CONFIDENTIAL DISCUSSION DRAFT

A bank-led route to market

Tanzania hospitality payments | proposed TZS 98 million launch facility

TabTrack

Decision requested

DigiStorm (T) Limited seeks a banking partner to consider milestone-based funding of up to TZS 98 million and a joint restaurant pilot. The proposed bank would provide regulated payment, account or wallet services; TabTrack would provide the venue and guest experience. This is an invitation to diligence, not an offer of securities or a signed commercial agreement.

Why it matters

A restaurant can collect a monthly software subscription, route eligible digital payments through a regulated provider and give its guests a clearer account of their bill. The bank may earn agreed payment fees and grow merchant relationships. No pilot venue, partner bank, payment tariff or deposit outcome is confirmed.

Two cases, kept separate

This proposal uses the TZS 98 million launch budget and an illustrative 1% gross merchant payment fee. The investor concept note is a different TZS 100 million staged scenario with an effective 0.35% platform share. Its forecasts and break-even claims must not be added to this proposal.

Pilot gate

Agree scope, test payments and reconciliation with a small number of consenting restaurants, then review subscriptions, merchant activity, payment success, settlement timeliness, complaints and disputes before any rollout.

INDICATIVE COMMERCIAL SCHEDULE

Who receives each shilling

Illustrative TZS 100,000 restaurant bill

The guest pays TZS 100,000. At a proposed 1% gross merchant payment fee, TZS 1,000 is available for allocation. If the bank receives 30% of that fee, it receives TZS 300 and TabTrack receives TZS 700 before acquiring, network, switching, mobile money, refund, tax and support costs. The merchant receives TZS 99,000 before any separately agreed charges. Neither the 1% rate nor the 30/70 split is contracted.

Gross guest payment	**TZS 100,000**
Proposed merchant fee (1%)	**TZS 1,000**
Illustrative bank allocation (30% of fee)	**TZS 300**
Illustrative TabTrack allocation (70% of fee)	**TZS 700**
Merchant settlement before other charges	**TZS 99,000**

Subscriptions are separate

Proposed monthly venue plans: Starter TZS 100,000, Pro TZS 180,000 and Group TZS 350,000. TabTrack books the subscription revenue. The bank can collect it through merchant accounts; no separate collection charge is assumed. Higher-tier prices are proposals to validate with pilot venues.

Wallet money is not revenue

A top-up is customer money, not TabTrack income. Any wallet balance, transfer tariff, safeguarding arrangement, customer disclosure and withdrawal charge must be determined with the licensed provider. The illustration assumes no separate top-up or withdrawal fee.

Term sheet points

Agree the gross-versus-net fee base; responsibility for network and processor costs; settlement schedule; refunds and chargebacks; VAT and withholding treatment; complaint handling; reconciliations; fee changes; and bank reporting before contracting.

FUNDING REQUEST

TZS 98 million to launch and test

Development	**TZS 50M**
Hosting, first year	**TZS 18M**
Branding	**TZS 2M**
Promotion	**TZS 6M**
Marketing	**TZS 12M**
Payment and wallet integration	**TZS 10M**

Disbursement and security

Discuss an approved facility, equity investment, grant or blended structure. Tranches should follow delivery evidence, payment-provider approvals, security review and pilot results. Interest, equity, security, tenor, repayment and covenants are deliberately open; they cannot be inferred from the sample cash-flow spreadsheet.

Indicative model, not a bank return forecast

The separate monthly launch spreadsheet assumes five pilot venues from Month 5, then growth to 218 venues by Month 36, TZS 100,000 monthly subscriptions and TZS 6 million eligible payments per venue per month at 1%. It models operating break-even in Month 13 and startup-cost recovery in Month 25. It does not model the bank fee split, regulatory costs, debt servicing or actual bank income. Those outcomes remain unvalidated.

APPROVALS AND OPERATING TERMS

What must be agreed before launch

Regulated role

The licensed bank or payment service provider controls payment permissions, customer onboarding, KYC/AML, merchant acquiring, wallet issuance if applicable, safeguarding, settlement and customer disclosures. TabTrack supplies the hospitality interface, subject to the operating agreement.

Limited exclusivity

A time-limited, performance-based first-choice arrangement for eligible pilot settlement and wallet services may be discussed. It must respect customer choice, lawful interoperability, service levels and an orderly exit. No party owns customer funds.

Data and trust

Define consent, data roles, security, access, incident reporting, retention, audit rights, customer support and dispute resolution. Assess Tanzania data-protection and payment-system requirements with local counsel and the bank.

Pilot decision gates

1. Bank and legal due diligence. 2. Technical and security acceptance. 3. Small restaurant pilot with reconciled live transactions. 4. Joint review of subscription renewals, volume, chargebacks, complaints and settlement timeliness. 5. Separate approval for wider distribution.

Reference

Bank of Tanzania payment systems regulations: https://www.bot.go.tz/PaymentSystem/regulations . The precise regulatory path and any sandbox application require professional review. No regulatory approval is implied.