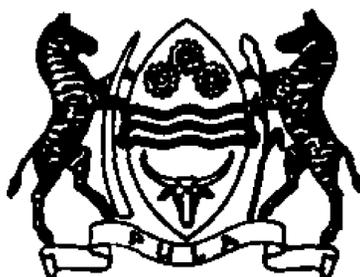


**CABLE AND WIRELESS PUBLIC LIMITED COMPANY TAX
AGREEMENT (RATIFICATION) ACT, 1985**

No. 20



of 1985

ARRANGEMENT OF SECTIONS

SECTION

1. Short title
2. Ratification of Agreement

SCHEDULE

An Act to ratify a Tax Agreement entered into between the Government of the Republic of Botswana and Cable and Wireless Public Limited Company

Date of Assent: 16.10.85

Date of Commencement: 25.10.85

ENACTED by the Parliament of Botswana

1. This Act may be cited as the Cable and Wireless Public Limited Company Tax Agreement (Ratification) Act, 1985. Short title

2. The Tax Agreement entered into between the Government of the Republic of Botswana and Cable and Wireless Public Limited Company of 25th February, 1985 set out in the Schedule, is hereby ratified. Ratification of Agreement

SCHEDULE

**TELECOMMUNICATIONS TAX EXEMPTION AGREEMENT
between
THE GOVERNMENT OF THE REPUBLIC OF BOTSWANA
and
CABLE AND WIRELESS PUBLIC LIMITED COMPANY**

THIS AGREEMENT IS made this 25th day of February, 1985 between the Government of the Republic of Botswana (hereinafter referred to as "the Government") represented by His Honour the Vice-President and Minister of Finance and Development Planning and Cable and Wireless Public Limited Company (hereinafter referred to as "C & W"), a limited liability company incorporated in England having its registered office at Mercury House, Theobalds Road, London WC1X 8RX, England, its successors and assigns, represented by Mr J.W.C. Ormsby and Mr A.K. Heard.

WHEREAS on the 18th day of December, 1979, the Government and C & W entered into an agreement known as the Telecommunications Management and Loan Agreement whereby C & W have agreed to provide telecommunications management and other services to the Government and in succession to the Botswana Telecommunications Corporation;

AND WHEREAS it is stipulated in clause 9:11 of the said Telecommunications Management and Loan Agreement that the government will enter into a Tax Agreement in accordance with the provisions of section 54 of the Income Tax Act (Cap.52:01) of Botswana in order to grant C & W exemption from income tax in respect of payments made under the said Telecommunications Management and Loan Agreement;

AND WHEREAS it was also agreed that certain emoluments paid by C & W were to be exempt from income tax;

NOW THEREFORE, in furtherance of the said agreements Government and C & W have agreed as follows:

- (1) Amounts accruing to C & W in terms of the Telecommunications Management and Loan Agreement shall be exempt from both income tax and branch profits tax;
- (2) Gross income from employment accruing to seconded employees of C & W who are not citizens of Botswana from engagement under the Telecommunications Management and Loan Agreement shall be exempt from income tax; and
- (3) C & W is relieved of all obligations under section 56 of the Income Tax Act and the Seventh Schedule to the said Act in respect of amounts paid to its employees which are exempted from income tax in terms of paragraph 2.
- (4) This agreement shall be deemed to have come into effect on the 18th December, 1979.

IN WITNESS whereof the parties hereto have hereunder set their hands.

P.S. MMUSI,
*for and on behalf of the Government of
Botswana.*

As witnesses:

1. P. Esderts
2. L. Carter

The Common Seal of Cable and Wireless Public Limited Company
was hereunto affixed in the presence of:

Mr J.W.C. Ormsby.....*Director*

Mr A.K. Heard.....*Secretary*

As witness

1. J.L. Prior
2. W.P. Bigden

PASSED by the National Assembly this 24th day of September, 1985.

C.G. MOKOBI,
Clerk of the National Assembly.