Securities and Exchange Commission 30, Third Circular Road Cantonments, Accra Ghana

The Managing Director Ghana Stock Exchange 5th Floor, Cedi House Liberia Road, Accra Ghana

Dear Sirs,

BOND SAVINGS AND LOANS LIMITED ESTABLISHMENT OF GHS 100 MILLION MEDIUM TERM PROGRAMME AND LISTING OF NOTES ON THE GHANA FIXED INCOME MARKET

1. INTRODUCTION

We have acted as legal counsel to Bond Savings and Loans Limited ("Bond"), a public limited liability company incorporated under the laws of Ghana in connection with the establishment of a GHS 100,000,000 medium term note programme (the "Note Programme") and the proposed listing of notes issued under the Note Programme (the "Notes") on the Ghana Fixed Income Market (the "Notes Listing").

2. DOCUMENTS EXAMINED

- **2.1** For the purpose of giving this opinion, we have examined draft copies of the following documents (the "Programme Documents"):
- 2.1.1 the Note Prospectus (the "Prospectus");
- 2.1.2 the trust agreement to be entered into between Fidelity Bank Ghana Limited (the "Note Trustee") and Bond (the "Trust Agreement");
- 2.1.3 the agency agreement to be entered into between Bond, the Note Trustee and Central Securities Depositories Limited (the "Agency Agreement").
- 2.2 Unless otherwise indicated, all expressions defined in the Prospectus have the same meanings

when used in this opinion.

- **2.3** In addition, we have examined originals or copies certified to our satisfaction of the following documents:
- 2.3.1 the reissued certificate of incorporation of Bond dated 23rd October 2014;
- 2.3.2 the reissued certificate to commence business of Bond dated 23rd October 2014;
- 2.3.3 the regulations of Bond dated as of adopted by special resolution passed on 5th July 2017 (the Regulations)
- 2.3.4 a resolution of the board of directors of BOND dated 16th November 2016 approving the raising by Bond of capital on the GFIM;
- 2.3.5 a resolution of the shareholders of BOND dated 16th November 2016 approving and authorising, inter alia, the raising of capital by Bond on the GFIM and the issue and listing by Bond of medium term notes in the amount of GHS100,000,000 on the GFIM;
- 2.3.6 a resolution of the board of directors of Bond dated passed on 24th July 2017 approving and authorising, inter alia, the establishment of the Note Programme, the issuance of the Notes by public offer and the application for the Notes Listing, the terms and conditions of the respective Programme Documents and the execution and performance of the Programme Documents and the appointment of any director of Bond to sign the Programme Documents;
- 2.3.7 a resolution of the shareholders of Bond passed on 19th July 2017approving and authorising, inter alia, the establishment of the Note Programme, the issuance of the Notes by public offer and the application for the Notes Listing, the terms and conditions of the respective Programme Documents and the execution and performance of the Programme Documents;
- 2.3.8 a resolution of the board of directors of Bond dated 5th July 2017 approving the conversion of Bond into a public company and recommending the adoption of the Regulations to the shareholders of Bond:
- 2.3.9 a resolution of the shareholders of Bond dated 5th July 2017 approving and authorising the conversion of Bond into a public company and the adoption of the Regulations;
- 2.3.10 a letter from Bond to the Bank of Ghana dated 15th December 2016, by which Bond requested the approval of the Bank of Ghana in respect of the establishment of the Note Programme and the listing of the Notes on the GFIM; and
- 2.3.11 a letter from the Bank of Ghana to Bond dated 21st March 2017, by which the Bank of Ghana has given its approval to Bond in respect of the establishment of the Note Programme, subject to Bond amending its Regulations to effect a conversion to a public company and seeking a further "no objection" from the Bank of Ghana for every subsequent tranche following the first tranche of GHS30 million.
- **2.4** We have also examined such other documents and certificates, searches and records as are necessary under the laws of Ghana to enable us to give this opinion.

3. SCOPE AND PURPOSE OF THE OPINION

- 3.1 We are qualified to practice law in Ghana. This opinion is limited to matters of Ghanaian law as in force and applied at the date of this opinion. We have not investigated the laws of any country other than Ghana and we express no opinion as to any law other than the laws of the Republic of Ghana.
- 3.2 This opinion is given on the basis of the assumptions set out in Schedule A (Assumptions) and is subject to the qualifications set out in Schedule B (Qualifications).

