

APPLICABLE PRICING SUPPLEMENT



Adcorp Holdings Limited

(the "Issuer")

*(Incorporated with limited liability in South Africa under registration number 1974/001804/06)*

**Issue of R400 000 000 Secured Floating Rate Notes with Stock Code ADCB01**

**Under Its R2 000 000 000 Domestic Medium Term Note Programme**

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described in this Applicable Pricing Supplement.

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum issued by the Issuer dated 6 March 2013, as may be amended or supplemented from time to time. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the Terms and Conditions. References in this Applicable Pricing Supplement to the Terms and Conditions are to the section of the Programme Memorandum headed *"Terms and Conditions of the Notes"*. References to any Condition in this Applicable Pricing Supplement are to that Condition of the Terms and Conditions.

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from the Programme Memorandum which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the Programme Memorandum contains all information required by Applicable Law and, in relation to any Tranche of Notes listed on the Interest Rate Market of the JSE, the JSE Debt Listings Requirements. The Issuer accepts full responsibility for the information contained in the Programme Memorandum, the Applicable Pricing Supplements and the annual financial report and any amendments to the annual financial report or any supplements from time to time, except as otherwise stated therein.

The JSE assumes no responsibility or liability of whatsoever nature for the contents of the Programme Memorandum or this Applicable Pricing Supplement or the annual financial statements or any other information incorporated by reference into the Programme Memorandum (as amended or restated from time to time), and the JSE makes no representation as to the accuracy or completeness of the Programme Memorandum or this Applicable Pricing Supplement, the annual financial statements or any other information incorporated by reference into the Programme Memorandum (as amended or restated from time to time). The JSE expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of this Programme Memorandum or this Applicable Pricing Supplement or the annual

financial report or any other information incorporated by reference into this Programme Memorandum (as amended or restated from time to time).

#### DESCRIPTION OF THE NOTES

1.	Issuer	Adcorp Holdings Limited
2.	Status of the Notes	Senior Notes
3.	Security	Secured. These Notes are Group 1 Notes. See Appendix "B" for a description of the security structure
4.	Listed/Unlisted	Listed
5.	Series number	1
6.	Tranche number	1
7.	Aggregate Principal Amount of this Tranche	R400 000 000
8.	Interest/Payment Basis	Floating Rate
9.	Issue Date and first settlement date	8 March 2013
10.	Minimum Denomination per Note	R1 000 000
11.	Specified Denomination (Principal Amount per Note)	R1 000 000
12.	Issue Price(s)	100% of the Principal Amount of each Note
13.	Applicable Business Day Convention, if different to that specified in the Terms and Conditions	Following Business Day
14.	Interest Commencement Date(s)	8 March 2013
15.	Step-Up Date	N/A
16.	Final Redemption Date	8 March 2018
17.	Specified Currency	ZAR
18.	Additional Business Centre	N/A

- |     |  |  |
|-----|--|--|
| 19. | Maturity Amount  | 100% of the Principal Amount of each Note  |
| 20. | Negative Pledge  | Condition 11 is applicable   |
| 21. | Set out the relevant description of any additional/amended Terms and Conditions relating to the Notes (including additional covenants, if any) | See Appendix "C" for additional/amended Terms and Conditions relating to the Notes |

**FIXED RATE NOTES**

N/A

- |     |   |     |
|-----|---|-----|
| 22. | Fixed Interest Rate   | N/A |
| 23. | Interest Payment Date(s)  | N/A |
| 24. | Interest Period(s)  | N/A |
| 25. | Initial Broken Amount   | N/A |
| 26. | Final Broken Amount   | N/A |
| 27. | Step-Up Rate  | N/A |
| 28. | Any other items relating to the particular method of calculating interest | N/A |

**FLOATING RATE NOTES**

- |     |   |   |
|-----|---|---|
| 29. | Interest Payment Date(s)                              | 8 March, 8 June, 8 September, and 8 December of each year, or if such day is not a Business Day then in accordance with the Following Business Day convention   |
| 30. | Interest Period(s)                                    | From (and including) each Interest Payment Date to (but excluding) the following Interest Payment Date, provided that the first Interest Period shall be from (and including) the Interest Commencement Date to (but excluding) 8 June 2013 |
| 31. | Manner in which the Interest Rate is to be determined | Screen Rate Determination   |

32.	Margin/Spread for the Interest Rate	2.49% per annum to be added to the relevant Reference Rate
33.	Margin/Spread for the Step-Up Rate	N/A
34.	If Screen Determination	
	(a) Reference Rate (Including relevant period by reference to which the Interest Rate is to be calculated)	3 month JIBAR
	(b) Rate Determination Date(s)	The first day of each Interest Period, namely 8 March, 8 June, 8 September, and 8 December of each year, or if such day is not a Business Day then in accordance with the Following Business day convention
	(c) Relevant Screen page and Reference Code	SAFEY Page (or the SAFEX nominated successor screen for JIBAR) under the caption "SFX 3M YIELD
35.	If Interest Rate to be calculated otherwise than by reference to Screen Rate Determination, Insert basis for determining Interest Rate/Margin/Fall back provisions	N/A
36.	Any other terms relating to the particular method of calculating interest	N/A
	<b>ZERO COUPON NOTES</b>	N/A
37.	(a) Implied Yield	N/A
	(b) Reference Price	N/A
	(c) Equivalent Discount Rate	N/A
	(d) Spread to Reference Rate	N/A
	(e) Maturity Date	N/A
	(f) Day Count	N/A
	(g) Any other formula or basis for determining amount payable	N/A

