

This document does not constitute an invitation to participate in the Tender Offers in or from any jurisdiction in or from which or to or from any person to or from whom, it is unlawful to make such offer under applicable securities laws. The distribution of this document in certain jurisdictions may be restricted by law. See "Certain Legal Restrictions." Persons into whose possession this document comes are required by the Government of Bermuda and each Dealer Manager to inform themselves about, and to observe, any such restrictions.



GOVERNMENT OF BERMUDA

**Offers to Purchase for Cash
Up to \$500,000,000 in Aggregate Principal Amount of its Outstanding Notes Listed in the Table Below**

The Government of Bermuda (the "Government," "Bermuda," "we," "us" or "our") is offering to purchase for cash from each registered holder (each, a "Holder" and, collectively, the "Holders"), upon the terms and subject to the conditions set forth in this Offer to Purchase (as amended or supplemented from time to time, this "Offer to Purchase"), up to \$500,000,000 aggregate principal amount (as such amount may be increased in the sole discretion of the Government, the "Aggregate Maximum Tender Amount") of its outstanding 4.138% Senior Notes due 2023 (the "2023 Notes"), 4.854% Senior Notes due 2024 (the "2024 Notes"), 3.717% Senior Notes due 2027 (the "2027 Notes") and 4.750% Senior Notes due 2029 (the "2029 Notes" and, together with the 2023 Notes, the 2024 Notes and the 2027 Notes, the "Existing Notes"). We refer to the offers to purchase the Existing Notes in this Offer to Purchase as the "Tender Offers" and an offer to purchase the particular series of Existing Notes as a "Tender Offer."

The Tender Offers are subject to the concurrent (or earlier) closing of the issuance by the Government of one or more new series of notes (the "New Notes"), in an aggregate principal amount, with pricing and on terms and conditions acceptable to the Government (the "New Notes Offering"), in its sole discretion. The New Notes Offering will be made solely by means of an offering memorandum relating to that offering, and this Offer to Purchase does not constitute an offer to sell or the solicitation of an offer to buy any New Notes.

For each \$1,000 principal amount of Existing Notes validly tendered and made in accordance with the terms and conditions of the Tender Offers ("Tenders") on or prior to the Expiration Time (as defined herein), and accepted for purchase pursuant to the Tender Offers, the Government will pay the applicable Purchase Price indicated in the table below (each, a "Purchase Price"), plus Accrued Interest (as defined herein) on each series of Existing Notes accepted for purchase.

Title of Existing Notes	Outstanding Principal Amount as of the date hereof	ISIN/CUSIP Numbers	Maturity Date/Par Call Date	Reference U.S. Treasury Security ⁽¹⁾	Bloomberg Reference Page	Fixed Spread (Basis Points)	Hypothetical Purchase Price ⁽²⁾
4.138% Senior Notes due 2023	\$475,000,000	USG10367AA14 / G10367 AA1 (Reg S) US085209AB07 / 085209 AB0 (144A)	January 3, 2023 / N/A	0.125% due July 15, 2023	PX1	+95	\$1,071.34
4.854% Senior Notes due 2024	\$550,000,000	USG10367AB96 / G10367 AB9 (Reg S) US085209AC89 / 085209 AC8 (144A)	February 6, 2024 / N/A	0.25% due July 31, 2025	PX1	+130	\$1,112.38
3.717% Senior Notes due 2027	\$665,000,000	USG10367AD52 / G10367 AD5 (Reg S) US085209AD62 / 085209 AD6 (144A)	January 25, 2027 / October 25, 2026	0.625% due May 15, 2030	PX1	+145	\$1,100.53
4.750% Senior Notes due 2029	\$620,000,000	USG10367AF01 / G10367AF0 (Reg S) US085209AF11 / 085209AF1 (144A)	February 15, 2029 / November 15, 2028	0.625% due May 15, 2030	PX1	+180	\$1,180.35

- (1) The Purchase Price payable per \$1,000 principal amount for each series of Existing Notes validly tendered and accepted for purchase will be based on the fixed spread specified (the "Fixed Spread") for the applicable series of Existing Notes, plus the yield of the specified Reference U.S. Treasury Security for that series as of 2:00 p.m. (New York City time) on August 17, 2020, unless extended with respect to the applicable Tender Offer. See "The Tender Offers—Purchase Price; Determination of the Purchase Price." Applicable Accrued Interest will be payable in cash in addition to the Purchase Price.
- (2) Hypothetical Purchase Price payable per each \$1,000 principal amount of each series of Existing Notes validly tendered and accepted for purchase, assuming the Reference Yield (as defined herein) had been measured at 9:30 a.m. (New York City time) on August 7, 2020 and assuming a hypothetical settlement date of August 20, 2020. See Annex B to this Offer to Purchase for additional information regarding the calculation of the hypothetical Purchase Price. The hypothetical information provided in the table above is for illustrative purposes only. The Government makes no representation with respect to the actual consideration that may be paid, and such amounts may be greater or lower than those shown, depending on the yield of the applicable Reference U.S. Treasury Security as of the price determination time.

Tenders of the Existing Notes in an aggregate principal amount in excess of the Aggregate Maximum Tender Amount will be subject to proration. For a description of the applicable proration procedures, see "The Tender Offers—Aggregate Maximum Tender Amount; Proration." The Government reserves the right, but is under no obligation, to increase the Aggregate Maximum Tender Amount at any time, subject to compliance with applicable law, which could result in the Government purchasing a greater aggregate principal amount of Existing Notes in the Tender Offers. There can be no assurance that the Government will increase the Aggregate Maximum Tender Amount.

You should consider the risk factors beginning on page 9 of this Offer to Purchase before you decide whether to participate in the Tender Offers.

THE TENDER OFFERS WILL COMMENCE ON AUGUST 10, 2020 AND, UNLESS EXTENDED OR EARLIER TERMINATED, EXPIRE AT 8:00 A.M. (NEW YORK CITY TIME) ON AUGUST 17, 2020 (SUCH TIME AND DATE, AS MAY BE EXTENDED OR EARLIER TERMINATED, THE "EXPIRATION TIME"). HOLDERS WHO VALIDLY TENDER THEIR EXISTING NOTES PRIOR TO THE EXPIRATION TIME WILL BE ELIGIBLE TO RECEIVE THE APPLICABLE PURCHASE PRICE. SEE "THE TENDER OFFERS—TENDER PROCEDURES."

You must submit all your tendered Existing Notes through Euroclear Bank SA/NV, as operator of the Euroclear System ("Euroclear"), Clearstream Banking, S.A. ("Clearstream"), or The Depository Trust Company ("DTC"). Failure to deliver Existing Notes on time may result in the cancellation of your Tender. Existing Notes validly tendered and accepted for purchase will be settled on the Settlement Date (as defined herein).

This Offer to Purchase does not constitute an offer to buy or a solicitation of an offer to sell any securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The Tender Offers are being made only in those jurisdictions where it is legal to do so. See "Jurisdictional Restrictions."

The Dealer Managers for the Tender Offers are:

Goldman Sachs & Co. LLC

HSBC

The date of this Offer to Purchase is August 10, 2020.

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CERTAIN OFFER MATTERS

Any questions regarding the Tender Offers may be directed to Global Bondholder Services Corporation, the tender and information agent (the “Tender and Information Agent”), at the telephone numbers provided on the back cover of this Offer to Purchase. Holders may also contact Goldman Sachs & Co. LLC (“GS”) and HSBC Securities (USA) Inc. (“HSBC”) and, together with GS in such capacity, the “Dealer Managers”) at the respective telephone number provided on the back cover of this Offer to Purchase for information concerning the Tender Offers.

Neither the Government nor the Dealer Managers will pay any commissions or other remuneration to any broker, dealer, salesman or other person for soliciting tenders of Existing Notes. Tendering Holders will not be obligated to pay the fees of the Dealer Managers and the Tender and Information Agent; however, such Holders may be required to pay a fee or commission to their broker or intermediary through whom their Existing Notes are tendered.

The Tender Offers are not conditioned upon any minimum participation by the Holders of Existing Notes, but are conditioned on the satisfaction or waiver by the Government of the conditions described under “*The Tender Offers—Conditions to the Tender Offers*,” the closing of the New Notes Offering and the dealer manager agreement relating to the Tender Offers not being terminated prior to or at the time of the settlement of the Tender Offers. The Government intends to apply a portion of the net proceeds of the New Notes Offering to purchase any Existing Notes tendered and accepted in the Tender Offers upon the concurrent (or earlier) closing of the New Notes Offering.

The New Notes will be offered only to qualified institutional buyers in the United States in reliance on Rule 144A under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and to non-U.S. persons outside the United States in reliance on Regulation S under the Securities Act. Allocations in the New Notes Offering will be determined by GS and HSBC, in their capacity as initial purchasers in the New Notes Offering, in their sole discretion based on a number of factors, which may include an assessment of an investor’s long-term interest in owning debt securities issued by the Government, the size and timing of such investor’s indication of interest in purchasing New Notes, and the aggregate principal amount of all Tenders in the Tender Offers. However, neither GS nor HSBC are obligated to consider participation in the Tender Offers in making an allocation determination with respect to the New Notes with regard to any particular investor.

The Government is responsible only for the information provided in this Offer to Purchase. Neither the Government nor the Dealer Managers have authorized anyone else to provide you with different information.

Neither the Bermuda Stock Exchange nor the Luxembourg Stock Exchange take any responsibility for the contents of this Offer to Purchase or make any representation as to its accuracy or completeness, and each expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance on any the contents of this Offer to Purchase.

No dealer, salesperson or other person has been authorized to give any information or to make any representations other than those contained in this Offer to Purchase and, if given or made, such information or representations must not be relied upon as having been authorized by the Government, the Dealer Managers or the Tender and Information Agent, and none of the Government, the Dealer Managers or the Tender and Information Agent takes any responsibility for information that others may give to you.

The Government is furnishing this Offer to Purchase solely for use by current Holders of Existing Notes in the context of the Tender Offers. The Government confirms that:

- the information contained in this Offer to Purchase is true and correct in all material respects and is not as a whole misleading as of the date of this Offer to Purchase;
- it has not omitted other material facts the omission of which makes this Offer to Purchase as a whole misleading as of the date of this Offer to Purchase;
- it holds the opinions and intentions expressed in this Offer to Purchase; and
- it accepts responsibility for the information it has provided in this Offer to Purchase.

Before you decide to participate in the Tender Offers, you should read this Offer to Purchase.

The information contained in this Offer to Purchase is current only as of its date. Neither the delivery of this Offer to Purchase nor any purchase made hereunder shall, under any circumstances, create any implication that the information in this Offer to Purchase is correct as of any time subsequent to the date hereof or other dates which are specified herein, or that there has been no change in the affairs of the Government since such dates.

The Government will cancel the Existing Notes it acquires following consummation of the Tender Offers. Accordingly, upon completion of the Tender Offers, the aggregate principal amount of each series of Existing Notes purchased in the Tender Offers that otherwise might trade in the market will be reduced, which could adversely affect the liquidity and market value of the remaining Existing Notes that are not purchased in the Tender Offers.

None of the Government, the Dealer Managers or the Tender and Information Agent makes any recommendation in connection with the Tender Offers. None of the Government, the Dealer Managers or the Tender and Information Agent has expressed any opinion as to whether the terms of the Tender Offers are fair. None of the Government, the Dealer Managers or the Tender and Information Agent makes any recommendation that you tender your Existing Notes or refrain from doing so pursuant to the Tender Offers, and no one has been authorized by the Government, the Dealer Managers or the Tender and Information Agent to make any such recommendation. You must make your own decision as to whether to tender Existing Notes or refrain from doing so, and, if so, the principal amount of Existing Notes to tender.

Each Tender Offer is an independent offer and can be modified and/or terminated without affecting the terms or conditions of any other Tender Offer. The Government may, at its sole discretion, extend, re-open, amend or waive any condition of or terminate any or all of the Tender Offers at any time. In the event of a termination of a Tender Offer, the relevant Existing Notes will be returned to the tendering Holder.

In the event a Tender Offer is withdrawn or otherwise not completed, or the conditions thereto are not satisfied or waived by the Government, the applicable Purchase Price will not be paid or become payable to Holders who have validly tendered their Existing Notes in connection with such Tender Offer and the relevant Existing Notes will be returned to the tendering Holder.

You must comply with all laws that apply to you in any place in which you possess this Offer to Purchase. You must also obtain any consents or approvals you need in order to accept this Offer and submit your Tender. None of the Government, the Dealer Managers or the Tender and Information Agent is responsible for your compliance with these legal requirements. It is important that you read "*Jurisdictional Restrictions*" beginning on page 22 of this Offer to Purchase. The applicable provisions of the Financial Services and Markets Act 2000 must be complied with in respect of anything done in relation to the Tender Offers in, from, or otherwise involving, the United Kingdom.