4. OPINION

Based on the preceding paragraphs, we are of the opinion that:

- 4.1 Incorporation
- 4.1.1 Bond is duly incorporated as a public limited liability company under the laws of Ghana.
- 4.1.2 Bond has perpetual corporate existence and the capacity to sue or be sued in its name and to carry on its businesses as currently conducted.
- 4.1.3 To the best of our knowledge and upon due enquiry, Bond has all the necessary power and authority to own its property and assets and to carry on its businesses as currently conducted and no steps have been (or are being taken) to appoint any administrator, receiver, liquidator or analogous person or body over, or to wind up or dissolve, Bond (or to take any analogous action) nor has a moratorium been declared on the payment of any indebtedness of Bond.
- 4.2 Powers and Authorisations Bond:
- 4.2.1 is duly licensed as a non-bank financial institution by the Bank of Ghana;
- 4.2.2 is duly licensed to operate as a specialised deposit-taking institution under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930);
- 4.2.3 has the power to enter into, and perform its obligations under, the Programme Documents;
- 4.2.4 has taken all necessary action to authorise the entry into, and performance of its obligations under, the Programme Documents; and
- 4.2.4 has taken all necessary action to authorise the signature and delivery of all notices, certificates, communications and other documents to be delivered by it under the Programme Documents.
- 4.3 Regulatory Approvals and Consents
- 4.3.1 The approval of the Securities and Exchange Commission is required for the public offer of the Notes.
- 4.3.2 The approval of the Ghana Stock Exchange is required for the Notes Listing.
- 4.3.3 Apart from the approvals referred to under paragraph 4.3.1 to paragraph 4.3.2 and a further approval seeking □no objection□ from the Bank of Ghana for each subsequent tranche issue as referred to in paragraph 2.3.11, no other regulatory approvals, consents or licenses or

authorisations are required or advisable under Ghanaian law for the establishment of the Note Programme, the issuance of the Notes there under or the Notes Listing.

- 4.4 Prospectus and the Notes
- 4.4.1 The Prospectus complies with the relevant provisions of Schedule 5 of the Securities and Exchange Commission Regulations, 2003 (L. I. 1728), Schedule 7 of the Companies Act, 1963 (Act 179) as amended and the GFIM Listing Rules of August 2016.
- 4.4.2 The Programme Documents and the Notes constitute the legal, valid and binding obligations of Bond, enforceable in accordance with their terms in Ghana.
- 4.4.3 The claims of the Noteholders against Bond under the Prospectus rank and (subject to any changes in the laws of Ghana after the date of this opinion) will rank, at least, equally and rateably pari passu with all present and future unsecured and unsubordinated indebtedness of Bond other than any such indebtedness which is then mandatorily preferred by virtue of any provision of the bankruptcy, insolvency and similar laws of general application in Ghana.

4.5 Contractual Obligations

To the best of our knowledge and upon due enquiry, there are no contractual agreements, obligations or undertakings preventing Bond from undertaking the Note Programme.

