

**An opportunity to invest in
Lesotho
Government Securities**

PROSPECTUS

FOR

**LESOTHO GOVERNMENT TREASURY
BONDS**

Tenor: 7 Years

Coupon Interest Rate: 8.5 %
Issue No: LS000A1GZ7W0
Redeemable on 13th February 2019

AGENT: Central Bank of Lesotho

DATE: 2012 FEBRUARY 01

23. Nature of Treasury bonds: Marketable Government securities that constitute liquid assets

B: DEFINITIONS

“Central Bank of Lesotho”	Means the Central Bank of Lesotho established under the CBL Act
“CBL Act”	Means the Central Bank of Lesotho Act of 2000
“Bondholder”	Refers to the person whose name is entered as holder of bonds in the bond register
“Bonds”	Refers to GoL 7 year Treasury bond bearing ISIN: LS000A1GZ7W0
“Books Closed Period”	Refers to 30 days prior to the coupon payment date or such shorter period as determined by issuer. This enables determination of the bondholders entitled to receive interest
“Banking or Business Day”	Refers to any day other than Saturday, Sunday or official public holiday in the Kingdom of Lesotho.
“Conditions”	Means these terms and conditions set out herein
“Initial Issue”	Means the initial issue of bonds by the GoL
“Interest Payment Dates”	2012 August 15, 2013 February 13, 2013 August 14, 2014 February 12, 2014 August 13, 2015 February 11, 2015 August 12, 2016 February 10, 2016 August 17, 2017 February 15, 2017 August 16, 2018 February 14, 2018 August 15, 2019 February 13,

“Transfer Secretary”

Means the CBL

“Local Loans Act”

Means the Local Loans Act of 2001

C: TERMS AND CONDITIONS OF THE ISSUE

Issue

Government of Lesotho 8.5 %, 7 year Treasury bond 15/02/2012 bearing **ISIN: LS000A1GZ7W0**. The bond will bear the bond code **A1GZ7W**.

Authorisation

The issue was authorised by the Minister of Finance and Development Planning and the repayment of the capital amount and interest will be charged against the Government of Lesotho.

Purpose of the Issue

The funds will be used to fund the needs of the government.

Interest

A coupon of 8.5 % per annum will be paid semi-annually till the 13 February 2019. Coupon payment dates will be as described above under interest payment dates under the definitions section. However, the Government of Lesotho reserves the right to adjust the dates to accommodate unforeseen occurrences at the time of issuance. The registers will be closed thirty (30) days before the coupon payment dates in order to determine the bondholders that are eligible to receive interest. Interest will cease to accrue on the bond from redemption date and such interest will be paid as per the definition of banking or business day above. Interest will be paid in the currency of the Kingdom of Lesotho on the coupon payment date to the rightful bondholder by electronic transfer into the accounts of the bondholders as kept in the Central Securities Depository system. Interest paid will be subject to a withholding tax at the rate of 10% and 15% for residents and non-residents respectively.

Redemption of Capital

The Principal amount of the loan will be paid on 13th February 2019. No redemption will be made prior to the redemption period.

The principal will be paid on a business day as defined above.

Payment will be made electronically into the accounts of the bondholders.

Settlements

Settlement will take place electronically on a T+0 basis through the settlement agents. Settlement agents will be subject to the electronic procedures as prescribed by the CSD Dealing Agreement.

Governing Law

Unless stated otherwise, the bonds shall be subject to and governed by the Laws of the Kingdom of Lesotho.

Signed at Maseru on the 8th day of February 2012



Dr. Timothy Thahane

Minister of Finance and Development Planning

31. The loan or parts thereof will be issued as and when required by the Government of Lesotho at appropriate yields to maturity. The Minister may decide to increase the amount of the loan at any time prior to the redemption date subject to the Local Loans Act of 2001.
32. Additional copies of these prospectus are available from:

The Central Bank of Lesotho

Physical Address

Cnr Aiport and Moshoeshoe Roads
Maseru Central
Lesotho

Postal Address

P.O. Box 1184
Maseru 100
Lesotho

Website:

www.centralbank.org.ls

Contact Persons

Mr. Bohlale Phakoe
(+266) 22232031
Ms. Kananelo Makakole
(+266)22232103

Ms. Lerato Masike
(+266) 22232143
Mr. Teboho Penane
(+266) 22232101