**INDEXED NOTES**

38. (a) Type of Indexed Notes N/A
- (b) Index/Formula by reference to which Interest Amount/Final Redemption Amount is to be determined N/A
- (c) Manner in which the Interest Amount/Final Redemption Amount is to be determined N/A
- (d) Interest Period N/A
- (e) Interest Payment Date(s) N/A
- (f) If different from the Calculation Agent, agent responsible for calculating amount of principal and interest N/A
- (g) Provisions where calculation by reference to Index and/or Formula is impossible or Impracticable N/A

**OTHER NOTES**

39. If the Notes are not Fixed Rate Notes or Floating Rate Notes, or if the Notes are a combination of the above and some other Note, set out the relevant description of any additional Terms and Conditions relating to such Notes N/A

**PROVISIONS REGARDING REDEMPTION/  
MATURITY**

40. Redemption at the option of the Issuer in terms of Condition 8.4: if yes: No
- (a) Optional Redemption Date(s) N/A
- (b) Optional Redemption Amount(s) and N/A

method, if any, of calculation of such amount(s)

- |                            |                                      |     |
|----------------------------|--------------------------------------|-----|
| (c)                        | Minimum period of notice             | N/A |
| (d) If redeemable in part: |                                      |     |
|                            | Minimum Redemption Amount(s)         | N/A |
|                            | Higher Redemption Amount(s)          | N/A |
| (e)                        | Other terms applicable on Redemption | N/A |
41. Redemption at the option of the holders of the Senior Notes (Put Option) in terms of Condition 8.5: If yes
- |                            |  |     |
|----------------------------|--|-----|
| (a)                        | Optional Redemption Date(s) (Put)  | N/A |
| (b)                        | Optional Redemption Amount(s) (Put) and method, if any, of calculation of such amount(s) | N/A |
| (c)                        | Minimum period of notice   | N/A |
| (d) If redeemable in part: |  |     |
|                            | Minimum Redemption Amount(s)   | N/A |
|                            | Higher Redemption Amount(s)  | N/A |
| (e)                        | Other terms applicable on Redemption   | N/A |
42. Redemption at the option of the holders of the Notes upon the occurrence of a Put Event in terms of Condition 8.6:
- |     |   |     |
|-----|---|-----|
| (a) | Delisting of the Notes of this Tranche/the ordinary shares of the Issuer from the JSE | Yes |
| (b) | Change of Control   | Yes |
| (c) | Issuer disposing of all or the greater part of its undertaking or assets              | Yes |

43. Early Redemption Amount(s) payable on redemption for Taxation reasons in terms of Condition 8.3 or Optional Redemption following a Put Event in terms of Condition 8.6 or early redemption following an Event of Default in terms of Condition 12 : if yes Yes
- Early Redemption Amount and method, if any, of calculation of such amount As per Condition 8.7

#### GENERAL

44. Additional selling restrictions N/A
45. International Securities Numbering (ISIN) ZAG000103656
46. Stock Code ADCB01
47. Financial Exchange JSE
48. Dealer(s) Absa CIB and RMB
49. If syndicated, names of Lead Manager(s) N/A
50. Method of distribution Bookbuild
51. Rating assigned to this Tranche of Notes (if any), date of such rating and date for review of such rating A(ZA)
52. Rating Agency, if any GCR Credit Rating Co Proprietary Limited
53. Governing Law South Africa
54. Last Day to Register by 17h00 on the Business Day preceding the Books Closed Period
55. Books Closed Period the 10 days prior to each Interest Payment Date and Redemption Date
56. Calculation Agent Absa CIB
57. Specified Office of the Calculation Agent 15 Alice Lane, Sandton, 2196
58. Transfer Agent Absa CIB

59.	Specified Office of the Transfer Agent	15 Alice Lane, Sandton, 2196
60.	Debt Sponsor	RMB
61.	Issuer's Settlement Agent	Absa Investor Services, a division of Absa Bank Limited
62.	Specified Office of the Issuer's Settlement Agent	15 Alice Lane, Sandton, 2196
63.	Stabilisation Manager, if any	N/A
64.	Programme Amount	R2 000 000 000
65.	Aggregate Outstanding Principal Amount of Notes in issue on the Issue Date of this Tranche	R0, excluding this Tranche of Notes and any other Tranche(s) of Notes to be issued on the Issue Date
66.	Aggregate Outstanding Principal Amount of Notes in issue in respect of the Series on the Issue Date of this Tranche	R0, excluding this Tranche of Notes and any other Tranche(s) of Notes to be issued in respect of the Series on the Issue Date
67.	Aggregate Outstanding Principal Amount of Group 1 Notes in issue on the Issue Date of this Tranche	R0, excluding this Tranche of Notes and any other Tranche(s) of Group 1 Notes to be issued on the Issue Date
68.	Additional Events of Default	See Appendix "C"
69.	Trustee	GMG Trust Company (SA) (Pty) Ltd
70.	Specified Office of the Trustee	3rd Floor, 200 on Main, Cnr Main and Bowwood Roads, Claremont, 7708
71.	Other provisions	N/A



DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3 (5) OF THE COMMERCIAL PAPER REGULATIONS – SEE APPENDIX "A"

SECURITY STRUCTURE - SEE APPENDIX "B"

ADDITIONAL/AMENDED TERMS AND CONDITIONS RELATING TO THE NOTES – SEE APPENDIX "C"

Application is hereby made to list this Tranche of the Notes, as from 8 March 2013, pursuant to the Adcorp Holdings Limited Domestic Medium Term Note Programme. The Programme was registered with the JSE on 1 March 2013.