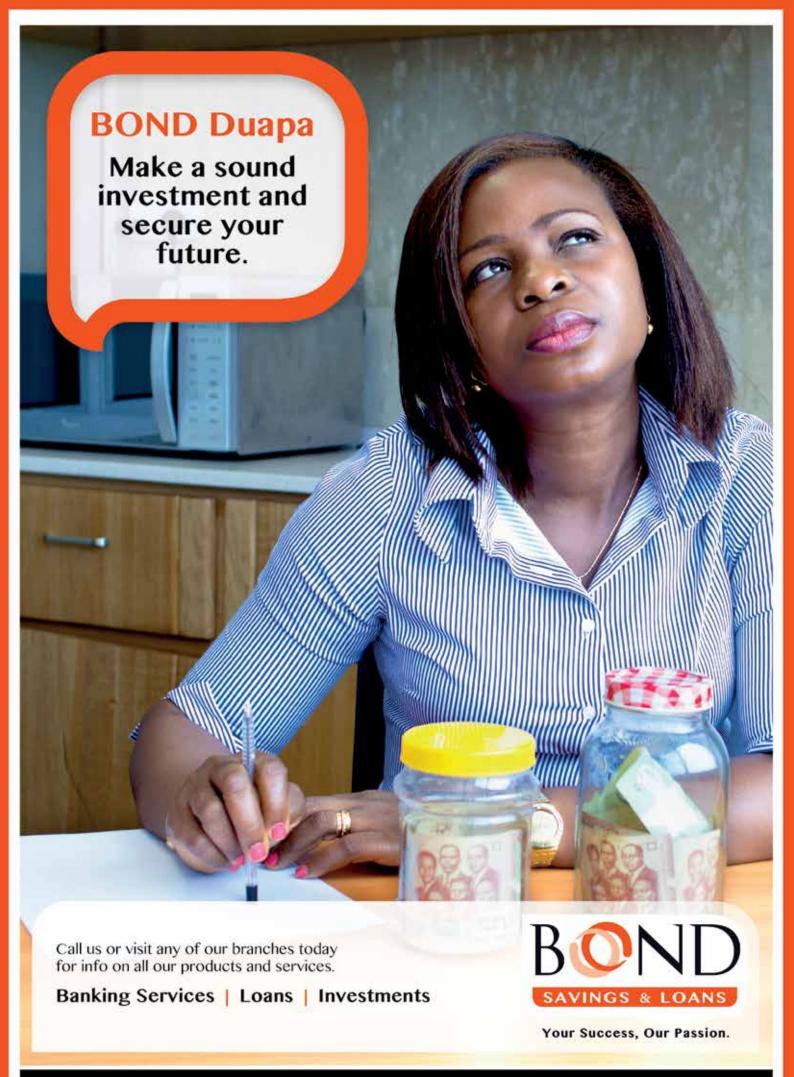
- 4.6 The Regulations
- 4.6.1 The issue of the Notes pursuant to the Notes Listing does not contravene any provision of the Regulations.
- 4.6.2 The Note Programme does not contravene any provision of the Regulations or any applicable laws in Ghana.
- 4.7 Taxes and Stamp Duty
- 4.7.1 The statements in the Prospectus regarding taxation in Ghana are correct in all material respects.
- 4.7.2 Interest payments under the Notes will be subject to withholding tax of 8%, except in relation to Noteholders in respect of whom payments of interest who are exempt from tax
- 4.73 Each of the Agency Agreement, the Trust Agreement and the Notes is subject to a nominal stamp duty, at a rate of GHS 0.50, by the Land Valuation Division of the Lands Commission of Ghana in accordance with the Stamp Duty Act, 2005 (Act 689) in order to be admissible in evidence, and enforceable, in the courts of Ghana.

4.8 Registrations and Filings

Save that copies of the Prospectus are required to be delivered to the Registrar of companies and registered pursuant to the Companies Act, 1963 (Act 179) as amended, no registration or filing is required at any registry in Ghana in order for any of the Programme Documents to be valid, binding and enforceable in accordance with their respective terms.

Yours faithfully,

Ekua Hayfron-Benjamin



Tel: 0302 244895 www.bond.com.gh

SCHEDULE A

Assumptions

In giving this opinion, we have assumed, and this opinion is given on the basis, that:

- 1. all original documents supplied to us are complete, authentic and up to date, and that all copy documents supplied to us are complete and conform to the originals;
- 2. each of the resolutions of the board of directors of Bond including for the Notes Listing was duly passed by the directors of Bond and all requirements relating to disclosure of interest and due consideration of the commercial interests of Bond were complied with;
- 3. each of the resolutions of the shareholders of Bond regarding the Notes Listing was duly passed by the shareholders of Bond after the board of directors of Bond fully disclosed all material details relating to the Note Programme; and
- 4. all disclosures made to us by Bond and its officers as reflected in the Prospectus are materially correct as at the date of this opinion and no event has occurred which undermines or may undermine the correctness of those disclosures.

We have found nothing to indicate that the above assumptions are not justified.

SCHEDULE B

Qualifications

Except as expressed in this Opinion:

- 1. Enforcement of the obligations of Bond under the Note Programme may be affected by prescription or lapse of time; failure to institute proceedings in court to enforce a cause of action within the relevant limitation period may operate as a bar to the prosecution of such proceedings.
- 2. The obligations of Bond under the Note Programme may be limited by the insolvency and liquidation laws of Ghana.
- 3. The remedy of an order for specific performance or for the grant of an injunction is at the discretion of the Ghanaian courts and no opinion is expressed herein as to whether such remedies will be granted in respect of an enforcement of the terms of the Notes or is to be taken as indicating that these remedies would be granted in a Ghanaian court.