The Government has prepared this Offer to Purchase and is solely responsible for its contents. You are responsible for making your own examination of the Government and your own assessment of the merits and risks of participating in the Tender Offers. By tendering your Existing Notes, you will be deemed to have acknowledged that:

- you have reviewed this Offer to Purchase;
- you have had an opportunity to request and review any additional information that you may need; and
- neither the Dealer Managers nor the Tender and Information Agent is responsible for, nor is making any representation to you concerning, the accuracy or completeness of this Offer to Purchase.

The Government and the Dealer Managers are not providing you with any legal, business, tax or other advice in this Offer to Purchase. You should consult with your own advisors as needed to assist you in making your investment decision and to advise you whether you are legally permitted to accept the Tender Offers and submit Tenders.

As used in this Offer to Purchase, “Business Day” means any day other than a Saturday, a Sunday or a legal holiday or a day on which banking institutions or trust companies are authorized or obligated by law to close in New York City. References herein to “\$” or “U.S. dollars” are to United States dollars.

Important Information for Tendering Existing Notes

Any Holder wishing to tender Existing Notes pursuant to the Tender Offers should transmit an Agent’s Message (as defined herein) together with the confirmation of the transfer of such Existing Notes into the account of the Tender and Information Agent with DTC pursuant to the procedures for book-entry transfer set forth herein. Beneficial owners whose Existing Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee must contact such broker, dealer, commercial bank, trust company or other nominee if they wish to tender Existing Notes. **Beneficial owners should be aware that their broker, dealer, commercial bank, trust company or other nominee may establish its own earlier deadline for participation in the Tender Offers. Accordingly, beneficial owners wishing to participate in the Tender Offers should contact their broker, dealer, commercial bank, trust company or other nominee as soon as possible in order to determine the time by which such owner must take action in order to so participate.** See “*The Tender Offers—Tender Procedures.*”

The Government expects that DTC will authorize participants that hold Existing Notes on behalf of beneficial owners of Existing Notes through DTC to tender their Existing Notes as if they were Holders. To effect a Tender, DTC participants may transmit their acceptance to DTC through the DTC Automated Tender Offer Program (“ATOP”), for which the Tender Offers will be eligible, and follow the procedures for book-entry transfer set forth in “*The Tender Offers—Tender Procedures.*”

A beneficial owner who holds Existing Notes through Euroclear or Clearstream and wishes to tender its Existing Notes must arrange for a direct participant in Euroclear or Clearstream to deliver a valid electronic acceptance instruction (an “Electronic Acceptance Instruction”), which includes the proper Note Instructions (as defined herein), to Euroclear or Clearstream, as applicable. Only a direct participant in Euroclear or Clearstream may submit an Electronic Acceptance Instruction to Euroclear or Clearstream. See “*The Tender Offers—Tender Procedures.*”

The Government has not provided any guaranteed delivery provisions in connection with the Tender Offers. You must tender your Existing Notes in accordance with the procedures set forth in “*The Tender Offers—Tender Procedures.*”

Tendering Holders who wish to tender their Existing Notes for cash and also subscribe for the New Notes should obtain a unique identifier code (“Unique Identifier Code”) by contacting the Dealer Managers. The Government will review tender instructions received on or prior to the Expiration Time and may give priority to those investors tendering with Unique Identifier Codes in connection with the allocation of New Notes. A Unique Identifier Code is not required for a Holder to tender its Existing Notes, but if a tendering Holder wishes to subscribe for the New Notes, such Holder should quote their Unique Identifier Code in its ATOP or Electronic Acceptance Instruction (each, as defined herein). However, no assurances can be given that any Holder that tenders Existing Notes will be given an allocation of New Notes at the levels it may subscribe for, or at all.

Jurisdiction; Enforcement of Judgments

Bermuda is a sovereign state. We have been advised by the Attorney General’s Chambers, that there is no treaty in force between the United States and Bermuda providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters. As a result, whether a U.S. judgment would be enforceable in Bermuda against the Government or its officials depends on whether the U.S. court that entered the judgment is recognized by the Bermuda court as having jurisdiction over the Government or its officials, as determined by reference to Bermuda conflicts of law rules. A judgment debt from a U.S. court that is final and for a sum certain based on U.S. federal securities laws will not be enforceable in Bermuda unless the judgment debtor had submitted to the jurisdiction of the U.S. court in connection with such an action and the issue of submission and jurisdiction is a matter of Bermuda, as opposed to U.S., law.

In addition, and irrespective of jurisdictional issues, Bermuda courts will not enforce a judgment of U.S. courts that has been obtained by fraud, in proceedings contrary to natural justice and is based on an error in Bermuda law or is contrary to public policy. Certain remedies available under the laws of U.S. jurisdictions, including certain

remedies under U.S. federal securities laws, would not be available under Bermuda law or enforceable in a Bermuda court, as they would be contrary to Bermuda public policy. Further, no claim may be brought in Bermuda against the Government or its officials in the first instance for violation of U.S. federal securities laws because these laws have no extraterritorial jurisdiction under Bermuda law and do not have force of law in Bermuda. A Bermuda court may, however, impose civil liability on the Government if the facts alleged in a complaint constitute or give rise to a cause of action under Bermuda law.

All of the Government's officials reside, and all or a substantial portion of the Government's assets are located outside of the United States. Accordingly, the enforceability in Bermuda of a judgment based on U.S. federal securities laws against the Government or its officials may be limited. The Government is a sovereign government and agencies and instrumentalities thereof are generally immune from lawsuits and from the enforcement of judgments under U.S. law. With respect to the contractual liability of the Government to perform its respective obligations under the indentures pursuant to which the Existing Notes were issued, with respect to itself or its property, the Government: (1) has agreed that the execution, delivery and performance by it of such indentures constitute private and commercial acts done for private and commercial purposes; (2) has agreed, to the extent it or any of its revenues, assets or properties shall be entitled, with respect to any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to such indentures at any time brought against it or any of its revenues, assets or properties, or with respect to any suit, action or proceeding at any time brought solely for the purpose of enforcing or executing any judgment in any state or U.S. federal court in the State of New York or in any jurisdiction in which any other court is located, to any immunity from suit, from the jurisdiction of any such court, from attachment prior to judgment, from attachment in aid of execution of judgment, from execution of a judgment or from any other legal or judicial process or remedy, and to the extent that in any such jurisdiction there shall be attributed such an immunity, not to claim and irrevocably waive such immunity to the fullest extent permitted by the laws of such jurisdiction (including, without limitation, the U.S. Foreign Sovereign Immunities Act of 1976); and (3) to the extent it or any of its revenues, assets or properties shall be entitled, in any jurisdiction, to any immunity from setoff, banker's lien or any similar right or remedy, and to the extent that there shall be attributed, in any jurisdiction, such an immunity, has irrevocably agreed not to claim and has irrevocably waived such immunity to the fullest extent permitted by the laws of such jurisdiction with respect to any claim, suit, action, proceeding, right or remedy arising out of or in connection with such indentures.

Forward-Looking Statements

This Offer to Purchase contains "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the U.S. Securities Exchange Act of 1934, as amended. All statements other than statements of historical facts included in this Offer to Purchase 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 Government, to be materially different from any future results or performance expressed or implied by such forward-looking statements. These statements are based on certain assumptions and analyses the Government has made in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors believed to be appropriate in the circumstances. The Government cautions you that a number of important factors could cause actual results and developments to differ materially from those contained in any forward-looking statement. The information contained in this Offer to Purchase identifies important factors that could cause such differences.

Governing Law

The Tender Offers and any purchase of Existing Notes by the Government pursuant to this Offer to Purchase, as well as any non-contractual obligation arising out of or in connection therewith or herewith, will be governed by and construed in accordance with the laws of the State of New York and the Federal Law of the United States.

CERTAIN LEGAL RESTRICTIONS

The distribution of materials relating to the Tender Offers, and the transactions contemplated by this Offer to Purchase, may be restricted by law in certain jurisdictions. The Tender Offers are being made only in those jurisdictions where it is legal to do so. The Tender Offers are void in all jurisdictions where they are prohibited. If materials relating to the Tender Offers come into your possession, you are required to inform yourself of and to observe all of these restrictions. The materials relating to the Tender Offers do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. See “*Jurisdictional Restrictions.*”

SUMMARY TIMETABLE

The following summarizes the anticipated time schedule for the Tender Offers assuming, among other things, that the time of expiration of the Tender Offers is not extended. This summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information appearing elsewhere in this Offer to Purchase.

August 10, 2020	Commencement of the Tender Offers. You may tender your Existing Notes through DTC, Euroclear or Clearstream. Failure to deliver your Existing Notes on time may result in the cancellation of your Tender. This is the only way you may tender into the Tender Offers. See “<i>The Tender Offers—Tender Procedures.</i>”
8:00 a.m. (New York City time) on August 17, 2020, unless extended or earlier terminated (the “ <u>Expiration Time</u> ”)	The deadline by which a Holder must have validly tendered its Existing Notes in order to be eligible to participate in the Tender Offers. Holders who validly tender their Existing Notes on or prior to the Expiration Time will be eligible to receive the applicable Purchase Price. If any or all of the Tender Offers are extended or earlier terminated, the term “Expiration Time” shall mean the time and date on which the affected Tender Offer, as so extended or earlier terminated, shall expire. Promptly after the Expiration Time, subject to change without notice, the Government expects to announce the aggregate principal amounts of Tenders of each series of Existing Notes that have been accepted and whether any proration of Tenders of each series of Existing Notes has occurred.
2:00 p.m. (New York City time) on August 17, 2020, unless extended or earlier terminated (the “ <u>Price Determination Time</u> ”)	The date and time at which the Reference Yield of the applicable Reference U.S. Treasury Security for each series of Existing Notes will be measured. Promptly after the Price Determination Time, the Government will issue a press release specifying the applicable Tender Offer Yield (as defined herein) and applicable Purchase Price for each series of Existing Notes.
August 20, 2020, subject to change without notice (the “ <u>Settlement Date</u> ”)	Subject to the concurrent (or earlier) closing of the New Notes Offering and to the satisfaction of the other conditions set forth herein, the Government will pay the applicable Purchase Price, plus Accrued Interest, to Holders of Existing Notes validly tendered and accepted for purchase. Acceptance of the Existing Notes for purchase on the Settlement Date may be subject to the application of the proration procedures described herein. Settlement will occur through the clearing systems (DTC, Euroclear and Clearstream). The Government will cancel such Existing Notes promptly thereafter.

The above times and dates are subject to the right of the Government to extend, re-open, amend or terminate any or all of the Tender Offers, in its sole discretion (subject only to applicable law). Holders are advised to check

with any bank, securities broker or other intermediary through which they hold Existing Notes whether such intermediary would require receipt of instructions to participate in the Tender Offers before the deadline set out above.

In the event a Tender Offer is withdrawn or otherwise not completed, or the conditions thereto are not satisfied or waived by the Government, the applicable Purchase Price will not be paid or become payable to Holders who have validly tendered their Existing Notes in connection with such Tender Offer. In the event of termination of a Tender Offer, the relevant Existing Notes will be returned to the tendering Holder.

The Government will make (or cause to be made) all announcements regarding the Tender Offers by press release issued to news media in accordance with applicable law and by an announcement on the website of the Luxembourg Stock Exchange (www.bourse.lu) and the on the website of the Bermuda Stock Exchange (www.bsx.com), which websites are not incorporated herein by reference, and on the website for the Tender Offers run by the Tender and Information Agent (<http://www.gbsc-usa.com/Bermuda>) (the “Offers Website”). See “*The Tender Offers—Communications.*”

SUMMARY

This summary highlights information contained elsewhere in this Offer to Purchase. It is not complete and may not contain all the information that you should consider before tendering Existing Notes. You should read the entire Offer to Purchase. Capitalized terms not otherwise defined in this summary have the meanings assigned to them elsewhere in this Offer to Purchase.

The Purchaser The Government of Bermuda.

The Existing Notes	<table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Title of Existing Notes</th> <th style="text-align: center; border-bottom: 1px solid black;">Outstanding Principal Amount as of the date hereof</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">4.138% Senior Notes due 2023</td> <td style="text-align: right;">\$475,000,000</td> </tr> <tr> <td style="text-align: center;">4.854% Senior Notes due 2024</td> <td style="text-align: right;">\$550,000,000</td> </tr> <tr> <td style="text-align: center;">3.717% Senior Notes due 2027</td> <td style="text-align: right;">\$665,000,000</td> </tr> <tr> <td style="text-align: center;">4.750% Senior Notes due 2029</td> <td style="text-align: right;">\$620,000,000</td> </tr> </tbody> </table>	Title of Existing Notes	Outstanding Principal Amount as of the date hereof	4.138% Senior Notes due 2023	\$475,000,000	4.854% Senior Notes due 2024	\$550,000,000	3.717% Senior Notes due 2027	\$665,000,000	4.750% Senior Notes due 2029	\$620,000,000
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4.750% Senior Notes due 2029	\$620,000,000										

The Tender Offers The Tender Offers are to purchase for cash the Existing Notes set forth in the table above, subject to the Aggregate Maximum Tender Amount and proration. The Tender Offers are made subject to the terms and conditions set forth in this Offer to Purchase, including the concurrent (or earlier) closing of the New Notes Offering in an aggregate principal amount, with pricing and on terms and conditions acceptable to the Government, and the dealer manager agreement relating to the Tender Offers not having been terminated prior to or at the time of the settlement of the Tender Offers. The Tender Offers are not conditioned upon any minimum participation of the Existing Notes. For a more detailed discussion, see “*The Tender Offers.*”

Aggregate Maximum Tender Amount; Proration The Aggregate Maximum Tender Amount will be \$500,000,000 aggregate principal amount of Existing Notes. However, the Government reserves the right, but is under no obligation, to increase the Aggregate Maximum Tender Amount at any time, subject to compliance with applicable law, which could result in the Government purchasing a greater aggregate principal amount of Existing Notes in the Tender Offers. There can be no assurance that the Government will exercise its right to increase the Aggregate Maximum Tender Amount.