ADCORP HOLDINGS LIMITED

By:  \_\_\_\_\_

Director, duly authorised

Date: 6 MARCH 2013

By:  \_\_\_\_\_

Director, duly authorised

Date: 6 MARCH 2013

## APPENDIX "A"

### Disclosure Requirements in terms of paragraph 3(5) of the Commercial Paper Regulations

At the date of this Applicable Pricing Supplement:

#### Paragraph 3(5)(a)

The ultimate borrower is the Issuer.

#### Paragraph 3(5)(b)

The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.

#### Paragraph 3(5)(c)

The auditor of the Issuer is Deloitte & Touche.

#### Paragraph 3(5)(d)

As at the date of this issue:

- (a) the Issuer has not issued any Notes; and
- (b) It is anticipated that the Issuer will issue additional Notes with an estimated nominal value of R250 000 000 during the remainder of its current financial year ended 28 February 2014, in addition to the Notes forming part of this issue of Notes.]

#### Paragraph 3(5)(e)

Prospective investors in the Notes are to consider this Applicable Pricing Supplement, the Programme Memorandum and the documentation incorporated therein by reference in order to ascertain the nature of the financial and commercial risks of an investment in the Notes. In addition, prospective investors in the Notes are to consider the latest audited financial statements of the Issuer which are incorporated into the Programme Memorandum by reference and which may be requested from the Issuer.

#### Paragraph 3(5)(f)

There has been no material adverse change in the Issuer's financial position since the date of its last audited financial statements.

#### Paragraph 3(5)(g)

The Notes issued will be listed, as stated in the Applicable Pricing Supplement.

#### Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer to refinance existing debt.

Paragraph 3(5)(i)

The Notes are secured on the basis set out in Appendix "B" to the Applicable Pricing Supplement.

Paragraph 3(5)(i)

Deloitte & Touche, the auditors of the Issuer, have confirmed that nothing has come to their attention to cause them to believe that this issue of Notes issued under the Programme will not comply in all material respects with the relevant provisions of the Commercial Paper Regulations (Government Notice 2172 in Government Gazette No, 16167 of 14 December 1994) published under Paragraph (cc) of the definition of the "business of a bank" in terms of Section 1 of the Banks Act, 1990).

ADCORP HOLDINGS LIMITED

By: \_\_\_\_\_

Director, duly authorised

Date: 6 MARCH 2013

By: \_\_\_\_\_

Director, duly authorised

Date: 6 MARCH 2013

**APPENDIX "B"****SECURITY STRUCTURE**

The Group 1 Notes share in the same Security.

**GUARANTORS**

<b>NAME</b>	<b>REGISTRATION NUMBER</b>
Adcorp Holdings Limited	1974/001804/06
Adcorp Staffing Solutions (Pty) Ltd	1997/019094/07
Adcorp Fulfillment Services (Pty) Ltd	1977/002576/07
Adcorp Management Services (Pty) Ltd	1973/010551/07
Adcorp Support Services (Pty) Ltd	2007/013705/07
Capital Outsourcing Group (Pty) Ltd	2002/013684/07
Quest Staffing Solutions (Pty) Ltd	2011/010513/07
Fortress Administration (Pty) Ltd	2011/010048/07
Paracon SA (Pty) Ltd	1995/007343/07
Mondial IT Solutions (Pty) Ltd	2002/030788/07
Production Management Institute of Southern Africa (Pty) Ltd	1997/018146/07

**GUARANTEE AGREEMENT**

In terms of the Guarantee Agreement, each Guarantor grants an unconditional and irrevocable guarantee to each Security Creditor, jointly and severally guaranteeing to each Secured Creditor the full payment and performance by each other Obligor of all present and future Guaranteed Obligations which an Obligor may any time owe or have towards a Secured Creditor under or in connection with any Finance Document to which it is a party.

An Obligor is the Issuer, the other Guarantors and those Subsidiaries of the Issuer incorporated in South Africa which have been granted Facilities by any of the Lenders and/or issued any Preference Shares to any of the Lenders.

The Issuer will procure that each wholly-owned Subsidiary of the Issuer incorporated in South Africa which becomes Material Subsidiary will accede to the Guarantee Agreement as an additional Guarantor from

time to time. The Issuer shall notify the Noteholders in writing of such accession in accordance with Condition 16.

If at any time after the signature date of the Guarantee:

(i) the aggregate contribution of the Material Subsidiaries that are Guarantors to the Tangible NAV of the South African Group or to the EBITDA of the South African Group or to the Trade Receivables of the South African Group,

is less than

(ii) 85% of the Tangible NAV of the South African Group or the EBITDA of the South African Group or the Trade Receivables of the South African Group,

(such shortfall being the "Financial Support Deficit"), then the Issuer must procure, within 30 days after the end of the month in which such Financial Support Deficit exists, that so many additional Subsidiaries in the South African Group accede to the Guarantee Agreement as an additional Guarantor as are necessary to ensure that there is no Financial Support Deficit.