16. GENERALINFORMATION

16.1 Authorisation

The establishment of the Programme and the issue and listing of Notes under the Programme have been duly authorised by a resolution of the board of directors of the Issuer dated November 16, 2016 and a resolution of the shareholders of the Issuer dated November 16, 2016. This Prospectus has been approved by the SEC. The listing of any relevant Series or Tranche of Notes on the GFIM has been provisionally approved by the GSE.

16.2 Listing of Notes

The Notes will be listed on the GFIM.

16.3 Documents Available

As long as any Notes are outstanding, copies of the following documents will be available in physical form for inspection, on request, at the principal place of business of the Issuer or the offices of the Note Trustee during normal business hours (except on Saturdays, Sundays and public holidays):

- (a) the Regulations or other incorporation documents of the Issuer;
- **(b)** the board and shareholder resolutions of the Issuer approving the Programme and the issue of the Notes;
- (c) when published, the most recently published audited annual financial statements of the Issuer and the most recently published unaudited interim financial statements of the Issuer, together with any audit or review reports prepared in connection therewith;
- (d) the Trust Agreement;
- (e) the Agency Agreement;
- (f) this Prospectus;
- (g) Escrow Account Agreement;
- **(h)** when published, any future prospectuses, information memoranda, supplements and Applicable Pricing Supplements;
- (i) the audited annual financial statements of the Issuer for the periods ended 31 December 2012 to 31 December 2016;
- (j) the prospective financial information on the Issuer for five (5) years ending 2021;
- (k) the legal opinion of AB as to compliance of the Programme with Ghanaian law requirements;
- (I) the report of KPMG as Reporting Accountant to the Programme;
- (m) the Global Note Certificate for each Series or Tranche of Notes held by the Note Trustee on behalf of Noteholders: and
- (n) any further documents incorporated into this Prospectus by reference.

16.4 Clearing System

The Notes have been accepted for clearance through the CSD system. The appropriate ISIN Code for each Tranche or Series of Notes will be specified in the Applicable Pricing Supplement. If the Notes are to clear through an additional or alternative clearing system, the appropriate information will be specified in the Applicable Pricing Supplement.

The address of the CSD is: Central Securities Depository (Ghana) Limited 4th Floor, Cedi House Accra, Ghana

16.5 Material Change

Save as disclosed in the Prospectus, there has been no significant or material adverse change in the prospects, nor any significant change in the financial or trading position, of the Issuer since December 30th, 2016

16.6 Litigation

Save as set out in paragraph 8.14 above, the Issuer (whether as defendant or otherwise) is not engaged in any legal, arbitration, administration or other proceedings, the results of which might have or have had (during the twelve (12) months prior to the date of this Prospectus a significant effect on the financial position or the operations of the Issuer, nor is it aware of any such proceedings being threatened or pending.

16.7 Conflicts of Interest

At the date of this Prospectus, there are no potential conflicts of interest between any duties, to the Issuer, of the members of its administrative, management or supervising bodies and their private interests or other duties. However, it cannot generally be ruled out that such persons have such interests at the time of the offer or issue of Notes. Whether this is the case will depend on the facts at the time of the offer. A description of any potential conflicting interest that is of importance to an offer or issue of Notes will be included in the Applicable Pricing Supplement, specifying the persons included and types of interests.

16.8 Auditors and Reporting Accountant

The Issuer's financial statements for the years ended 31 December 2012-2016 were prepared in accordance with IFRS and were audited by Deloitte and Touche. KPMG have acted as Reporting Accountant to this Programme.

16.9 Exchange Controls

Currently, there are no exchange control restrictions in Ghana preventing foreign residents from freely subscribing to the Notes. Foreign investors can freely subscribe for or purchase Notes. Subject to the requirement to withhold tax in certain instances, interest payable on Notes held by foreign investors is freely remittable out of Ghana. Furthermore the proceeds of Redemption or the sale of Notes, due to a foreign investor are freely remittable out of Ghana through an authorised dealer bank.