If the aggregate principal amount of Existing Notes validly tendered would cause the Aggregate Maximum Tender Amount to be exceeded, then each Tender shall be prorated and fractions will be rounded down to the nearest \$1,000 principal amount, proportionately to the relative size of such Tender to all Tenders in the Tender Offer for such series of Existing Notes, according to the proration factor for such series of Existing Notes determined by the Government in its sole discretion, so that the aggregate principal amount of all Tenders accepted by the Government equals or does not exceed the Aggregate Maximum Tender Amount.

All Existing Notes validly tendered but not accepted as a result of proration or otherwise will be rejected and returned to Holders through the applicable clearing system.

Source of Funds The Tender Offers are subject to a number of conditions, including that the Government concurrently (or earlier) consummate the New Notes Offering, in an aggregate principal amount, with

pricing and on terms and conditions acceptable to the Government. Unless the Tender Offers are early terminated by the Government under the terms specified herein, the Government will apply a portion of the net proceeds of the New Notes Offering to purchase, on the Settlement Date, Existing Notes accepted for purchase at the applicable Purchase Price plus Accrued Interest in respect of such series of Existing Notes.

The New Notes Offering will be made solely by means of an offering memorandum relating to that offering, and this Offer to Purchase does not constitute an offer to sell or the solicitation of an order to buy the New Notes.

Purchase Price

Upon the terms and subject to the conditions set forth in this Offer to Purchase, Holders who validly tender Existing Notes at or prior to the Expiration Time and whose Existing Notes are accepted for purchase by us, will receive the applicable Purchase Price for each \$1,000 principal amount of such Existing Notes.

For reference purposes, a hypothetical calculation of the Purchase Price for each series of Existing Notes is set forth in Annex B to this Offer to Purchase.

Determination of the Purchase Price

The applicable Purchase Price payable by us for each \$1,000 principal amount of each series of Existing Notes validly tendered at or prior to the Expiration Time and accepted by us pursuant to the Tender Offers, will be determined by the Dealer Managers in accordance with standard market practice, as described in this Offer to Purchase, using the applicable Tender Offer Yield, which will be equal to the sum of: (i) the applicable Reference Yield, which shall be based on the bid-side price of the applicable Reference U.S. Treasury Security specified on the front cover of this Offer to Purchase for such series of Existing Notes at the Price Determination Time appearing on the Bloomberg Reference Page specified on the front cover of this Offer to Purchase for such series of Existing Notes (or any other recognized quotation source selected by the Dealer Managers in their sole discretion if such quotation report is not available on a timely basis or is manifestly erroneous), plus (ii) the applicable Fixed Spread specified on the front cover of this Offer to Purchase for such series of Existing Notes.

Accordingly, the applicable Purchase Price payable by us for each \$1,000 principal amount of each series of Existing Notes accepted by us will equal:

- (i) the present value on the Settlement Date, as determined at the Price Determination Time, of \$1,000 principal amount of such Existing Notes due on the applicable maturity date or par call date, as applicable, and all scheduled interest payments on such principal amount of Existing Notes to be made from (but excluding) the Settlement Date, up to and including such applicable maturity date or par call date, as applicable, discounted to the Settlement Date in accordance with standard market practice as described by the formula set forth in Annex A to this Offer to Purchase, at a discount rate equal to the applicable Tender Offer Yield, *minus*

- (ii) the applicable Accrued Interest, up to but excluding the Settlement Date, per \$1,000 principal amount of such Existing Notes; such price being rounded to the nearest cent per \$1,000 principal amount of such Existing Notes.

Accrued Interest In addition to the applicable Purchase Price, Holders whose Existing Notes are accepted for purchase by the Government will also receive accrued and unpaid interest with respect to their tendered Existing Notes from, and including, the last interest payment date for such Existing Notes to, but excluding, the Settlement Date (“Accrued Interest”). Accrued Interest on a series of Existing Notes will be payable on the Settlement Date. Accrued Interest taken together with the applicable Purchase Price for such Existing Notes will be rounded to the nearest cent (\$0.01).

Tender Period Each Tender Offer will commence on August 10, 2020, and expire at 8:00 a.m. (New York City time) on August 17, 2020, unless extended or earlier terminated by the Government in its sole discretion.

Submitting Tenders You must submit all your tendered Existing Notes through DTC, Euroclear or Clearstream. Tenders must be submitted in the applicable Minimum Denomination (as defined below).

Failure to deliver your Existing Notes on time may result in the cancellation of your Tender. See “*The Tender Offers—Tender Procedures.*”

Unique Identifier Codes Tendering Holders who wish to tender their Existing Notes for cash and also subscribe for the New Notes should obtain a Unique Identifier Code by contacting the Dealer Managers, in their ATOP or Electronic Acceptance Instruction. A Unique Identifier Code is not required for a Holder to tender its Existing Notes, but if a tendering Holder wishes to subscribe for the New Notes, such Holder should quote their Unique Identifier Code in its ATOP or Electronic Acceptance Instruction.

The Government will review tender instructions received on or prior to the Expiration Time and may give priority to those investors tendering with Unique Identifier Codes in connection with the allocation of New Notes. However, no assurances can be given that any Holder that tenders Existing Notes will be given an allocation of New Notes at the levels it may subscribe for, or at all.

This Offer to Purchase is not an offer to sell or a solicitation of an offer to buy the New Notes.

Withdrawals Holders of Existing Notes will not have withdrawal rights with respect to the Tender Offers, unless required by applicable law.

Announcement of Accepted Tenders The Government expects to announce the aggregate principal amount of Tenders of each series of Existing Notes that has been received on or prior to the Expiration Time, as well as the amount of Tenders of each series of Existing Notes that has been accepted and whether any proration of Tenders of each series of Existing Notes has occurred, on August 17, 2020.

Acceptance of Tenders	The Government will accept for purchase valid tenders of Existing Notes of each series in such principal amounts as the Government shall determine (subject to the terms and conditions of the Tender Offers, including potential proration of the Tender Offer of each series of Existing Notes). Tenders that are accepted will be settled solely by the Government on the Settlement Date, subject to the terms and conditions of the Tender Offers. The Government reserves the right, in its sole discretion, not to accept any Tenders for any reason.
Minimum Denomination.....	The minimum denomination of each series of Existing Notes is \$200,000 and integral multiples of \$1,000 in excess thereof (with respect to each series of Existing Notes, " <u>Minimum Denomination</u> "). Depending on the amount tendered and the proration factor applied, if the principal amount of any series of Existing Notes that are unaccepted and returned to a Holder as a result of proration would result in less than the Minimum Denomination being returned to such Holder, the Government will either accept or reject all of such Holder's validly tendered Existing Notes of such series. Holders who tender less than all of their Existing Notes must continue to hold Existing Notes in at least the Minimum Denomination of \$200,000 principal amount.
Settlement.....	Subject to the concurrent (or earlier) closing of the New Notes Offering and the other conditions set forth herein, the Government will purchase validly tendered and accepted Existing Notes in such amounts as previously announced by the Government.
Liquidity.....	Following settlement of the Tender Offers, any series of Existing Notes accepted by the Government will have reduced liquidity, which may adversely affect the trading price of the Existing Notes of such series.
Conditions to the Tender Offers	The Government reserves the right, in its sole discretion, not to accept any Tenders for any reason. The Tender Offers are conditioned upon the concurrent (or earlier) closing of the New Notes Offering, including in an aggregate principal amount, with pricing and on terms and conditions acceptable to the Government, and the dealer manager agreement relating to the Tender Offers not having been terminated prior to or at the time of the settlement of the Tender Offers. In addition, notwithstanding any other provisions of the Tender Offers, each Tender Offer is conditioned upon there not having been threatened, instituted or pending any action or proceeding before any court or governmental, regulatory or administrative body that (1) makes or seeks to make illegal the purchase of Existing Notes pursuant to such Tender Offer; (2) would or might result in a delay in, or restrict, the ability of the Government to purchase the Existing Notes or issue the New Notes; or (3) imposes or seeks to impose limitations on the ability of the Government to issue and/or price the New Notes in an aggregate principal amount, with pricing and on terms and conditions acceptable to the Government. Each of the foregoing conditions is for the sole benefit of the Government and may only be satisfied or waived by the Government, in whole or in part, at any time and from time to time, in its sole discretion. Any determination by the Government concerning the conditions set forth above (including whether or not any such condition has been satisfied or waived, except as in the case of the termination of the dealer manager agreement

relating to the Tender Offers) will be final and binding upon all parties. The Government will not be obligated to consummate the purchase of the Existing Notes tendered in the Tender Offers if the dealer manager agreement shall have been terminated prior to the settlement of the Tender Offers.

Certain Deemed Representations,

Warranties and Undertakings.....

If you tender Existing Notes pursuant to the terms of the Tender Offers, you will be deemed to have made certain acknowledgments, representations, warranties and undertakings to the Government, the Dealer Managers and the Tender and Information Agent. See “*Holder’s Representations, Warranties and Undertakings.*”

Taxation

See “*Taxation*” for important information regarding the possible tax consequences to holders who offer to tender Existing Notes. You are also urged to consult your own professional advisors regarding the possible tax consequences under the laws of jurisdictions that apply to you or to the tender of your Existing Notes.

Jurisdictions.....

The Tender Offers are being made only in those jurisdictions where it is legal to do so. See “*Jurisdictional Restrictions.*”

Risk Factors

Each Tender Offer involves material risks. See “*Risk Factors.*”

Announcements

The Government will make (or cause to be made) all announcements regarding the Tender Offers by press release issued to news media in accordance with applicable law and by an announcement on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of the Bermuda Stock Exchange (www.bsx.com), which websites are not incorporated herein by reference, and on the Offers Website. See “*The Tender Offers—Communications.*”

Offers Website

The website <http://www.gbsc-usa.com/Bermuda> operated by the Tender and Information Agent for the purpose of the Tender Offers.

The Bermuda Stock Exchange

The Existing Notes are listed on the Bermuda Stock Exchange (“**BSX**”). Any purchase, redemption or cancellation by the Government of any of the Existing Notes must be disclosed to the BSX without delay after such purchase, redemption or cancellation.

The Government must submit to the BSX copies of all circulars to Holders of the Existing Notes at the same time they are issued. The Government must therefore make copies of this Offer to Purchase available to the BSX at the same time as it becomes available to the Holders of the Existing Notes.

Any Existing Notes repurchased under this Tender Offer must be delisted from the BSX following repurchase. The Government has made arrangements through its listing sponsor, Ocorian Securities (Bermuda) Limited, to notify the BSX of the results of the Tender Offer and to apply for the delisting of any Existing Notes purchased in the Tender Offers.

INFORMATION ABOUT THE GOVERNMENT

Discovered by Spanish navigator Juan de Bermudez in 1503, Bermuda was first settled and claimed by the British Virginia Company following a shipwreck in 1609. The representative Assembly, established in 1620, is the third oldest continuous parliament in the world. Today, Bermuda is a self-governing British Overseas Territory comprising the Bermudas or Somers Islands, an archipelago of some 150 islands in the Atlantic Ocean approximately, 570 nautical miles southeast of the state of North Carolina. Bermuda is approximately 22 miles long, rarely more than one mile wide and has 60 miles of coastline. Its principal municipal areas are Hamilton, the capital, and the Town of St. George.

Bermuda is the most populous British Overseas Territory, with an estimated population of 64,054 as of July 2020. The population density is relatively high, with approximately 3,100 people per square mile. Based on the 2016 Census, approximately 70% of the population was born in Bermuda. The official language of Bermuda is English. The majority of foreign-born residents without Bermudian status consists primarily of the employees of Bermuda's many international businesses and their dependents. Although Bermuda has a labor force with a wide range of skills, it is insufficient to meet the territory's growing needs. Therefore, the Government has taken measures to increase the number of people in the work force, including lifting term limits on work permits and proposing legislation to grant permanent residency status to certain groups of Bermuda residents.