#### **SECURITY CESSIONS**

As security for its obligations to each Secured Creditor under any Finance Document to which it is a party, including the Group 1 Notes, the Facility Agreements and the Guarantee Agreement, the Issuer and each other Guarantor cedes in security its right, title and interest in and to its trade receivables and bank accounts, to the Secured Creditors, all on the terms described in the Security Documents.

Category 1 Cedents (as listed in the relevant Security Cession) grant a first-ranking security cession over their trade receivables to FRB, a second-ranking security cession over their trade receivables to Absa and a third-ranking security cession over their trade receivables to the Trustee. Category 2 Cedents (as listed in the relevant Security Cession) grant a first-ranking security cession over their trade receivables to Absa, a second-ranking security cession over their trade receivables to the Trustee and a third-ranking security cession over their trade receivables to FRB. Category 3 Cedents (as listed in the relevant Security Cession) grant a first-ranking security cession over their trade receivables to the Trustee, a second-ranking security cession over their trade receivables to FRB and a third-ranking security cession over their trade receivables to Absa. The amounts owed to Capital Outsourcing Group Proprietary Limited by persons that are not incorporated in South Africa are excluded from the Security Cessions.

In terms of the Security Cessions, FRB has a first-ranking security cession over bank accounts held at FRB by the Issuer and each other Guarantor (the "Cedents"). Absa has a second-ranking security cession over bank accounts held at FRB by the Cedents. The Trustee has a third-ranking security cession over bank accounts held at FRB by the Cedents. In terms of the Security Cessions, Absa has a first-ranking security cession over bank accounts held at Absa by the Cedents. FRB has a second-ranking security cession over bank accounts held at Absa by the Cedents. The Trustee has a third-ranking security cession over bank accounts held at Absa by the Cedents. In terms of the Security Cessions, the Trustee has a first-ranking security cession over bank accounts held at banks other than Absa and FRB, if any. Absa has a second-ranking security cession over such bank accounts. FRB has a third-ranking security cession over

such bank accounts. In respect of Capital Outsourcing Group Proprietary Limited, each of its customer foreign currency accounts held at Absa are excluded from the Security Cessions.

In terms of the Security Sharing Agreement, the Secured Creditors agree that they will share in the proceeds of any realisation by any one of the Secured Creditors of the Security held by such Secured Creditor, in proportion to their share of the aggregate amount of financial indebtedness of the South African Group in terms of the Finance Documents to all the Secured Creditors, and that each Secured Creditor will rank *pari passu* in respect of such proceeds, notwithstanding any ranking of claims to the Security as may be contained in the Security Documents (or any of them); provided that (unless otherwise agreed by unanimous written consent of the Secured Creditors) if any Secured Creditor exceeds its credit limit it shall, in respect of its excess, only be entitled to participate in proceeds available for distribution to the Secured Creditors arising out of the realisation of Security after the financial indebtedness of the other Secured Creditors (up to their respective credit limits) is discharged in full.

#### SECURITY SHARING AGREEMENT

Following an Event of Default under the Group 1 Notes or following an event of default under any Hedging Agreement or Facility Agreement or redemption event under any Preference Shares, as the case may be, the Trustee (on behalf of the Group 1 Noteholders), relevant Lender or relevant Hedging Provider may unilaterally declare the amounts outstanding under the Group 1 Notes, the relevant Hedging Agreement or relevant Facility Agreement or Preference Shares, as the case may be, to be immediately due and payable and shall give the other Secured Creditors written notice of any such action, as soon as possible and in any event within 2 (two) Business Days after taking such action.

If there is a failure by the Issuer to pay the amount due to a Secured Creditor upon delivery of such an acceleration notice, none of the Secured Creditors may exercise or enforce any right or remedy under any of the Security Documents, including making a demand under the Guarantee Agreement or instituting legal proceedings in connection with the Security Documents or taking any other action under the Security Documents (including realising the Security), without the consent of the other Secured Creditors granted in accordance with the provisions of the Security Sharing Agreement; provided that in relation to any on-demand Facilities, a Lender is entitled to exercise or enforce any right or remedy under any of the Security Documents in terms of which first-ranking Security Interests are granted to it in relation to those on-demand Facilities, without the consent of the other Secured Creditors, provided that:

- (a) the Lender wishing to take such action (the "Relevant Creditor") has given the written notices to the other Secured Creditors upon becoming aware of the occurrence of any event of default and/or upon any indebtedness under any Finance Document to which it is a party being declared to be or becoming immediately due and payable by reason of an event of default (as applicable);
- (b) the Relevant Creditor gives the other Secured Creditors written notice of any such enforcement action, as soon as possible and in any event within 2 (two) Business Days after taking such action and in such notice requests the other Secured Creditors to deliver to the Relevant Creditor a certificate setting out the Financial Indebtedness relating to those other Secured Creditors; and
- (c) the proceeds of realisation shall be shared with the other Secured Creditors in accordance with the provisions of the Security Sharing Agreement, in the event that (i) any cross default is triggered under

any of the Finance Documents concluded by the other Secured Creditors as a result of the Relevant Creditor demanding repayment of the on-demand Facilities or such Facilities being declared to be or becoming immediately due and payable following a failure to repay them on demand and (ii) any indebtedness of those other Secured Creditors is declared to be or becomes immediately due and payable.

None of the Secured Creditors may effect any amendment, modification or variation of, supplement to, cancellation, extension, renewal or replacement of, waiver in respect of, or discharge or release from, the Security Documents, without the consent of the other Secured Creditors granted in accordance with the provisions of the Security Sharing Agreement.