For and on behalf of the Issuer on 2017

George Ofosuhene

Chief Executive Officer

APPENDIX A

PRO FORMA APPLICABLE PRICING SUPPLEMENT

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



BOND Savings and Loans Limited

(Incorporated as a public limited liability company in the Republic of Ghana with registration number CS510682014)

Issue of [Aggregate Nominal Amount of Tranche/Series] [Title of Notes] Under its GHS 100,000,000 Note Programme

PART A- CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the prospectus dated [•] 2017 [and the supplement[s] to it dated[•] [and •] which [together] constitute[s] a prospectus] (the **Prospectus**). This document constitutes the Applicable Pricing Supplement of the Notes and must be read in conjunction with the Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Applicable Pricing Supplement and the Prospectus.

[Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Applicable Pricing Supplement.]

PAR	TIES	
1	Issuer	BOND Savings and Loans
2	Dealer (s)	[]
3	Paying Agent Specified Office	[]
4	Calculation Agent Specified Office	[]
5	Transfer Agent Specified office	[]
6	Note Trustee Specified Office	[]

PRO	VISIONS RELATING TO THE NOTES	
7	Status of Notes	Senior Unsecured
8	Series Number	
9	Tranche Number	
10	Aggregate Nominal Amount (a) Series (b) Tranche	[]
11	Interest	Interest-bearing
12	Interest Payment Basis	[Fixed Rate/Floating Rate/Notes/other]
	Automatic/Optional Conversion from One Interest/Redemption/Payment Basis to another	[Insert details including date for conversion]
	Form of Notes	The Notes are issued in dematerialised form and are electronically registered on the Central Securities Depository. A single Global Note Certificate will be issued in respect of the Series or Tranche of Notes issued under this Applicable Pricing Supplement
	Issue Date	[]
	Nominal Amount per Note	[]
	Specified Denomination	[]
	Issue Price	[]
	Interest Commencement Date	[]
	Maturity Date	[]
	Applicable Business Day Conversion	[Floating Rate Business Day / Following Business Day / Modified Following Business Day / Preceding Business Day / other convention -insert details]
	Final Redemption Amount	[]
	Default Rate	[]

FIXE	D RATE NOTES	
	a) Fixed Rate of Interest	[] percent per annum [payable annually/semi-annually/quarterly] in arrear
	(b) Fixed Interest Payment Date(s)	[] in each year up and including the Maturity Date/other
	(c) FixedCouponAmount(s)	[] per [] in Nominal Amount
	(d) Interest Determination Dates(s)	[] in each year
	(e) Day Count Fraction	[]
	(f) Any other terms relating to the particular method of calculating interest	[]

ATING RATE NOTES	
(a) Floating Interest Payment Dates	[]
(b) Interest Period(s)	[]
(c) MinimumRateofInterest	[]
(d) Maximum Rate of Interest	[] percent per annum
(e) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision)	[] percent per annum
Manner in which the Rate of Interest is to be determined	[ISDA Determination / Screen Rate Determination/other –insert details]
Margin	[() basis points to be added to/ subtracted from the relevant ISDA Ran Reference Rate]
If ISDA (a) Determination Floating Rate (b) Floating Rate Option Designated (c) Maturity Reset Date(s) (d) Reset Date(s) (e) ISDA Definition to apply	
If Screen Determination: (a) Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated) (b) Interest Rate Determination Date(s) (c) RelevantScreenPageand Reference Code	
If Rate of Interest to be calculated otherwise than by ISDA Determination or Screen Determination, insert basis for determining Rate of Interest/Margin/Fallback provisions	

OTHER NOTES	
If the Notes are not Fixed Rate Notes or Floating Rate Notes, or if the Notes are a combination of any of the aforegoing, set out the relevant description and any additional Terms and Conditions relating to such Notes	

PROVISION REGARDING REDEMPTION/MAT	URITY
Redemption at the Option of the Issuer If Yes:	
(a) Option Redemption Data(s)	
(b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s)	[]
(c) Minimum period of notice (if different from Condition 6.3 (Optional Redemption)	
(d) If redeemable in Part: Minimum Redemption Amount(s) Higher Redemption Amount(s)(e) Other terms application on Redemption	
Early Redemption Amount(s) payable on redemption for restructuring of balance sheet or Event of Default (if required). If Yes:	[Yes/No]
(a) Amount Payable; or	
(b) Method of Calculation of amount payable	