In accordance with the Government's latest estimates, for the year ended March 31, 2020, the Government had total revenues of \$1.1 billion and total expenditures of \$1.1 billion.

RISK FACTORS

In deciding whether to participate in the Tender Offers, each Holder should consider carefully, in addition to the other information contained in this Offer to Purchase, the following:

Limited Trading Market; Increased Volatility. To the extent that Existing Notes of a series are purchased by the Government pursuant to the Tender Offers, the trading markets for the Existing Notes of such series that remain outstanding will become more limited. A debt security with a smaller outstanding principal amount available for trading (a smaller “float”) may command a lower price than would a comparable debt security with a greater float. Therefore, the market price for Existing Notes of a series not purchased may be affected adversely to the extent the amount of Existing Notes of such series purchased by the Government reduces the float of the Existing Notes of such series. On the other hand, if the Government’s purchase of the Existing Notes is viewed by the market as significant positive news due to its potential beneficial impact on the Government’s debt maturity profile, the price of the Existing Notes could rise following completion of the Tender Offers to a level greater than the applicable Purchase Price. The reduced float may also make the trading price of the Existing Notes more volatile. The extent of the public market for the Existing Notes following consummation of the Tender Offers will depend upon the number of Holders that remain at such time, the interest in maintaining markets in the Existing Notes on the part of securities firms and other factors. There can be no assurance that any trading market will exist for the Existing Notes following the Tender Offers.

Other Purchases of Existing Notes. Whether or not the Tender Offers are consummated, the Government may acquire, from time to time following completion or cancellation of the Tender Offers, Existing Notes other than pursuant to the Tender Offers, including through open market purchases, privately negotiated transactions, tender offers, exchange offers or otherwise, upon such terms and at such prices as they may determine, or pursuant to the redemption provisions set forth in the indentures pursuant to which the Existing Notes were issued, which may be more or less than the prices to be paid pursuant to the Tender Offers and could be for cash or other consideration. The effect of any of these actions may directly or indirectly affect the price of any Existing Notes that remain outstanding after the consummation of the Tender Offers.

Enforcement of Civil Liabilities. The Government is a sovereign entity. Consequently, it may be difficult for you or a trustee to obtain or enforce judgments of courts in New York or elsewhere against the Government. See “*Certain Offer Matters—Jurisdiction; Enforcement of Judgments.*”

Holders are Responsible for Complying with the Procedures of the Tender Offers. In order to be eligible to receive the applicable Purchase Price for your Existing Notes, you will need to properly deliver such Existing Notes through the applicable clearing system (DTC, Euroclear or Clearstream) in accordance with the procedures and in the timeframe provided in this Offer to Purchase. If you hold Existing Notes through a broker, it is your responsibility to ensure that your broker is aware of the times by which such clearing systems must receive your Existing Notes. Failure to deliver your Existing Notes on a timely basis may result in the cancellation of your Tender. See “*The Tender Offers—Tender Procedures.*”

Tenders of the Existing Notes, or Portions Thereof May be Rejected due to Proration. Tenders of the Existing Notes may be subject to proration, on the basis described under “*The Tender Offers—Aggregate Maximum Tender Amount; Proration.*” If there is proration, Tenders in any Tender Offer of Existing Notes will be accepted solely up to the Aggregate Maximum Tender Amount. Tenders of each series of the Existing Notes may be rejected in whole or in part as a result of proration.

The Purchase Prices for the Existing Notes May Not Reflect Their Fair Value. The consideration offered to purchase the Existing Notes does not reflect any independent valuation of the Existing Notes. We have not obtained or requested a fairness opinion from any banking or other firm as to the fairness of the consideration for the Existing Notes. If you tender Existing Notes, you may or may not receive more or as much value than if you chose to keep them.

One or More of the Tender Offers May not be Consummated. Each Tender Offer is subject to the satisfaction of certain conditions. See “*The Tender Offers—Conditions to the Tender Offers.*” It is possible that the Aggregate Maximum Tender Amount may be exceeded or one or more other conditions to the Tender Offers might not be satisfied with respect to a series of Existing Notes, and such series of Existing Notes will not be accepted for purchase, even if the conditions are met with respect to other series of Existing Notes and which series of Existing Notes is accordingly accepted for purchase. Even after we announce acceptance of valid tenders of Existing Notes

pursuant to the Tender Offers, no assurance can be given that any or all of the Tender Offers will be completed. Even if the Tender Offers are completed, they may not be completed on the schedule described in this Offer to Purchase. Accordingly, Holders participating in the Tender Offers may have to wait longer than expected to receive their consideration, during which time such Holders will not be able to effect transfers of their Existing Notes tendered in the Tender Offers.

One or More of the Tender Offers May be Amended or Terminated. Subject to applicable law and limitations described elsewhere in this Offer to Purchase, the Government may, in its sole discretion, extend, amend, waive any condition of or, upon failure of any condition described herein to be satisfied or waived, terminate any or all of the Tender Offers at any time at or prior to the applicable Expiration Time. The Government also reserves the right, in its sole discretion, subject to applicable law, to terminate any or all of the Tender Offers at any time at or prior to the Expiration Time.

THE TENDER OFFERS

Introduction

The Tender Offers are to purchase for cash up to \$500,000,000 aggregate principal amount (with no condition that any minimum or maximum principal amount of any series is tendered) of the Existing Notes listed in the table below:

<u>Title of Existing Notes</u>	<u>ISIN/CUSIP Numbers</u>	<u>Outstanding Principal Amount as of the date hereof</u>
4.138% Senior Notes due 2023	USG10367AA14 / G10367 AA1 (Reg S) US085209AB07 / 085209 AB0 (144A)	\$475,000,000
4.854% Senior Notes due 2024	USG10367AB96 / G10367 AB9 (Reg S) US085209AC89 / 085209 AC8 (144A)	\$550,000,000
3.717% Senior Notes due 2027	USG10367AD52 / G10367 AD5 (Reg S) US085209AD62 / 085209 AD6 (144A)	\$665,000,000
4.750% Senior Notes due 2029	USG10367AF01 / G10367AF0 (Reg S) US085209AF11 / 085209AF1 (144A)	\$620,000,000

The Tender Offers are made subject to the terms and conditions set forth in this Offer to Purchase, including the concurrent (or earlier) closing of the New Notes Offering in an aggregate principal amount, with pricing and on terms and conditions acceptable to the Government, and the dealer manager agreement relating to the Tender Offers not having been terminated prior to or at the time of the settlement of the Tender Offers. See “—*Conditions to the Tender Offers.*” The Tender Offers are not conditioned upon any minimum participation of Existing Notes.

Source of Funds

The Tender Offers are subject to a number of conditions, including that the Government concurrently (or earlier) consummate the New Notes Offering, in an aggregate principal amount, with pricing and on terms and conditions acceptable to the Government. Unless the Tender Offers are early terminated by the Government under the terms specified herein, the Government will apply a portion of the net proceeds of the New Notes Offering to purchase, on the Settlement Date, Existing Notes accepted for purchase at the applicable Purchase Price, plus Accrued Interest in respect of such series of Existing Notes.

The New Notes Offering will be made solely by means of an offering memorandum relating to that offering, and this Offer to Purchase does not constitute an offer to sell or the solicitation of an order to buy the New Notes.

Purchase Price; Determination of the Purchase Price

Upon the terms and subject to the conditions set forth in this Offer to Purchase, Holders of Existing Notes who validly tender Existing Notes at or prior to the Expiration Time and whose Existing Notes are accepted for purchase by us, will receive the applicable Purchase Price for each \$1,000 principal amount of Existing Notes, which will be payable in cash.

The Purchase Price applicable to a series of Existing Notes will be calculated at the Price Determination Time. The Purchase Price payable by us for each \$1,000 principal amount of each series of Existing Notes validly tendered at or prior to the Expiration Time and accepted by us pursuant to the Tender Offers, will be determined in accordance with standard market practice by the Dealer Managers, as described in this Offer to Purchase, using the applicable maturity date or par call date, as applicable (each, a “Tender Offer Yield”), which will be equal to the sum of:

- (i) the yield (the “Reference Yield”), as calculated by the Dealer Managers, that equates to the bid-side price of the applicable Reference U.S. Treasury Security specified on the front cover of this Offer to Purchase for such series of Existing Notes at the Price Determination Time appearing on the Bloomberg Reference Page specified on the front cover of this Offer to Purchase for such series of Existing Notes (or any other recognized quotation source selected by the Dealer Managers in their sole discretion if such quotation report is not available on a timely basis or is manifestly erroneous), *plus*
- (ii) the applicable Fixed Spread specified on the front cover of this Offer to Purchase for such series of Existing Notes.

The applicable Purchase Price payable by us for each \$1,000 principal amount of each series of Existing Notes accepted by us will equal:

- (i) the present value on the Settlement Date, as determined on the Price Determination Time, of \$1,000 principal amount of such Existing Notes due on the applicable maturity date or par call date, as applicable, of such Existing Notes and all scheduled interest payments on such principal amount of Existing Notes to be made from (but excluding) the Settlement Date, up to and including the applicable maturity date or par call date, as applicable, discounted to the Settlement Date, in accordance with standard market practice as described by the formula set forth in Annex A to this Offer to Purchase, at a discount rate equal to the applicable Tender Offer Yield, *minus*
- (ii) the applicable Accrued Interest, up to but excluding the Settlement Date, per \$1,000 principal amount of such Existing Notes;

such price being rounded to the nearest cent (\$0.01) per \$1,000 principal amount of such Existing Notes.

Promptly after the Price Determination Time, the Government will issue a press release specifying the Tender Offer Yield and Purchase Price for each series of Existing Notes.

The method for calculating the Purchase Price is set forth in Annex A to this Offer to Purchase. For reference purposes, a hypothetical calculation of the Purchase Price for each series of Existing Notes is set forth in Annex B to this Offer to Purchase.

Because the Purchase Price for each series of Existing Notes is based on a fixed spread pricing formula linked to the Tender Offer Yield, the actual amount of consideration that may be received by a Holder validly tendering Existing Notes pursuant to the applicable Tender Offer will be affected by changes in the Tender Offer Yield during the term of the applicable Tender Offer prior to the Price Determination Time.

In the event of any dispute or controversy regarding the Purchase Price or Accrued Interest with respect to any series of Existing Notes, the determination of the Dealer Managers shall be conclusive and binding, absent manifest error.

Accrued Interest

Holders who tender their Existing Notes on or prior to the Expiration Time will be eligible to receive the applicable Purchase Price per \$1,000 principal amount of Existing Notes, as set forth on the cover of this Offer to Purchase.

In addition to the applicable Purchase Price, Holders whose Existing Notes are accepted for purchase by the Government will also receive Accrued Interest with respect to their tendered Existing Notes from, and including, the last interest payment date for such Existing Notes to, but excluding, the Settlement Date. Accrued Interest will be payable on the Settlement Date. Accrued Interest on a series of Existing Notes, taken together with the applicable Purchase Price for such Existing Notes, will be rounded to the nearest cent (\$0.01) per \$1,000 principal amount.

In the event of any dispute or controversy regarding any amount of Accrued Interest for each Existing Note accepted pursuant to the Tender Offers, the determination of the Government will be conclusive and binding, absent manifest error.

Announcement of Accepted Tenders

The Government expects to announce the aggregate principal amount of Tenders of each series of Existing Notes received on or prior to the Expiration Time, as well as the principal amount of Tenders of each series of Existing Notes that has been accepted and whether any proration of Tenders of any series of Existing Notes has occurred, on August 17, 2020, or as soon as possible thereafter, to news media in accordance with applicable law and by an announcement on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of the Bermuda Stock Exchange (www.bsx.com), which websites are not incorporated herein by reference, and on the Offers Website.

No Recommendation

NONE OF THE GOVERNMENT, THE DEALER MANAGERS OR THE TENDER AND INFORMATION AGENT MAKES ANY RECOMMENDATION THAT ANY HOLDER TENDER OR REFRAIN FROM TENDERING ALL OR ANY PORTION OF THE PRINCIPAL AMOUNT OF SUCH HOLDER'S EXISTING NOTES, AND NO ONE HAS BEEN AUTHORIZED BY ANY OF THEM TO MAKE SUCH A RECOMMENDATION. HOLDERS MUST MAKE THEIR OWN DECISIONS WHETHER TO TENDER EXISTING NOTES INTO ANY OR ALL OF THE TENDER OFFERS, AND, IF SO, THE PRINCIPAL AMOUNT OF EXISTING NOTES TO TENDER.

Duration of the Tender Offers; Amendments

Each Tender Offer will commence on August 10, 2020, and expire at the Expiration Time unless extended or earlier terminated by the Government in its sole discretion.

If any or all of the Tender Offers are extended or earlier terminated, the term "Expiration Time" shall mean the time and date on which the affected Tender Offer, as so extended or earlier terminated, shall expire.