If a Secured Creditor wishes to commence liquidation or business rescue proceedings against the Issuer or any Obligor to which Facilities have been provided, in which Preference Shares have been subscribed for, or which has furnished Security, then the Secured Creditor wishing to take such action shall give the other Secured Creditors written notice when taking such action, at the same time as taking such action.

In the event that any of the Lenders wishes to increase its credit limits and/or approve new credit limits applicable to any new Facilities made available and/or new Preference Shares subscribed for by a Lender after the signature date of the Security Sharing Agreement, as approved by that Lender's credit committee, then it may do so provided that each other Lender has consented in writing to such increased and/or new credit limits and provide that the relevant Lender has notified the Trustee thereof (which notification shall be accompanied by a certificate from the relevant Lender confirming that the increased or new credit limit (as applicable) shall not result in any breach of the covenants set out in the Terms and Conditions). In the event that any of the Hedge Providers wishes to increase its Credit Limits, then it may do so provided that each other Secured Creditor has consented in writing to such increased Credit Limits.

## APPENDIX "C"

### ADDITIONAL/AMENDED TERMS AND CONDITIONS RELATING TO THE NOTES OF THE SERIES

#### EVENTS OF DEFAULT

Condition 12.2 (Steps following an Event of Default relating to the Senior Notes) of the Terms and Conditions set out in the Programme Memorandum is amended in relation to the Notes of this Tranche by the deletion of Condition 12.2 and the replacement thereof of the following Condition 12.2:

12.

#### 12.2 Condition 12.2 Steps following an Event of Default relating to the Group 1 Notes

12.2.1 If an Event of Default occurs in relation to the Notes of the Series:

12.2.1.1 the Calculation Agent and/or the Issuer will forthwith inform the Trustee thereof;  
and

12.2.1.2 the Trustee will, as soon as such Event of Default comes to its notice (whether as a result of having been informed by the Calculation Agent and/or the Issuer thereof pursuant to Condition 12.2.1.1 or otherwise), forthwith call a meeting of the Group 1 Noteholders.

12.2.2 The Trustee shall immediately upon becoming aware of the occurrence of an Event of Default set out in Condition 12.1.6 (*Insolvency Events*) and if any other Event of Default has occurred and is continuing at its discretion may, and if so directed by an Extraordinary Resolution of the Group 1 Noteholders shall, give written notice to the Issuer that the Group 1 Notes are, and they shall accordingly become immediately due and payable at their Early Redemption Amount together with accrued Interest (if any) thereon to the date of payment.



## **MEETINGS OF THE GROUP 1 NOTEHOLDERS**

The Terms and Conditions set out in the Programme Memorandum are amended in relation to the Notes of this Tranche by the insertion of the following additional Condition 23:

### **23. Condition 23 - Meetings of the Group 1 Noteholders**

Where a meeting of the Group 1 Noteholders is to be convened, in accordance with these Terms and Conditions, the trust deed of the Adcorp Note Trust or the other Finance Documents, then the provisions of this Condition 23 shall apply.

#### **23.1 Convening of meetings**

- 23.1.1 The Issuer or the Trustee may at any time convene a meeting of the Group 1 Noteholders (a "meeting").
- 23.1.2 The Issuer or the Trustee will convene a meeting of the Group 1 Noteholders upon the requisition in writing of Group 1 Noteholders holding not less than 20% of the aggregate Outstanding Principal Amount of the Group 1 Notes (a "requisition notice").
- 23.1.3 Whenever the Issuer wishes to convene a meeting, it will forthwith give notice in writing to the Group 1 Noteholders in the manner prescribed in Condition 16 and to the Trustee in accordance with the provisions of the Trust Deed of the place, day and hour of the meeting, the nature of the business to be transacted at the meeting and the resolutions to be proposed and considered at the meeting.
- 23.1.4 Whenever the Trustee wishes or is obliged to convene a meeting it will forthwith give notice in writing to the Group 1 Noteholders and the Issuer in the manner prescribed in Condition 16, of the place, day and hour of the meeting, the nature of the business to be transacted at the meeting and the resolutions to be proposed and considered at the meeting.
- 23.1.5 All meetings of the Group 1 Noteholders will be held in Johannesburg.

#### **23.2 Requisition**

- 23.2.1 A requisition notice will state the nature of the business for which the meeting is to be held and the resolutions to be proposed and considered at the meeting and will be deposited at the Specified Office of the Issuer or the Trustee, as the case may be.
- 23.2.2 A requisition notice may consist of several documents in like form, each signed by one or more requisitionists.

#### **23.3 Convening of meetings by requisitionists**

If the Issuer or the Trustee, as the case may be, does not convene a meeting to be held within 20 days of the deposit of a requisition notice, the requisitionists may themselves convene the meeting, but the meeting so convened will be held within 60 days from the date

of such deposit and will be convened as nearly as possible in the same manner as that in which meetings may be convened by the Issuer. Whenever the requisitionists are about to so convene any such meeting, requisitionists shall forthwith give notice of the meeting to the Issuer and the Trustee.

#### 23.4 Notice of meeting

23.4.1 Unless the holders of at least 90% of the aggregate Outstanding Principal Amount of the Group 1 Notes, agree in writing to a shorter period, at least 15 days' written notice, specifying the place, day and time of the meeting, the nature of the business for which the meeting is to be held and the resolutions to be proposed and considered at the meeting, will be given to each Group 1 Noteholder, to the Issuer and to the Trustee.