GENERAL	
Other provisions	[Other Events of Default in addition to the Events of Default referred to in Condition 17 (Events of Default)] [reference to negative covenant, Other covenants, provisions]
Date of receipt of approvals for issuance by Board of Directors and shareholders	
Method of distribution	[Public offer]
Listing	[Ghana Fixed Income Market]
Security	Unsecured
Details of bank account to which payments in respect of the Notes are to be made	
Tax	Interest earned on the Notes is subject to withholding tax at the rate of 8% unless exempted by Applicable Law
Governing Law	Ghanaian Law
Settlement procedures and settlement instructions	
Additional selling restriction	

SALIENT DATES AND TIMES	
Offer Opens	[X]
Offer Closes	All application forms are to be received by the Dealer at their Specified Offices before or on [*].
Allotment Dates	All applicants will be notified by fax, or email, or telephone of their allotment by no later than [*].
Payment Date	Payment for good value by Successful Applicants must be received by [*].
Issue Date	The Notes will be issued by the Issuer by [*].
Delivery Date	The Notes will be credited to each successful applicant Central Securities Depository account against cleared funds within 2 days of the Issue Date.
Listing on GFIM	Issued Notes will be listed for trading within 2 business days of the Issue Date

[Material Adverse Change Statement]

[Except as disclosed in this document,] There has been no significant change in the financial or trading position of the Issuer since [insert date of last audited accounts or interim accounts (if later)] and no material adverse change in the financial position or prospects of the Issuer since [insert date of last published annual accounts.] [If any change is disclosed in the Pricing Supplement, consideration should be given as to whether or not such disclosure should be made by means of a supplemental Programme Memorandum rather than in a Pricing Supplement.]

Interests of Natural and Legal Persons involved in the Issue/Offer:

So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. [Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing persons involved and the nature of the interest.]

Responsibility:

The Issuer and its board of directors accepts full responsibility for the information contained in this Applicable Pricing Supplement which, when read together with the Prospectus, contains all information that is material in the context of the issue of the Notes. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case) the information contained in this Applicable Pricing Supplement is in accordance with the facts and does not omit anything which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made.

SIGNED at on this	day of2017
For and on behalf of	•
BOND Savings and Loans Limited	
Name:	Name:
Capacity: Director	Capacity: Director
Who warrants his/her authority hereto	Who warrants his/her authority hereto

APPENDIX B

APPLICATION FORM



BOND Savings and Loans Limited

(Incorporated as a public limited liability company in the Republic of Ghana with registration number CS510682014)

APPLICATION FORM FOR TRANCHE/SERIES [] Issue of [] Year [] Rate [] [] Notes Under the GHS [] Million Note Programmes

Applicants must complete all sections of the application form. Please read the Section E Notes and Instructions for Completing Application Form□ below for guidance. Applications will close at [•] hrs GMT on [•] [•], [•].

SECTION A	
Name of Applicant	
Postal Address (P.O Box or Private Bag)	
Name of Contact Person	
Telephone number	
Facsimile number	
E-mail address	
Central Securities Depository Account Detail	S:
Depository Participant Code	
Depository Account Number	
Account Type	

OTHER NOTES			
	A Nominal Value (GHS)	B Issue Price (%)	C Total Consideration (C=A*B)
Amount applied for			

SECTION C (DECLARATION)

To: The Board of Directors of BOND Savings and Loans Limited

I/We, the undersigned, warrant that I/we have full legal capacity to contract on behalf of the applicant stated in Section A overleaf ("the Applicant"), and on behalf of the Applicant irrevocably and unconditionally apply for and agree to take up the nominal value of the Notes stated in Column "A" in Section B above at the price stated in Column B in Section B, or any lesser nominal value of the Notes that may be allotted to the applicant in terms of the Trust Agreement dated [•]. Where a lesser nominal value of the Notes is allotted to the Applicant, I agree that the relevant amount payable by the Applicant in terms of Column "C" in Section B

above will be reduced pro rata to the lesser nominal value so allotted. I/We acknowledge that the Applicant will be unconditionally liable for payment in respect of the Notes allotted and that such payment will be made in full accordance with the payment procedures set out under page [• "Subscriptions and Sale " of the Prospectus by [•]hrs on [•] [•], [•].
Signature:
Full Name
Capacity:
Date:

SECTION D: (INSTRUCTIONS: PAYMENT OF ENTITLEMENTS)