The Price Determination Time is 2:00 p.m. (New York City time) on August 17, 2020, unless extended, in which case the Price Determination Time will be such date which the Price Determination Time is extended.

Subject to applicable law, the Government expressly reserves the right, for any reason and in its sole discretion, to:

- modify the Aggregate Maximum Tender Amount;
- extend or change the period of time during which one or more of the Tender Offers shall remain open at any time and from time to time by giving oral or written notice of such extension or change to the Dealer Managers and the Tender and Information Agent;
- increase the Purchase Price for one or more series of Existing Notes;
- prospectively terminate or withdraw one or more of the Tender Offers at any time; or
- amend the terms of one or more of the Tender Offers in any other respect.

There can be no assurance that the Government will exercise its right to extend, terminate or amend one or more of the Tender Offers. The terms of any extension or an amendment of the terms or conditions of one or more of the Tender Offers may vary from the original terms of such Tender Offer(s) depending on such factors as prevailing interest rates and the principal amount of Existing Notes previously tendered or otherwise purchased.

Any extension, termination or amendment of the Tender Offers will be followed, as promptly as practicable, by public announcement thereof. The Government shall communicate such public announcement by issuing a press release in accordance with applicable law and by an announcement on the website of the Luxembourg Stock Exchange (www.bourse.lu) and the website of the Bermuda Stock Exchange (www.bsx.com), which websites are not incorporated herein by reference and on the Offers Website run by the Tender and Information Agent (<http://www.gbsc-usa.com/Bermuda>). See "*The Tender Offers—Communications*."

Aggregate Maximum Tender Amount; Proration

The amount of Existing Notes accepted for purchase in the Tender Offers will be based on the Aggregate Maximum Tender Amount and the proration arrangements applicable to the Tender Offers.

Aggregate Maximum Tender Amount

The Aggregate Maximum Tender Amount will be \$500,000,000 aggregate principal amount of Existing Notes. The Government reserves the right, but is under no obligation, to increase the Aggregate Maximum Tender Amount at any time, subject to compliance with applicable law, which could result in the Government purchasing a

greater aggregate principal amount of Existing Notes in the Tender Offers. There can be no assurance that the Government will exercise its right to increase the Aggregate Maximum Tender Amount.

Proration

Acceptance for tenders of any series of Existing Notes may be subject to proration if the aggregate principal amount of Existing Notes validly tendered would cause the Aggregate Maximum Tender Amount to be exceeded.

If proration of the tendered Existing Notes of any series is required, the Government will determine the final proration factor applicable to such series of Existing Notes as soon as practicable after the Expiration Time. The Government will announce the proration factor and the results of such proration as described in “—*Announcement of Accepted Tenders.*” Holders may obtain such information from the Dealer Managers and may be able to obtain such information from their brokers.

Each Tender that is pro-rated will be rounded down to the nearest \$1,000 principal amount, proportionately to the relative size of such Tender to all Tenders in the Tender Offer for such series of Existing Notes, according to the proration factor for such series of Existing Notes determined by the Government in its sole discretion, so that the aggregate principal amount of all Tenders accepted by the Government equals or does not exceed the Aggregate Maximum Tender Amount.

Tender Procedures

Procedures for Submitting Tenders

By tendering Existing Notes, you will be deemed to have made certain acknowledgments, representations, warranties and undertakings to the Government, the Dealer Managers and the Tender and Information Agent. See “*Holders’ Representations, Warranties and Undertakings.*”

You must submit all of your Existing Notes to be tendered through the applicable clearing system (DTC, Euroclear or Clearstream). Failure to deliver your Existing Notes on time may result in the cancellation of your Tender.

A defective tender of Existing Notes will not entitle the Holder thereof to the applicable Purchase Price unless the relevant defect is waived by the Government. Any beneficial owner whose Existing Notes are registered in the name of a custodian, nominee or participant of DTC and who wishes to tender its Existing Notes should contact such custodian, nominee or participant promptly and instruct such custodian, nominee or participant to tender Existing Notes on such beneficial owner’s behalf.

A separate Electronic Acceptance Instruction must be submitted on behalf of each beneficial owner who holds Existing Notes through Euroclear or Clearstream.

The Tender by a Holder of Existing Notes (and subsequent acceptance of such Tender by the Government) pursuant to one of the procedures set forth below will constitute a binding agreement between such Holder and the Government in accordance with the terms and subject to the conditions set forth in this Offer to Purchase.

Each direct participant in DTC, Euroclear or Clearstream, by validly tendering the Existing Notes, will be deemed to have given the authority to the relevant clearing system to provide details concerning such direct participant’s identity to the Tender and Information Agent.

The method of delivery of Existing Notes and all other required documents, including delivery through DTC and any acceptance of an Agent’s Message transmitted through ATOP or an Electronic Acceptance Instruction transmitted through Euroclear or Clearstream, is at the election and risk of the person tendering Existing Notes and delivery will be deemed made only when actually received by the Tender and Information Agent.

There will be no letter of transmittal for the Tender Offers.

Only registered Holders of Existing Notes are authorized to tender their Existing Notes pursuant to the Tender Offers. Accordingly, to properly tender Existing Notes or cause Existing Notes to be tendered, the following procedures must be followed.

Tenders of Existing Notes Held through DTC

The Tender Offers are eligible for ATOP. Accordingly, DTC participants may electronically transmit their acceptance of Tender Offer by causing DTC to transfer their Existing Notes and indicate delivery to the Tender and Information Agent in accordance with DTC's ATOP procedures. DTC will then send an Agent's Message to the Tender and Information Agent.

The term "Agent's Message" means a message transmitted by DTC, received by the Tender and Information Agent, and forming part of the Book-Entry Confirmation (as defined herein), which states that DTC has received an express acknowledgment from the DTC participant tendering Existing Notes which are the subject of such Book-Entry Confirmation and that such DTC participant has received and agrees to be bound by the terms of the applicable Tender Offer as set forth in this Offer to Purchase and that the Government may enforce such agreement against such participant. **Holders seeking to tender their Existing Notes prior to the Expiration Time should note that they must allow sufficient time for completion of the ATOP procedures during the normal business hours of DTC on such date.** Tenders not received by the Tender and Information Agent prior to the Expiration Time will be disregarded and of no effect.

The Tender and Information Agent will establish and maintain one or more accounts with respect to the Existing Notes at DTC promptly after the date of this Offer to Purchase (to the extent such arrangements have not been made previously by the Tender and Information Agent), and any financial institution that is a participant in DTC and whose name appears on a security position listing as the owner of the Existing Notes may make book-entry delivery of Existing Notes by causing DTC to transfer such Existing Notes into the Tender and Information Agent's account in accordance with DTC's procedures for such transfer. The confirmation of a book-entry transfer of Existing Notes into the Tender and Information Agent's account at DTC as described above is referred to herein as a "Book-Entry Confirmation." Delivery of documents to DTC in accordance with such DTC procedures does not constitute delivery to the Tender and Information Agent.

Tenders of Existing Notes through Euroclear or Clearstream

To tender Existing Notes held through Euroclear or Clearstream, a Holder who is not a direct participant in Euroclear or Clearstream must arrange for a direct participant to deliver its Electronic Acceptance Instruction, which includes its Note Instructions, to Euroclear or Clearstream in accordance with the deadlines specified by Euroclear or Clearstream at or prior to the Expiration Time in order to be eligible to receive the applicable Purchase Price. Only a direct participant in Euroclear or Clearstream may submit an Electronic Acceptance Instruction to Euroclear or Clearstream.

The term "Note Instructions" means, with respect to a series of Existing Notes held through Euroclear or Clearstream, irrevocable instructions to (i) block any attempt to transfer a Holder's Existing Notes of such series at or prior to the Settlement Date; and (ii) debit the Holder's account on the Settlement Date in respect of all of the Existing Notes of such series that have been tendered by the Holder, or in respect of such lesser portion of the Holder's Existing Notes of such series as are accepted by the Government, upon receipt of an instruction from the Tender and Information Agent, subject in each case to the automatic withdrawal of the irrevocable instruction in the event that the Tender Offer for such series of Existing Notes is terminated by the Government prior to its Expiration Time, as notified to Euroclear or Clearstream by the Tender and Information Agent. Note Instructions can be delivered only by direct participants in Euroclear and Clearstream.

A Holder's Electronic Acceptance Instruction, which includes its Note Instructions, must be delivered and received by Euroclear or Clearstream in accordance with the procedures established by them and at or prior to the deadlines established by each of those clearing systems. **Holders are responsible for informing themselves of these deadlines and for arranging the due and timely delivery of Note Instructions to Euroclear or Clearstream.**

Beneficial owners that hold Existing Notes through a custodian may not submit an Electronic Acceptance Instruction directly. Such Holders should contact and instruct their relevant custodians to submit an Electronic Acceptance Instruction on such Holder's behalf.

Unique Identifier Code

Tendering Holders who wish to tender their Existing Notes for cash and also subscribe for the New Notes should obtain a Unique Identifier Code by contacting the Dealer Managers, in their ATOP or Electronic Acceptance

Instruction. A Unique Identifier Code is not required for a Holder to tender its Existing Notes, but if a tendering Holder wishes to subscribe for the New Notes, such Holder should quote their Unique Identifier Code in its ATOP or Electronic Acceptance Instruction.

The Government will review tender instructions received on or prior to the Expiration Time and may give priority to those investors tendering with Unique Identifier Codes in connection with the allocation of New Notes. The Government may, in its sole and absolute discretion, decline to accept an application quoting the Unique Identifier Code in the event that the Holder specifies a wrong Unique Identifier Code or in the case there is any other defect related to the Unique Identifier Code. The Government reserves the right to waive any such defect, and no assurances can be given that any Holder that tenders Existing Notes will be given an allocation of New Notes at the levels it may subscribe for, or at all.

This Offer to Purchase is not an offer to sell or a solicitation of an offer to buy the New Notes.

The receipt of a Unique Identifier Code in conjunction with any tender of the Existing Notes in a Tender Offer is not an application for the purchase of the New Notes. In order to apply for the purchase of the New Notes, such Holder must make a separate application to any of the joint bookrunners for the New Notes, for the purchase of such New Notes.

For the avoidance of doubt, the ability to purchase New Notes and for the use of Unique Identifier Codes to be effective is subject to all applicable securities laws and regulations in force in any relevant jurisdiction (including the jurisdiction of the relevant Holder and the selling restrictions set out in the offering documents regarding the New Notes). **It is the sole responsibility of each Holder to satisfy itself that it is eligible to purchase the New Notes prior to requesting a Unique Identifier Code.**

Any investment decision to purchase any New Notes should be made solely on the basis of the information contained in the offering memorandum (the “Offering Memorandum”) to be prepared in connection with the issue and offering of the New Notes, and no reliance is to be placed on any information other than that contained in the Offering Memorandum. Subject to compliance with all applicable securities laws and regulations, the Offering Memorandum will be available from the joint bookrunners on request.

The New Notes have not been and will not be registered under the Securities Act or the securities laws of any jurisdiction. Accordingly, the New Notes are being offered and sold only to qualified institutional buyers as defined in and in accordance with Rule 144A under the Securities Act (“Rule 144A”) and outside the United States in accordance with Regulation S under the Securities Act (“Regulation S”).

No Guaranteed Delivery

No guaranteed delivery procedures are being offered in connection with the Tender Offers. As Holders are authorized to tender their Existing Notes only through DTC, Euroclear or Clearstream, beneficial owners of Existing Notes that are held in the name of a custodian must contact such entity sufficiently in advance of the Expiration Time if they wish to tender their Existing Notes and be eligible to receive the applicable Purchase Price for such Existing Notes.

Acceptance of Tenders

The Government will accept valid tenders of Existing Notes for purchase in such amounts as the Government shall determine (subject to the terms and conditions of the Tender Offers, including subject to potential proration in respect of Tenders up to the Aggregate Maximum Tender Amount and potential increase of the Aggregate Maximum Tender Amount in the Government’s sole discretion). **Tenders that are accepted will be settled solely by the Government on the Settlement Date, subject to the satisfaction or waiver by the Government (in its sole discretion) of the terms and conditions of the Tender Offers.** The Government reserves the right, in its sole discretion, not to accept any Tenders for any reason.

In all cases, the Government will purchase Existing Notes accepted for purchase pursuant to the Tender Offers only after timely receipt by the Tender and Information Agent of (a)(i) confirmation of satisfaction of DTC’s ATOP procedures set forth above under “—*Tender Procedures*,” or (ii) timely confirmation of the submission of valid Electronic Acceptance Instructions pursuant to the procedures of Euroclear or Clearstream set forth under “*Procedures for Tendering Existing Notes*” and (b) any other documents required thereby.