23.4.2 The accidental omission to give such notice to any Group 1 Noteholder, to the Issuer or to the Trustee, as the case may be, or the non-receipt of any such notice, will not invalidate the proceedings at a meeting.

#### 23.5 Quorum

23.5.1 A quorum at a meeting shall:

23.5.1.1 for the purposes of considering an Ordinary Resolution, consist of Group 1 Noteholders present in person or by proxy and holding in the aggregate not less than one-third of the aggregate Outstanding Principal Amount of the Group 1 Notes;

23.5.1.2 for the purposes of considering a resolution in respect of the dismissal of the Trustee and approval of the appointment of any new Trustee in accordance with the provisions of the Trust Deed or an Extraordinary Resolution, consist of Group 1 Noteholders present in person or by proxy and holding in the aggregate not less than a clear majority of the aggregate Outstanding Principal Amount of the Group 1 Notes.

23.5.2 No business will be transacted at a meeting of the Group 1 Noteholders unless a quorum is present at the time when the meeting proceeds to business.

23.5.3 If, within 15 minutes from the time appointed for the meeting, a quorum is not present, the meeting will, if it was convened on the requisition of the Group 1 Noteholders be dissolved. In every other case the meeting will stand adjourned to the same day in the third week thereafter, at the same time and place, or if that day is not a Business Day, the next succeeding Business Day. If at such adjourned meeting a quorum is not present the Group 1 Noteholders present, in person or by proxy, will constitute a quorum for the purpose of considering any resolution, including an Extraordinary Resolution.

## 23.6 Chairman

The chairman of the meeting shall be appointed by the Trustee. If the Trustee or the person appointed by the Trustee to preside as chairman of the meeting is not present within 10 minutes of the time appointed for the holding of the meeting, the Group 1 Noteholders then present will choose one of their own number to preside as chairman.

## 23.7 Adjournment

23.7.1 Subject to the provisions of this Condition 23, the chairman may, with the consent of, and will on the direction of, the meeting adjourn the meeting from time to time and from place to place.

23.7.2 No business will be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

23.7.3 At least 14 days' written notice of the place, day and time of an adjourned meeting will be given by the Issuer or the Trustee, as the case may be, to the Issuer, the Trustee and each Group 1 Noteholder. In the case of a meeting adjourned in terms of Condition 23.6.3, the notice will state that the Group 1 Noteholders present in person or by proxy at the adjourned meeting will constitute a quorum.

## 23.8 How questions are decided

23.8.1 At a meeting, a resolution put to the vote will be decided on a poll.

23.8.2 In the case of an equality of votes, the chairman will not be entitled to a casting vote in addition to the vote, if any, to which he is entitled.

## 23.9 Votes

Voting shall only take place on a poll and not on a show of hands. On a poll every Group 1 Noteholder, present in person or by proxy, will be entitled to that proportion of the total votes which the aggregate Outstanding Principal Amount of the Group 1 Notes held by such Group 1 Noteholder bears to the aggregate Outstanding Principal Amount of all the Group 1 Notes held by Group 1 Noteholders present in person or by proxy at the meeting. In relation to joint Group 1 Noteholders, the vote may be exercised only by that Group 1 Noteholder whose name appears first on the Register in the event that more than one of such Group 1 Noteholders is present, in person or by proxy, at the meeting. The Group 1 Noteholder in respect of Group 1 Notes held in the Central Securities Depository in uncertificated form shall vote at any such meeting on behalf of the holders of Beneficial Interests in such Group 1 Notes in accordance with the instructions to the Central Securities Depository's Nominee from the holders of Beneficial Interests conveyed through the Participants in accordance with the Applicable Procedures.

## 23.10 Proxies and representatives

- 23.10.1 Group 1 Noteholders, present either in person or by proxy, may vote on a poll. A Group 1 Noteholder, may by an instrument in writing (a "proxy form") signed by the Group 1 Noteholder (or his duly authorised agent) or, in the case of a juristic person, signed on its behalf by a duly authorised officer of the juristic person, appoint any person (a "proxy" or "proxies") to act on his or its behalf in connection with any meeting or proposed meeting.
- 23.10.2 A person appointed to act as proxy need not be a Group 1 Noteholder.
- 23.10.3 The proxy form will be deposited at the Specified Office of the Issuer or at the Specified Office of the Transfer Agent, as the case may be, not less than 24 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in such proxy proposes to vote.
- 23.10.4 No proxy form will be valid after the expiration of 6 months from the date named in it as the date of its execution.
- 23.10.5 Notwithstanding Condition 23.10.4, a proxy form will be valid for any adjourned meeting, unless the contrary is stated thereon.
- 23.10.6 A vote given in accordance with the terms of a proxy form will be valid notwithstanding the previous death or incapacity of the principal or revocation or amendment of the proxy form or of any of the instructions of the Group 1 Noteholder, pursuant to which the proxy form was executed or of the authority under which the proxy form was executed or the transfer of Group 1 Notes or in respect of which the proxy was given, provided that no intimation in writing of such death, incapacity, revocation or amendment shall have been received by the Issuer at its Specified Office or the Transfer Agent at its Specified Office, as the case may be, more than, and that the transfer has been given effect to less than, 12 hours before the commencement of the meeting or adjourned meeting at which the proxy is to be used.
- 23.10.7 Any Group 1 Noteholder which is a juristic person may authorise any person to act as its representative in connection with any meeting or proposed meeting of the Group 1 Noteholders, by resolution of the directors or other governing body of the juristic person. Any reference in the Terms and Conditions to a Group 1 Noteholder or any other member of the Group 1 Noteholders present in person, includes the duly authorised representative of a Group 1 Noteholder or any other member of the Group 1 Noteholders, as the case may be, which is a juristic person.