Interest payments and the principal repayment in respect to the Notes and refunds, if any, that are due in respect of bids where payments have been made at the time of application are to be made to:
(a) At (postal address):
City:
Region:
(b) Or into my Current Account (Account Details for the CSD Account):
Name of Bank:
Bank Branch:
Bank Account Number:
Sort Code:
SWIFT Code:

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

SECTION E (Notes and Instructions for Completing Application Form)

1. Completing this form:

- **A.** All alterations to this application form must be authenticated by full signature. All applications must be made without conditions stated by the applicants.
- **B.** Under no circumstances whatsoever may the name of the applicant be changed and if this is done then the application form will be invalid.
- **C**. All Applicants must open and maintain a Central Securities Depository account for the entire duration of the Notes.
- **D**. Guide to Completing the Application Form:

Section A:

Provide the following details:

- i. Full Name of Applicant
- ii. Postal Address e.g. P. O. Box 9876
- iii. Name of Contact Person if the applicant is not the same person completing the forms in the case of individuals or representative of an institutional applicant.
- iv. Telephone Number on which the applicant can be contacted e.g. 0302-987654
- v. Facsimile Number in the same format as Telephone Numbers
- vi. E-mail Address to receive communication regarding this offer such as Allotment Notification etc.
- vii. Tax Status: State your tax status as either 'Y' if the applicant is subject to pay Withholding Tax or 'N' if exempted by law. For guidance, mutual funds licensed by the SEC or approved Pension Fund Schemes licensed by the NPRA of Ghana are exempted by law from paying withholding tax on interest income.

viii. Central Securities Depository Account Details:

- Depository Participant Code e.g. ABC-P, BCDN-C etc.
- Depository Account Number e.g. 11223344
- Client Type: Local Individual (LI), LC (Local Company), FI (Foreign Individual), FC Foreign Company (FC).

Section B (Subscription Amount)

- Amount applied must be in lots of GHS[•].
- Nominal Amount of the Application
- Issue Price for ☐ is [•]%
- Total Consideration: Nominal Amount x Issue Price

Section C (Declaration)

Applications are made subject to the provisions of the Prospectus to which this form is attached. This must be completed by the applicant if an individual or his/her attorney if one has been appointed or the authorised representatives of a legal person or institutional investor.

Section D (Instructions for the Payment of Entitlement)

The applicant must provide information instructions relating to the payment of entitlements from the investment (coupon and principal) by the paying agent. Only 1 of the 2 two options provided should be selected by the applicant:

- I. Warrant or Cheque mailed to the address provided by the applicant. The Paying Agent will not be liable for the risks associated with this method of receiving entitlements paid by the issuer.
- II. Bank Account: All applicants should confirm the details of the bank account details from the depository member who set-up their CSD account. The Paying Agent will be said to have paid entitlements due an applicant to the bank account information provided by the note registrar (Central Securities Depository).
- E. Photocopies or other copies of an application form shall not be accepted.
- F. Applications are irrevocable and shall not be withdrawn or amended without the written consent of the Issuer. The Issuer reserves the right to accept or reject any application in whole or in part. The Issuer will notify successful applicants or the relevant Dealer of amounts allotted to them no later than [•]hrs (GMT) on [•][•], [•].

1. Acceptance

By signing an application form the applicant undertakes to pay the Issuer on the Issue Date in same-day funds the purchase price for the Notes allotted in accordance with the provisions of the Applicable Pricing Supplement.

2. Settlement Procedure

Payment of the subscription price for the Notes shall be made either:

- a. By a banker's cheque drawn in favour of the [•] Note Programme, such cheque is to reach the Dealer no later than [•]hrs (GMT) on [•] [•], [•] against delivery of a deposit slip; or
- b. By bank transfer/remittance, to be made on the instructions of the successful applicant to his bank for the funds to be credited to the Issuer successful applicant to his below by [•]hrs (GMT) on [•] [•], [•]:

Account Name: BOND Savings and Loans Note Programme- Collection Account

Name of Bank: Branch: Fidelity Bank Ghana Ltd

Branch: Ridge Branch
Branch Sort Code: 240101

Sort Code: 240101

Account Number: 1300004833569

SWIFT Code: FBLIGHAC

4. Delivery of Notes

The Notes will be credited to each successful applicant's Central Securities Depository account against cleared funds within 2 days of the Issue Date.

5. General

The Prospectus and any contracts resulting from an acceptance of an application for the Notes shall be governed and construed in accordance with Ghanaian Law.