For purposes of the Tender Offers, the Government will be deemed to have accepted validly tendered and validly delivered Existing Notes when, as and if the Government gives oral or written notice thereof to the Tender and Information Agent. Payment for Existing Notes accepted for purchase pursuant to the Tender Offers will be made by the Government depositing (or causing the deposit of) such payment with DTC, Euroclear or Clearstream, as applicable, which will act as agents for the tendering Holders for the purpose of receiving the applicable Purchase Price (plus Accrued Interest), and transmitting such Purchase Price (and Accrued Interest), to such Holders. Under no circumstances will any additional amount be paid by the Government or the Tender and Information Agent by reason of any delay in making such payment.

If the aggregate principal amount of all Tenders for Existing Notes exceeds the Aggregate Maximum Tender Amount, then each Tender shall be prorated in accordance with the procedures set forth above under “—*Aggregate Maximum Tender Amount; Proration—Proration.*”

If any tendered Existing Notes are not accepted for purchase or payment as a result of proration or because of an invalid tender or the occurrence or non-occurrence of certain other events set forth herein or otherwise, then such Existing Notes tendered will be credited to the account maintained at the relevant clearing system from which such Existing Notes were delivered promptly after the Expiration Time or the termination of the applicable Tender Offer.

No alternative, conditional or contingent tenders of Existing Notes will be accepted. A tendering Holder, by electronically transmitting its acceptance through ATOP or an Electronic Acceptance Instruction, as applicable, waives all rights to receive notice of acceptance of such Holder’s Existing Notes for purchase.

The Government shall not be liable for payments to any Holder of Existing Notes validly tendered and accepted for purchase if such Holder fails to deliver such Existing Notes on or prior to the settlement of the Tender Offers as described herein.

The Government reserves the right, in its sole discretion, not to accept any Tenders for any reason.

Minimum Denomination

Each series of Existing Notes may be tendered and accepted for payment only in principal amounts equal to the Minimum Denomination of \$200,000 and integral multiples of \$1,000 in excess thereof. No alternative, conditional or contingent tenders will be accepted. Holders who tender less than all of their Existing Notes must continue to hold Existing Notes in at least the Minimum Denomination of \$200,000 principal amount.

Depending on the amount tendered and the proration factor applied, if the principal amount of any series of Existing Notes that are unaccepted and returned to a Holder as a result of proration would result in less than the applicable Minimum Denomination being returned to such Holder, the Government will either accept or reject all of such Holder’s validly tendered Existing Notes of such series.

Withdrawal Rights

Holders of Existing Notes will not have withdrawal rights with respect to the Tender Offers, unless required by applicable law.

Settlement; Rounding

Subject to the concurrent (or earlier) closing of the New Notes Offering and the other conditions set forth herein, the Government will purchase validly tendered and accepted Existing Notes in such amounts as previously announced by the Government on the Settlement Date, which is expected to be August 20, 2020, subject to change without notice.

The Government will cancel Existing Notes purchased pursuant to the Tender Offers promptly following the Settlement Date.

Failure to deliver Existing Notes on time may result in the cancellation of your Tender.

Payments for Existing Notes purchased pursuant to the Tender Offers will be made in same day funds to the applicable clearing system. The amount of cash a Holder will receive for its tendered Existing Notes accepted for

purchase will be rounded to the nearest cent (\$0.01). The determination by the Government and/or the Dealer Managers of any calculation or quotation made with respect to the Tender Offers shall be conclusive and binding on all Holders, absent manifest error.

Conditions to the Tender Offers

The Government reserves the right, in its sole discretion, not to accept any Tenders for any reason. The Tender Offers are conditioned upon the concurrent (or earlier) closing of the New Notes Offering, in an amount, with pricing, maturity and on terms and conditions acceptable to the Government, and the dealer manager agreement relating to the Tender Offers not having been terminated prior to or on the Settlement Date. Each of the foregoing conditions is for the sole benefit of the Government and may only be waived by the Government, in whole or in part, at any time and from time to time, in its sole discretion. In addition, notwithstanding any other provisions of the Tender Offers, each Tender Offer is conditioned upon there not having been threatened, instituted or pending any action or proceeding before any court or governmental, regulatory or administrative body that (1) makes or seeks to make illegal the purchase of Existing Notes pursuant to such Tender Offer; (2) would or might result in a delay in, or restrict, the ability of the Government to purchase Existing Notes or issue the New Notes; or (3) imposes or seeks to impose limitations on the ability of the Government to issue and/or price the New Notes in an aggregate principal amount, with pricing and on terms and conditions acceptable to the Government. Any determination by the Government concerning the conditions set forth above (including whether or not any such condition has been satisfied or waived, except as in the case of the termination of the dealer manager agreement relating to the Tender Offers) will be final and binding upon all parties.

Market for the Existing Notes

The Government will cancel the Existing Notes it acquires in the Tender Offers following completion of the Tender Offers. Accordingly, this transaction will reduce the aggregate principal amount of each series of Existing Notes acquired in the Tender Offers that otherwise might trade in the market, which could adversely affect the liquidity and market value of the remaining Existing Notes of the affected series that the Government does not acquire.

Communications

Information about the Tender Offers will be published, to the extent provided in this Offer to Purchase, by means of press releases to an international news service in accordance with applicable law.

Without limiting the manner in which such public announcement may be made, the Government shall not have any obligation to publish, advertise or otherwise communicate such public announcement other than to news media in accordance with applicable law and by an announcement on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of the Bermuda Stock Exchange (www.bsx.com), which websites are not incorporated herein by reference and on the Offers Website run by the Tender and Information Agent (<http://www.gbsc-usa.com/Bermuda>).

Holders may obtain information about the Tender Offers by contacting the Dealer Managers or the Tender and Information Agent at the addresses and telephone numbers listed on the inside back cover of this Offer to Purchase.

Certain Other Matters

Each proper acceptance of Existing Notes will constitute the binding agreement of the tendering Holder of such Existing Notes to deliver such Existing Notes at a clearing system as described in this Offer to Purchase and to settle the Tender of such Existing Notes on the Settlement Date. The acceptance of the applicable Tender Offer by a Holder with respect to any Existing Notes will constitute the agreement by such Holder to deliver good and marketable title to such Existing Notes on the Settlement Date, free and clear of all liens, charges, claims, encumbrances, interests and restrictions of any kind.

Payment for Existing Notes accepted for purchase pursuant to the Tender Offers will in all cases be made only after timely receipt by the Tender and Information Agent of (i) in the case of a tender through DTC, a timely Book-Entry Confirmation with respect to such Existing Notes, or in the case of a tender through ATOP, an Agent's Message, or (ii) in the case of a tender through Euroclear or Clearstream, an Electronic Acceptance Instruction, which includes its Note Instructions. Under no circumstances will interest be paid on the Purchase Price as a result of any delay in making such payments.

All questions as to the validity, form and eligibility (including time of receipt), any acceptance of the Tender Offers and any sale pursuant thereto will be determined by the Government, in its sole discretion, which determination shall be final and binding. The Government reserves the absolute right, in its sole discretion, to reject any and all Tenders not in proper form or for which the corresponding agreement to purchase, in its opinion, would be unlawful. The Government also reserves the absolute right in its sole discretion to waive any defects, irregularities or conditions in acceptances and settlement with regard to any particular Existing Notes.

None of the Government, the Dealer Managers, the Tender and Information Agent or any other person will be under any duty to give notice to accepting or selling Holders of Existing Notes of any defects or irregularities in acceptances or sales, nor shall any of them incur any liability for failure to give such notice.

The determination of the applicable Purchase Price, the calculation of the applicable Accrued Interest and any other calculation or quotation made by the Government and/or the Dealer Managers with respect to the Tender Offers shall be conclusive and binding on all Holders, absent manifest error. The Government's interpretation of the terms and conditions of the Tender Offers will be final and binding.

The Government reserves the right at any time or from time to time, following completion or cancellation of the Tender Offers, to purchase Existing Notes (including, without limitation, those tendered pursuant to the Tender Offers but not accepted), in the open market, in privately negotiated transactions, through subsequent tender offers or otherwise, in each case, on terms and subject to the conditions that may be more or less favorable to the Holders of such Existing Notes than those contemplated by the Tender Offers. The making of any such new offers and the issuance of any new invitation will depend on various factors, including interest rates prevailing at such time and the principal amount of Existing Notes, if any, retired pursuant to the Tender Offers.

TAXATION

General

A Tender of Existing Notes pursuant to this Offer to Purchase that is accepted by the Government may be a taxable transaction under the laws applicable to a holder of Existing Notes. You should consult your own tax advisors to determine the particular tax consequences that apply to you in respect of the sale of Existing Notes.

Bermuda Tax Consequences Associated with the Tender Offers

At the date of this Offer to Purchase, there is no Bermuda income tax, withholding tax, capital gains tax, capital transfer tax, estate duty or inheritance tax payable by holders (other than holders ordinarily resident in Bermuda) in respect of their investment in, or sale of, the Existing Notes.

Under Bermuda law, there are no stamp or documentary taxes, duties or similar taxes or charges payable in connection with the Tender Offers.

U.S. Federal Income Taxation

The following is a summary of certain U.S. federal income tax consequences of the participation in the Tender Offers by a U.S. Holder (as defined below). This summary does not address U.S. Holders who participate in the New Notes Offering. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on the disposition of Existing Notes by particular investors (including consequences under the federal alternative minimum tax or the Medicare net investment income tax), and does not address the effects of any U.S. federal tax laws other than U.S. federal income tax laws (such as estate and gift tax laws), or any state, local, or non-U.S. tax laws. The discussion does not discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as dealers or traders in securities or currencies, banks, financial institutions, insurance companies, individual retirement accounts and other tax-deferred accounts, tax-exempt organizations, persons holding Existing Notes as a position in a “straddle,” hedging or conversion transaction, or as part of a “synthetic security” or other integrated financial transaction, U.S. citizens living abroad, persons who have ceased to be U.S. citizens or lawful permanent residents, or U.S. Holders that have a functional currency other than the U.S. dollar). This discussion assumes that you hold the Existing Notes as “capital assets” within the meaning of Section 1221 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”).

As used herein, the term “U.S. Holder” means a beneficial owner of Existing Notes that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organized under the laws of the United States, or any State thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if (A) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (B) the trust has validly elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in an entity treated as a partnership for U.S. federal income tax purposes that holds Existing Notes will depend upon the status of the partner and the activities of the partnership. Holders of Existing Notes that are entities treated as partnerships for U.S. federal income tax purposes should consult their tax advisors concerning the U.S. federal income tax consequences to them and their partners of the Tender Offers.

This summary is based on the Code, its legislative history, existing and proposed Treasury regulations promulgated thereunder, and administrative and judicial interpretations thereof, as of the date hereof, all of which are subject to change, possibly on a retroactive basis.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. EACH U.S. HOLDER OF EXISTING NOTES IS URGED TO CONSULT ITS TAX ADVISORS REGARDING THE POTENTIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE SALE OF THE EXISTING NOTES IF SUCH U.S. HOLDER TENDERS EXISTING NOTES IN THE TENDER OFFERS, INCLUDING THE EXTENT TO WHICH SUCH U.S. HOLDER'S INDIVIDUAL CIRCUMSTANCES MAY AFFECT THE GENERAL RESULTS OUTLINED HEREIN, AS WELL AS OTHER UNITED STATES FEDERAL TAX CONSIDERATIONS AND THE CONSEQUENCES OF THE TAX LAWS OF ANY FOREIGN, STATE OR LOCAL TAXING JURISDICTION.

Sales of Existing Notes

Sales of Existing Notes pursuant to the Tender Offers generally will be taxable transactions for U.S. federal income tax purposes. Subject to the discussion of the market discount rules set forth below, upon the sale of an Existing Note, you will recognize capital gain or loss in an amount equal to the difference between the amount of cash you receive (other than amounts received attributable to accrued but unpaid interest, which will be taxed as ordinary income to the extent not previously included in income) and your adjusted tax basis in the Existing Note at the time of sale. Your adjusted tax basis in an Existing Note generally will equal the amount you paid for the Existing Note, reduced (but not below zero) by any premium you have previously amortized and increased by the amount of any market discount that you have elected to include in income currently as it accrues (as described below). Any such gain or loss generally will be long-term capital gain or loss if you have held the Existing Notes for more than one year on the date of the sale. Long-term capital gains of non-corporate U.S. Holders (including individuals) are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

If you acquired the Existing Notes with market discount, any gain you recognize pursuant to the sale of the Existing Notes will be treated as ordinary income to the extent of the portion of the market discount that has accrued while you held the Existing Notes, unless you have elected to include market discount in income currently as it accrues.

In general, market discount is the excess, if any, of the principal amount of an Existing Note over your tax basis therein at the time of the acquisition (other than an acquisition at original issuance), unless the amount of the excess is less than a specified *de minimis* amount, in which case market discount is considered to be zero.