## 23.11 Minutes

- 23.12 The Issuer will cause minutes of all resolutions and proceedings of meetings to be duly entered in the minute books of the Issuer.

23.12.1 Any such minutes as aforesaid, if purporting to be signed by the chairman of the meeting at which such resolutions were passed or proceedings held or by the chairman of the next succeeding meeting, will be receivable in evidence without any further proof, and until the contrary is proved, a meeting of the Group 1 Noteholders in respect of the proceedings of which minutes have been so made will be deemed to have been duly held and convened and all resolutions passed thereat, or proceedings held, to have been duly passed and held.

23.13 **Written resolutions**

A resolution in writing submitted to the Group 1 Noteholders entitled to exercise voting rights in relation to the resolution, and signed by the requisite majority of the Group 1 Noteholders, shall be as valid and effective as if it had been passed at a meeting duly convened and constituted and shall be deemed (unless a statement to the contrary is made in that resolution) to have been passed on the last day on which that resolution is signed by any one or more of the Group 1 Noteholders. That resolution may consist of two or more documents in the same form each of which is signed by one or more of the Group 1 Noteholders.

### **THIRD PARTY RIGHTS AND OBLIGATIONS**

The Terms and Conditions set out in the Programme Memorandum are amended in relation to the Notes of this Tranche by the insertion of the following additional Condition 24 (Third party rights and obligations):

#### **24. Condition 24 Third party rights and obligations**

- 24.1 Each Group 1 Noteholder, upon its subscription for Group 1 Notes and the issue of Group 1 Notes to it, or upon the transfer of Group 1 Notes to it, as the case may be, shall be bound by those provisions of the Trust Deed, the Security Documents and the Security Sharing Agreement which confer rights and/or impose obligations on the Group 1 Noteholders.
- 24.2 It is recorded that in terms of the Trust Deed, the Trustee shall be bound by those provisions of the Terms and Conditions of the Group 1 Notes which confer rights and/or impose obligations on the Trustee.

## COVENANTS

The Terms and Conditions set out in the Programme Memorandum are amended in relation to the Notes of this Tranche by the insertion of the following additional Condition 25 (Covenants):

### 25. Condition 25 Covenants

25.1.1 The Issuer must ensure that:

#### 25.1.2 Debtors Cover Ratio

the ratio of Good Debtors to Net-Interest Bearing Debt shall not be less than 1.5 times,

Where:

**Good Debtors** means Trade Receivables that have been outstanding for 90 days or less and that have been ceded in security in terms of the Security Cessions (excluding, from 28 August 2013, Trade Receivables that comprise Restricted Property); and

**Net Interest Bearing Debt** means the total of all outstanding indebtedness of the South African Group under the Finance Documents, net of unencumbered cash on hand as at the Measurement Date; and

**Trade Receivables** means, in relation to each Guarantor, all the book debts owed to and claims of that Guarantor against its trade debtors from time to time, excluding, in respect of Capital Outsourcing Group Proprietary Limited, the amounts owed to Capital Outsourcing Group Proprietary Limited by persons that are not incorporated in South Africa; and

#### 25.1.3 EBITDA Interest Cover Ratio

the ratio of Consolidated EBITDA to Consolidated Net Finance Charges shall not be less than 4 times,

Where:

**Consolidated EBITDA** means the consolidated net earnings of the South African Group before income tax as per the Income statement; before interest received and interest paid, plus depreciation, amortisation and all share based payments under IFRS 2 and before deducting or adding any extraordinary costs or income; and

**Consolidated Net Finance Charges** means consolidated net interest and preference dividends of the South African Group as per the income statement during the relevant Measurement Period.

25.2 The Issuer must deliver a compliance certificate to the Trustee and the Rating Agency in respect of the covenants:

25.2.1 within 30 days of the last day of each month other than August and November;

- 25.2.2 within 60 days of the last day of August;
  - 25.2.3 within 90 days of the last day of February; and
  - 25.2.4 at least 2 Business Days prior to the issue of Additional Notes, taking account of the pro forma effect of the issue of such Notes,
- together with a certificate from the Calculation Agent, in which the Calculation Agent confirms the accuracy of the calculations in the compliance certificate.
- 25.3 A compliance certificate must be signed by 2 duly authorised directors of the Issuer.
  - 25.4 The covenants shall be tested on:
    - 25.4.1 the last day of each month; and
    - 25.4.2 the last day of the month preceding the date of issue of any further Group 1 Notes;

as the case may be (each a "Measurement Date"), in relation to each 12 month period (a "Measurement Period") ending on that Measurement Date, by reference to (i) the audited consolidated financial statements of the Issuer where the Measurement Date is the last day of February, (ii) the unaudited consolidated reviewed financial statements of the Issuer where the Measurement Date is the last day of February, and (iii) the consolidated management accounts of the Issuer where the Measurement Date is the last day of any other month.
  - 25.5 All the terms defined in respect of the financial covenants are to be determined on a consolidated basis and (except as expressly included or excluded in the relevant definition) in accordance with IFRS.
  - 25.6 Where an amount in any financial statements is not denominated in Rand, it shall be converted into Rand at the rates specified in those financial statements.



