

To become a member of Cent Cent Savings and Credit Cooperative Society (Hereinafter called Cent Cent SACCO) and be entitled to enjoy our services and products and share in Cent Cent SACCO's success, every member must purchase a minimum of five thousand (5000) United States One Cent (\$0.01c) each Ordinary Membership Shares ("**Ordinary Membership Shares**").

There are certain rights and restrictions attached to the Ordinary Membership Shares. These are detailed in the Cent Cent Savings Credit Cooperative Society's By-Laws, as they may be amended from time to time. The By-Laws and or Resolutions are available online via Members Login portal on the Cent Cent Website or upon request at any Branch.

Cent Cent SACCO offers its members the opportunity to increase their investment by purchasing additional Ordinary Membership Shares. Any such purchase is subject to acceptance by Cent Cent SACCO and the following terms and conditions, as the same may be amended or supplemented from time to time.

Minimum and maximum purchase of Ordinary Membership Shares. The minimum purchase that qualifies one to be a member is five thousand shares, the consideration of which is Fifty United States Dollars (US\$50). A purchase of tranches of five hundred shares (500) at five United States dollars (US\$5) is permitted for those intending to build their membership shares over time. *At Law one* may not subscribe for and purchase more than twenty percent (20%) of the total SACCO share capital. If this limit is breached the excess is converted into one's savings account.

All Ordinary Membership Shares rank equally. Any Ordinary Membership Shares you may purchase do not entitle you to any preference or additional rights over any other holder of Membership Shares. The number of Membership Shares available for issuance is not limited. Subject to The Cooperative Societies Act Chapter 24:05, the By Laws, including the attributes of Membership Shares, may be altered by a vote of members.

One member, one vote. Notwithstanding that you may own additional Membership Shares, each member is entitled to one vote at any general meeting of members to vote on such things as the election of our Management Committee.

There is no market for Ordinary Membership Shares. They are not listed on any stock exchange nor are they traded in any other marketplace and there is no plan to do so.

Transfer of Ordinary Membership Shares is restricted but a member may withdraw/encash them if he no longer wants to be a member. Except in limited circumstances as set out in Cent Cent SACCO By Laws and The Cooperative Societies Act Chapter 24:05, Ordinary Membership Shares may not be transferred and so you will not be able to readily sell them but they are withdrawable or can be encashed if one decides to terminate their membership.

Ordinary Membership Shares are "equity" securities and form part of Cent Cent SACCO's risk capital. Ordinary Membership Shares carry certain inherent risks associated with an equity investment in a financial institution, including general economic and business risks financial and operational risks, competition and other factors.

Ordinary Membership Shares rank junior to Cent Cent SACCO's other debts and obligations or Preference Shares. As equity securities, these shares rank behind Cent Cent SACCO's other debts and liabilities, including member deposits. On the liquidation and dissolution of Cent Cent SACCO, members would only have a right to any residual surplus money remaining after the sale of its assets and payment of all of Cent Cent SACCO's other debts and liabilities.

Redemption at par value; no upside or right to convert. The redemption price for Membership Shares is the par value of those shares (\$0.01), plus any dividends that have been declared but unpaid on those shares). Apart from this you do not have the right to share in any increased value represented by those Shares. Membership Shares cannot be converted or exchanged into other shares or securities.

Repurchase or Withdrawals may be subject to other terms and conditions. In addition to other restrictions under The Cooperative Societies Act Chapter 24:05, the Management Committee of Cent Cent SACCO may, in its discretion, impose terms and conditions for the repurchase of

Ordinary Membership Shares, including paying the repurchase price over time or limiting the number of shares that may be purchased from any holder or during any period.

Ordinary Membership Shares are not like a deposit. Unlike a savings account, call placement or term deposit, there is no guarantee you will receive a return on your investment. Although Ordinary Membership Shares are issued at and may be redeemed or repurchased based on par value and are held through your "Ordinary Membership Shares Account", Ordinary Membership Shares are not a "deposit" with Cent Cent SACCO, in fact they form part of the SACCO's CORE CAPITAL.

Not entitled to deposit insurance or government guarantee. Monies invested in Ordinary Membership Shares, dividends on or the amount payable for the redemption or repurchase of Membership Shares are not guaranteed by the Central Cooperative Fund administered by the Ministry of Small to Medium Enterprises and Cooperative Development or by any government or regulatory body. The SACCO movement through its National Association (NACSCUJ) is lobbying for both SACCO deposit Insurance scheme and SACCO Credit Guarantee Scheme and this effort is still at its conceptual framework stage.

Dividends are discretionary. The Cent Cent SACCO Management Committee, in its absolute discretion, determines whether to declare and pay dividends on Ordinary Membership Shares and the amount or time of payment of any dividend. There is no certainty that dividends will be paid on Ordinary Membership Shares. The payment of dividends in the past should not be taken as a guarantee or indication of future dividends. Dividends can be paid in cash, in kind through the issuance of additional shares or for other property or services, as determined by the Management Committee.

Dividends are subject to both Non Residents Shareholders Tax and Residents Shareholders' Tax. In Zimbabwe, dividends on unlisted Ordinary Membership Shares are generally taxed as a Withholding Tax and are not entitled to the special tax rates applicable to dividends paid on other listed securities. **Withholding Tax** is the amount withheld by the party making a payment (payer) to another (payee) and remitted to the Zimbabwe Revenue Authority (ZIMRA). The payee is taxed on the gross amount using the appropriate rate of tax, and the tax withheld (the Withholding Tax) is remitted to ZIMRA **on or before** the due date

Further Information about Cent Cent SACCO. Members are entitled to a copy of our annual report, including our audited financial statements. These will be available on our website or upon request. From time to time we may also issue press releases on our business. However, unlike public companies, we are not otherwise required to provide quarterly financial statements or ongoing continuous disclosure regarding changes in our business. The SACCO will strive to adopt International Best practices.

No prospectus. Ordinary Membership Shares are not being offered under a prospectus or other form of offering document that describes Cent Cent SACCO, its business and the investment in Ordinary Membership Shares in detail, and Cent Cent SACCO is not required to provide you with such a document. As such you are not entitled to certain legal protections associated with securities purchased under a prospectus.

No securities dealer involved in offering shares. Ordinary Membership Shares are not being sold through any investment adviser, broker or dealer and Cent Cent SACCO is not providing you with any advice as to whether an investment in Ordinary Membership Shares is suitable for you.

No regulatory review of investment merits. No regulatory body, including the Securities Exchange Commission of Zimbabwe has reviewed the merits of an investment in Ordinary Membership Shares, the terms and conditions hereof or otherwise.

Terms and Conditions may change. Cent Cent SACCO reserves the right to modify, amend or supplement these terms and conditions. The current terms and conditions are available upon request to your Branch representative. As a subscriber for Membership Shares you agree to comply with such terms and conditions, as they may be modified, amended or supplemented from time to time.

Your subscription and these terms and conditions represent a legal contract between you and Cent Cent SACCO

If you have any questions regarding your proposed purchase of Membership Shares, please speak to a Branch representative. We also encourage you

to seek the advice of your independent financial, investment or other professional adviser.