Gain or loss recognized pursuant to the Tender Offers generally will be treated as U.S.-source income or loss for U.S. foreign tax credit purposes (except that, although the matter is not free from doubt, any gain treated as ordinary income pursuant to the market discount rules should generally be treated as foreign source income). Accrued interest income with respect to the Existing Notes that is paid in connection with the Tender Offers will constitute income from sources outside the United States, and for U.S. foreign tax credit purposes such income should generally constitute "passive category income." The rules governing the U.S. foreign tax credit are complex, and each U.S. Holder is urged to consult its own tax advisor regarding the application of the rules to its particular circumstances.

Information Reporting and Backup Withholding

You generally will be subject to information reporting and backup withholding with respect to payments made pursuant to the Tender Offers unless: (i) you are an exempt recipient and demonstrate this fact or (ii) in the case of backup withholding, you provide a correct taxpayer identification number, certify as to no loss of exemption from backup withholding and otherwise comply with applicable requirements of the backup withholding rules. Backup withholding is not an additional tax and the amount of any backup withholding will be allowed as a credit against your U.S. federal income tax liability and may entitle you to a refund, provided that the required information is furnished to the Internal Revenue Service in a timely manner. You should consult your tax advisor about these rules, including the procedures for establishing an exemption for backup withholding.

JURISDICTIONAL RESTRICTIONS

The distribution of this Offer to Purchase and related materials is restricted by law in certain jurisdictions. Persons into whose possession this Offer to Purchase come are required by the Government and the Dealer Managers to inform themselves of and to observe any of these restrictions. Each person accepting the Tender Offers shall be deemed to have represented, warranted and agreed (in respect of itself and any person for whom it is acting) that it is not a person to whom it is unlawful to make an Offer pursuant to this Offer to Purchase (including under the applicable securities laws referenced below), it has not distributed or forwarded this Offer to Purchase or any other documents or materials relating to the Tender Offers to any such person, and it has complied with all laws and regulations applicable to it for the purposes of its participation in the Tender Offers.

This Offer to Purchase does not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which an offer or solicitation is not authorized or in which the person making an offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make an offer or solicitation. Neither the Government nor the Dealer Managers accepts any responsibility for any violation by any person of the restrictions applicable in any jurisdiction.

In any jurisdiction in which the Tender Offers are required to be made by a licensed broker or dealer and in which the Dealer Managers or any of their respective affiliates is so licensed, it shall be deemed to be made by the Dealer Managers or such affiliates.

General

The Dealer Managers and the Tender and Information Agent (and their respective directors, employees or affiliates) make no representations or recommendations whatsoever regarding this Offer to Purchase or the Tender Offers. The Tender and Information Agent is an agent of the Government and owes no duty to any Holder of Existing Notes. None of the Government, the Dealer Managers or the Tender and Information Agent makes any recommendation as to whether or not Holders of Existing Notes should participate in the Tender Offers or refrain from taking any action in the Tender Offers with respect to any of such Existing Notes, and none of them has authorized any person to make any such recommendation.

None of this Offer to Purchase or any other documents or materials relating to the Tender Offers constitutes an offer to buy or the solicitation of an offer to sell Existing Notes (and Tenders of Existing Notes in the Tender Offers will not be accepted from Holders of Existing Notes) in any circumstances or jurisdiction in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require the Tender Offers to be made by a licensed broker or dealer and the Dealer Managers or any of their respective affiliates is such a licensed broker or dealer in such jurisdictions, the Tender Offers shall be deemed to be made by the Dealer Managers or their respective affiliates (as the case may be) on behalf of the Government in such jurisdiction and the Tender Offers are not made in any such jurisdiction where either the Dealer Managers or any of their respective affiliates is not licensed.

Each Holder of Existing Notes participating in the Tender Offers will be deemed to have given certain representations in respect of the jurisdictions referred to above, and generally, on submission of the Existing Notes for tender in the Tender Offers. Any Tender of Existing Notes for purchase pursuant to the Tender Offers from a Holder of Existing Notes that is unable to make these representations may be rejected. Each of the Government, the Dealer Managers and the Tender and Information Agent reserves the right, in their absolute discretion, to investigate, in relation to any tender of Existing Notes for purchase pursuant to the Tender Offers, whether any such representation given by a Holder of Existing Notes is correct and, if such investigation is undertaken and as a result the Government determines (for any reason) that such representation is not correct, such Tender may be rejected.

Belgium

Neither this Offer to Purchase nor any other documents or materials relating to the Tender Offers have been submitted to or will be submitted for approval or recognition to the Financial Services and Markets Authority ("*Autorité des services et marchés financiers / Autoriteit financiële diensten en markten*") and, accordingly, the Offer may not be made in Belgium by way of a public offering, as defined in Articles 3 and 6 of the Belgian Law of 1 April 2007 on public takeover bids as amended or replaced from time to time. Accordingly, the Offer may not be advertised and the Offer will not be extended, and neither this Offer to Purchase nor any other documents or materials relating to the Tender Offers (including any memorandum, information circular, brochure or any similar documents) has been or shall be distributed or made available, directly or indirectly, to any person in Belgium other than "qualified

investors” as defined in Article 6 of the Belgian Law of 1 April 2007 on public takeover bids, acting on their own account. This Offer to Purchase has been issued only for the personal use of the above qualified investors and exclusively for the purpose of the Offer. Accordingly, the information contained in this Offer to Purchase may not be used for any other purpose or disclosed to any other person in Belgium.

Bermuda

There are no restrictions on the Tender Offers in Bermuda or to Bermudian persons, except that the Tender Offers may only be made by, and the Existing Notes may only be tendered, through persons or entities duly authorized to publicly offer securities in Bermuda.

The BSX requires that issuers ensure equality of treatment for all holders of its listed securities, and therefore, the Government must ensure that the terms and conditions of the Tender Offer apply equally to all Holders of the Existing Notes.

Canada

The Tender Offers are only available in Canada to persons that are accredited investors within the meaning of National Instrument 45-106 of the Canadian Securities Administrators.

European Economic Area

This Offer to Purchase has been prepared on the basis that the Tender Offers in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”) will be exempt from the requirement to publish a prospectus for offers of securities under the Prospectus Directive. The expression “Prospectus Directive” means Directive 2003/71/EC (as amended or superseded) and includes any relevant implementing measure in the Relevant Member State.

Germany

The Tender Offers are not public offerings in the Federal Republic of Germany. The Offer may only be conducted in accordance with the provisions of the Securities Prospectus Act of the Federal Republic of Germany (*Wertpapierprospektgesetz*), as amended (“German Securities Prospectus Act”), the Commission Regulation (EC) No. 809/2004 of April 29, 2004, as amended, and any other applicable German law. No application will be made under German law to permit a public offer in the Federal Republic of Germany. Therefore, this Offer to Purchase or any other information circular, brochure or similar document is strictly for private use and the Tender Offers are only being made to recipients to whom the document is personally addressed and does not constitute an offer or advertisement to the public. This Offer to Purchase will only be available to and any other offering material in relation to the Tender Offers are directed only at persons who are qualified investors (*qualifizierte Anleger*) within the meaning of Section 2 No. 6 of the German Securities Prospectus Act. The Government has not, and does not intend to, file a securities prospectus with the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) (“BaFin”) or obtain a notification to the BaFin from another competent authority of a Member State of the European Economic Area, with which a securities prospectus may have been filed, pursuant to Section 17 Para. 3 of the German Securities Prospectus Act.

Hong Kong

The communication of this Offer to Purchase and any other documents or materials relating to the Tender Offers and/or the debt securities is not being made in Hong Kong, by means of any document, other than (a) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong) (the “CWUMPO”), or (b) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (the “SFO”) and any rules made thereunder, or (c) in other circumstances which do not result in the document being a “prospectus” as defined in the CWUMPO.

No invitation, advertisement or document relating to the Tender Offers and/or the Existing Notes has been or will be issued, or has been or will be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to

the Offer and/or the debt securities which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made thereunder.

Israel

The Tender Offers are being made pursuant to an exception to the public offering requirements of Israeli securities law. None of the Tender Offers or this Offer to Purchase has been reviewed, qualified or approved by the Israeli Securities Authority or any other government or regulatory body. This Offer to Purchase may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been delivered by the Government. None of the Government, the Dealer Managers or the Tender and Information Agent (i) counsels or advises on the worthwhileness of tendering Existing Notes, (ii) is licensed under Israel’s Regularization of Engagement in Investment Counseling, Investment Marketing and Portfolio Management Law of 1995, or (iii) carries any insurance required of a licensee under such law. Nothing in this Offer to Purchase may be considered investment counselling or advice, as defined in such law. Each Holder of Existing Notes is encouraged to consult with its own financial advisors prior to making any investment decision in connection with the Tender Offers.

Luxembourg

In Luxembourg, this announcement has been prepared on the basis that the New Notes Offering and the Tender Offers will be made pursuant to an exemption under Article 3 of the Prospectus Directive from the requirement to produce a prospectus for offers of securities.

Republic of Italy

None of this Offer to Purchase or any other documents or materials relating to the Tender Offers has been or will be submitted to the clearance procedure of the Italian Securities Exchange Commission (*Commissione Nazionale per le Società e la Borsa* or “CONSOB”) pursuant to applicable Italian laws and regulations.

The Tender Offers are being carried out in the Republic of Italy as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of February 24, 1998, as amended (the “Financial Services Act”) and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of May 14, 1999, as amended (the “Issuers’ Regulation”), as the case may be. The Tender Offers are also being carried out in compliance with article 35-bis, paragraph 7 of the Issuers’ Regulation.

A Holder of Existing Notes that is resident or is located in the Republic of Italy can tender the Existing Notes through authorized persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of February 15, 2018, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

This Offer to Purchase and the information contained herein are intended only for the use of its recipient and are not to be distributed to any third party resident and/or located in Italy for any reason. No person resident or located in Italy other than the original recipients of this Offer to Purchase may rely on it or its contents.

Each intermediary must comply with the applicable laws and regulations concerning information duties vis à-vis its clients in connection with the Existing Notes or the Tender Offers.

Switzerland

This Offer to Purchase does not constitute and is not intended to constitute a public offering of securities pursuant to article 652a or article 1156 of the Swiss Federal Code of Obligations. The information presented in this Offer to Purchase does not necessarily comply with the information standards set out in the SIX Swiss Exchange listing rules.

United Kingdom

This Offer to Purchase is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Financial Promotion Order”), (ii) are persons falling within Article 49(2)(a)

to (d) (“high net worth companies, unincorporated associations etc.”) of the Financial Promotion Order, (iii) are persons falling within Article 43 of the Financial Promotion Order, (iv) are outside the United Kingdom, or (v) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This Offer to Purchase is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Offer to Purchase relates is available only to relevant persons and will be engaged in only with relevant persons.

HOLDERS' REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

By tendering Existing Notes, each Holder shall be deemed to agree with, and acknowledge, represent, warrant and undertake (on behalf of itself and of any person for whom it is acting) to the Government, the Dealer Managers and the Tender and Information Agent that, on each of the Expiration Time and Settlement Date, as set forth below. If any Holder of such Existing Notes or the direct participant through which a Holder tenders its Existing Notes is unable to give these acknowledgements, agreements, representations, warranties and undertakings, such Holder or direct participant is not permitted to participate in the Tender Offers and, if it has taken any steps to do so, should contact the Tender and Information Agent immediately.

- (1) It has received and reviewed this Offer to Purchase and understood and accepted the terms and conditions of the Tender Offers and distribution restrictions, all as described in this Offer to Purchase.
- (2) It understands that the tender of Existing Notes pursuant to any of the procedures set forth in this Offer to Purchase will constitute its acceptance of the terms and conditions of the Tender Offers, that only the Government will be liable for the payment of the applicable Purchase Price and Accrued Interest for Existing Notes validly tendered and accepted subject to the terms and conditions of the Tender Offers.
- (3) It is assuming all the risks inherent in participating in the Tender Offers, and has undertaken all the appropriate analysis of the implications of the Tender Offers, without reliance on the Government, the Dealer Managers, the Tender and Information Agent or any of their respective representatives, directors or employees.
- (4) Upon the terms and subject to the conditions of the Tender Offers, it has submitted Tenders with respect to the principal amount of Existing Notes, subject to and effective on the acceptance for purchase by the Government in respect of such Existing Notes pursuant to the Tender Offers, it renounces all right, title and interest in and to all such Existing Notes accepted for purchase pursuant to the Tender Offers and waives and releases any rights or claims it may have against the Government with respect to any such Existing Notes or the Tender Offers.
- (5) It has full power and authority to accept the Tender Offers and tender, sell, assign and transfer the Existing Notes tendered, and that, if such Existing Notes are accepted for purchase then (i) it will deliver such Existing Notes through DTC, Euroclear or Clearstream, as applicable, by the appropriate time as specified in this Offer to Purchase; (ii) on the Settlement Date, it will deliver good and marketable title thereto, free and clear of all liens, charges, claims, interests, rights of third parties, encumbrances and restrictions of any kind and such Existing Notes will not be subject to any adverse claim or right; and (iii) it will, upon request, execute and deliver additional documents and/or do such other things deemed by the Dealer Managers or by the Government to be necessary or desirable to complete the sale, assignment and transfer of the Existing Notes tendered or to evidence such power and authority.
- (6) All authority conferred or agreed to be conferred pursuant to its acknowledgements, agreements, representations, warranties, undertakings and directions, and all of its obligations shall be binding upon its successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives, and shall not be affected by, and shall survive, its death or incapacity.
- (7) It understands that acceptance for purchase of Existing Notes validly tendered by it pursuant to the Tender Offers will constitute a binding agreement between it and the Government, in accordance with and subject to the terms and conditions of the Tender Offers, that only the Government will be liable for the payment to the applicable clearing system of the applicable Purchase Price and Accrued Interest for Existing Notes validly tendered and accepted.
- (8) It understands that the Government may, at its sole discretion, extend, re-open, amend or waive any condition of or terminate one or more of the Tender Offers at any time, and that in the event of a termination of a Tender Offer, the relevant Existing Notes will be returned to the Holder.

- (9) None of the Government, the Dealer Managers, the trustee for the Existing Notes, the Tender and Information Agent or any of their respective representatives, directors or employees, has given it any information with respect to the Tender Offers save as expressly set out in this Offer to Purchase nor has any of them made any recommendation to it as to whether it should tender its Existing Notes pursuant to the Tender Offers, and it has made its own decision with regard to tendering its Existing Notes pursuant to the Tender Offers based on any legal, tax or financial advice it has deemed necessary to seek.
- (10) No information has been provided to it by the Government, the Dealer Managers, the Tender and Information Agent or any of their respective representatives, directors or employees, with regard to the tax consequences for Holders of Existing Notes arising from any Existing Notes purchased pursuant to the Tender Offers and the receipt of any cash payment (save as expressly set out in this Offer to Purchase), and it acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the Tender Offers and agrees that it does not and will not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Government, the Dealer Managers, the Tender and Information Agent, any of their respective directors or employees or any other person in respect of such taxes and payments.
- (11) It understands that validly tendered Existing Notes (or defectively tendered Existing Notes with respect to which the Government has waived, or has caused to be waived, such defect) will be deemed to have been accepted by the Government if, as and when the Government gives oral or written notice thereof to the Tender and Information Agent.
- (12) It is not a person to whom it is unlawful to make a Tender Offer pursuant to this Offer to Purchase (including under the applicable securities laws contained under the heading “*Jurisdictional Restrictions*”), it has not distributed or forwarded this Offer to Purchase or any other documents or materials relating to the Tender Offers to any such person, and it has complied with all laws and regulations applicable to it for the purposes of its participation in the Tender Offers.
- (13) It shall indemnify the Government, the Dealer Managers and the Tender and Information Agent against all and any losses, costs, claims, liabilities, expenses, charges, actions or demands which any of them may incur or which may be made against any of them as a result of any breach of any of the terms of, or any of the representations, warranties and/or undertakings given pursuant to, the Tender Offers (including any acceptance thereof) by any such Holder.
- (14) It agrees that Accrued Interest to be paid on the Settlement Date pursuant to the Tender Offers shall be paid on such Settlement Date and in accordance with the terms set forth in this Offer to Purchase.
- (15) It, and any beneficial owner of the Existing Notes or any other person on whose behalf it is acting, is not located or resident in Italy or, if it is located or resident in Italy, it qualifies, or is tendering Existing Notes as an Institutional Investor that can tender Existing Notes through authorized persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of February 15, 2018, as amended, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations and with requirements imposed by CONSOB or any other Italian authority.
- (16) It is not located or resident in the United Kingdom or, if it is located or resident in the United Kingdom, it is a person (i) having professional experience in matters relating to investments falling within in Article 19(5) of the Financial Promotion Order, (ii) falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc.”) of the Financial Promotion Order, (iii) falling within Article 43 of the Financial Promotion Order, or (iv) to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) may otherwise lawfully be communicated or caused to be communicated.
- (17) It is located outside of Belgium or, if it is located in Belgium, it (a) qualifies as a qualified investor (*gekwalificeerde belegger/investisseur qualifié*) of one of the types mentioned in Article 10 of the

Belgian Law of June 16, 2006 on the public offering of investment instruments and the admission to trading of investment instruments on a regulated market; and (b) act for its own investment account.

- (18) It is located outside of Hong Kong or, if it is located in Hong Kong, it is a “professional investor.”
- (19) It is located outside of Canada or, if it is located in Canada, it is an accredited investor within the meaning of National Instrument 45-106 of the Canadian Securities Administrators.

DEALER MANAGERS AND TENDER AND INFORMATION AGENT

The Government has entered into a dealer manager agreement with Goldman Sachs & Co. LLC and HSBC Securities (USA) Inc. to act as Dealer Managers for the Tender Offers. Pursuant to the dealer manager agreement, the Government has:

- retained the Dealer Managers to act, directly or through affiliates, as the dealer managers in connection with the Tender Offers;
- agreed to pay the Dealer Managers for certain expenses in connection with the Tender Offers; and
- agreed to indemnify the Dealer Managers against certain liabilities and expenses in connection with the Tender Offers, including liabilities under the Securities Act.

The dealer manager agreement contains various other representations, warranties, covenants and conditions customary for agreements of this sort. Global Bondholder Services Corporation will act as Tender and Information Agent in connection with the Tender Offers. The Tender and Information Agent's address is 65 Broadway, Suite 404, New York, New York 10006. The Tender and Information Agent will be paid customary fees for its services in connection with the Tender Offers.

The Dealer Managers and their affiliates have provided and may continue to provide certain investment banking services to the Government in the ordinary course for which they have received and may receive compensation that is customary for services of such nature.

The Dealer Managers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Government. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Dealer Managers and their affiliates may make or hold a broad array of investments and actively trade debt securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Government, including the Existing Notes, the New Notes or other debt securities or related derivatives of the Government. The Dealer Managers or their affiliates may hold long or short positions and may trade such securities for their own accounts or for the accounts of their customers at any given time, and the Dealer Managers or such affiliates may participate in the Tender Offers by submitting offers on their own behalf or by submitting offers on behalf of clients. The Dealer Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

In connection with the Tender Offers, the Government may solicit, or cause to be solicited, tenders by use of postal services, personally or by telephone, electronic mail, facsimile, telegram or other similar methods.

The Dealer Managers have agreed to pay for certain expenses in connection with the Tender Offers.

None of the Dealer Managers, the Tender and Information Agent, the clearing systems or any of their respective representatives, directors, employees or affiliates assumes any responsibility for the accuracy or completeness of the information concerning the Tender Offers or the Government contained herein or for any failure by the Government to disclose events that may have occurred and may affect the significance or accuracy of such information.

ANNEX A

FORMULA FOR DETERMINING THE PURCHASE PRICE FOR EACH SERIES OF EXISTING NOTES

YLD	=	The Tender Offer Yield for the applicable series of Existing Notes (expressed as a decimal number). The Tender Offer Yield equals the sum of the applicable Reference Yield (as defined in this Offer to Purchase) and the applicable Fixed Spread (as set forth on the cover page of this Offer to Purchase).
CF _i	=	The aggregate amount of cash per \$ 1,000 principal amount scheduled to be paid on the applicable series of Existing Notes being priced on the “ith” out of the N remaining cash payment dates for such series of Existing Notes, assuming for this purpose that the Existing Notes of such series are redeemed on the maturity date or par call date, as applicable, for such series of Existing Notes. The application of the par call date will be in accordance with standard market practice.
CPN	=	The contractual annual rate of interest payable on the applicable series of Existing Notes, calculated in accordance with the terms of such series of Existing Notes, expressed as a decimal number.
N	=	The number of semi-annual interest payments on the applicable series of Existing Notes from (but excluding) the Settlement Date to (and including) the maturity date or par call date, as applicable, for such series of Existing Notes.
S	=	The number of days from and including the semi-annual interest payment date immediately preceding the Settlement Date up to, but excluding, the Settlement Date. The number of days is computed using the 30/360 day-count method.
/	=	Divide. The term immediately to the left of the division symbol is divided by the term immediately to the right of the division symbol before any addition or subtraction operations are performed.
$\sum_{k=1}^N$	=	Summate. The term in the brackets to the right of the summation symbol is separately calculated “N” times (substituting for “i” in that term each whole number shown between 1 and N, inclusive) and the separate calculations are then added together. N may not be a whole number.
exp	=	Exponentiate. The term to the left of “exp” is raised to the power indicated by the term to the right of “exp.”
D _i	=	The number of days from and including the Settlement Date to but excluding the “ith” out of the N remaining cash payment dates for the applicable series of Existing Notes being priced. The number of days is computed using the ISMA 30/360 day-count method in accordance with market convention.
Purchase Price	=	The price per each \$1,000 principal amount of the applicable series of Existing Notes tendered at or prior to the Expiration Time (excluding Accrued Interest). The Purchase Price is rounded to the nearest cent (\$0.01).
Accrued Interest	=	\$1,000 (CPN/2)(S/180).

Formula for Purchase Price for each series of Existing Notes:

$$\sum_{i=1}^N \left[\frac{CF_i}{(1 + YLD/2)^{\exp(D_i/180)}} \right] - \text{Accrued Interest}$$

Note: For the avoidance of doubt, if the Purchase Price for the 2027 Notes or the 2029 Notes as determined in accordance with the formula above is less than \$1,000 per \$1,000 principal amount of such series of Existing Notes as of the applicable par call date, then the Purchase Price for such series of Existing Notes will be based on the maturity date and not the par call date for such series of Existing Notes (in accordance with market practice).

ANNEX B

HYPOTHETICAL CALCULATION OF THE PURCHASE PRICE FOR EACH SERIES OF EXISTING NOTES

This Annex provides a hypothetical illustration of the applicable Purchase Price determination for each series of Existing Notes based on hypothetical data and should, therefore, be used solely for the purpose of obtaining an understanding of the calculation of the Purchase Price for each series of Existing Notes as quoted at hypothetical rates and times and should not be used or relied upon for any other purpose. The hypothetical Purchase Prices presented in this Annex have been calculated using reference yields on the applicable Reference U.S. Treasury Securities as of 9:30 a.m. (New York City time) on August 7, 2020, and assume a hypothetical settlement date of August 20, 2020.

The information provided in the table below is for illustrative purposes only and we make no representation with respect to the actual consideration that may be paid pursuant to the Tender Offers.

Actual amounts will differ from those set forth in the table below.

Title of Existing Notes	Outstanding Principal Amount as of the date hereof	ISIN/CUSIP Numbers	Maturity Date/Par Call Date	Reference U.S. Treasury Security ⁽¹⁾	Bloomberg Reference Page	Fixed Spread (Basis Points)	Hypothetical Purchase Price ⁽²⁾
4.138% Senior Notes due 2023	\$475,000,000	USG10367AA14 / G10367 AA1 (Reg S) US085209AB07 / 085209 AB0 (144A)	January 3, 2023 / N/A	0.125% due July 15, 2023	PX1	+95	\$1,071.34
4.854% Senior Notes due 2024	\$550,000,000	USG10367AB96 / G10367 AB9 (Reg S) US085209AC89 / 085209 AC8 (144A)	February 6, 2024 / N/A	0.25% due July 31, 2025	PX1	+130	\$1,112.38
3.717% Senior Notes due 2027	\$665,000,000	USG10367AD52 / G10367 AD5 (Reg S) US085209AD62 / 085209 AD6 (144A)	January 25, 2027 / October 25, 2026	0.625% due May 15, 2030	PX1	+145	\$1,100.53
4.750% Senior Notes due 2029	\$620,000,000	USG10367AF01 / G10367AF0 (Reg S) US085209AF11 / 085209AF1 (144A)	February 15, 2029 / November 15, 2028	0.625% due May 15, 2030	PX1	+180	\$1,180.35

- (1) The Purchase Price payable per \$1,000 principal amount for each series of Existing Notes validly tendered and accepted for purchase will be based on the fixed spread specified (the "Fixed Spread") for the applicable series of Existing Notes, plus the yield of the specified Reference U.S. Treasury Security for that series as of 2:00 p.m. (New York City time) on August 17, 2020, unless extended with respect to the applicable Tender Offer. See "The Tender Offers—Purchase Price; Determination of the Purchase Price." Applicable Accrued Interest will be payable in cash in addition to the Purchase Price.
- (2) Hypothetical Purchase Price payable per each \$1,000 principal amount of each series of Existing Notes validly tendered and accepted for purchase, assuming the Reference Yield (as defined herein) had been measured at 9:30 a.m. (New York City time) on August 7, 2020 and assuming a hypothetical settlement date of August 20, 2020. See Annex B to this Offer to Purchase for additional information regarding the calculation of the hypothetical Purchase Price. The hypothetical information provided in the table above is for illustrative purposes only. The Government makes no representation with respect to the actual consideration that may be paid, and such amounts may be greater or lower than those shown, depending on the yield of the applicable Reference U.S. Treasury Security as of the price determination time.

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