## ADDITIONAL DEFINITIONS IN RESPECT OF THE GROUP 1 NOTES

1. Terms and expressions set out below will have the meanings set out below in the Terms and Conditions of the Group 1 Notes of the Tranche referred to in this Applicable Pricing Supplement:
  - 1.1 **Absa** means Absa Bank Limited (Registration No. 1986/004794/06) (acting through its Business Bank and/or Corporate and Investment Bank division), a company duly registered and incorporated with limited liability in accordance with the company laws of South Africa;
  - 1.2 **Additional Notes** means every Tranche of Notes issued in terms of the Programme in addition to the Initial Notes, which participate in the same Security as that granted in favour of the holders of the Initial Notes (and thus identified in the Applicable Pricing Supplement as Group 1 Notes) and are issued on the same Terms and Conditions as the Initial Notes, except for their respective Issue Dates, Interest Commencement Dates, Issue Price, Interest Rate, Interest Payment Dates, early redemption penalties or fees and Final Redemption Dates;
  - 1.3 **Covenants** means the covenants referred to in Condition 25;
  - 1.4 **Currency Agreements** means, in respect of the Issuer or any other Obligor, any spot or forward foreign exchange agreements or currency swap, currency option or other similar financial agreements or arrangements designed to protect the Issuer or that other Obligor against or to manage exposure to fluctuations in foreign currency exchange rates, in each case entered into in the ordinary course of business;
  - 1.5 **Extraordinary Resolution of the Group 1 Noteholders** means a resolution passed at a properly constituted meeting of the Group 1 Noteholders, by a majority consisting of not less than 66,67% of the votes cast at a poll by members of the Group 1 Noteholders, present in person or by proxy;
  - 1.6 **Facilities** means, subject to the relevant Credit Limits (as defined in the Security Sharing Agreement) from time to time, any banking facilities of any kind (including without limitation asset based finance facilities) granted by any of the Lenders to the Obligors (or any of them) from time to time, in accordance with the provisions of the relevant Facility Agreements;
  - 1.7 **Facility Agreement** means any banking facility agreement entered into between a Lender, the Issuer and/or another Obligor, in terms of which that Lender grants to the Issuer and/or such Obligor one or more Facilities;
  - 1.8 **Finance Documents** means collectively and individually any of:
    - 1.8.1 the Security Sharing Agreement;
    - 1.8.2 the Trust Deed;
    - 1.8.3 the Terms and Conditions of the Group 1 Notes;
    - 1.8.4 any Facility Agreement;

- 1.8.5 any Preference Share Subscription Agreement (including the terms and conditions applicable to any Preference Shares issued thereunder);
- 1.8.6 any Hedging Agreement ;
- 1.8.7 the Security Documents; and
- 1.8.8 any other document which is from time to time designated by the Trustee (on behalf of the Group 1 Noteholders), each Lender and each Hedge Provider as a Finance Document;

and "Finance Document" means any of them, as the context may require;

- 1.9 **Financial Indebtedness** bears the meaning assigned to such terms in the Security Sharing Agreement'
- 1.10 **FRB** means FirstRand Bank Limited (Registration No. 1929/001225/06), a company duly registered and incorporated with limited liability in accordance with the company laws of South Africa;
- 1.11 **Group 1 Noteholders** means the holders of the Group 1 Notes;
- 1.12 **Group 1 Notes** means:
  - 1.12.1 the Initial Notes; and
  - 1.12.2 the Additional Notes, if any,

and designated as such in the Applicable Pricing Supplement;

- 1.13 **Guarantee Agreement** means the agreement between the Secured Creditors and the Guarantors which sets out the unconditional and Irrevocable guarantee given by the Guarantors to each Security Creditor, jointly and severally guaranteeing to each Secured Creditor the full payment and performance by each other Obligor of, amongst others, all present and future obligations and indebtedness of whatsoever nature (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever, including any liability to pay damages or pursuant to enrichment) which an Obligor may now or at any time hereafter owe or have towards a Secured Creditor under or in connection with any Finance Document to which it is a party, as and when they become due;
- 1.14 **Guaranteed Obligations** bears the meaning assigned to such term in the Guarantee Agreement
- 1.15 **Guarantors** means the entities listed in Appendix B to this Pricing Supplement and each other Subsidiary of the Issuer incorporated in South Africa which becomes a guarantor under and in terms of the Finance Documents, and "Guarantor" means, as the context requires, any one of them;

- 1.16 **Hedge Provider** means any derivative counterparty which is a party to a Hedging Agreement and a party to the Security Sharing Agreement, either originally or by accession in accordance with its terms;
- 1.17 **Hedging Agreement** means, subject to the relevant Credit Limits (as defined in the Security Sharing Agreement) from time to time, any Interest Rate Agreement or Currency Agreement entered into by the Issuer or another Obligor and a Hedge Provider to hedge the interest rate risk or currency risk on account of any Financial Indebtedness contemplated in the Finance Documents (or any of them);
- 1.18 **IFRS** means International Financial Reporting Standards and the Interpretation of those standards as adopted by the International Accounting Standards Board;
- 1.19 **Interest Rate Agreements** means, in respect of the Issuer or another Obligor, any interest rate protection agreements and other types of interest rate hedging agreements (including, without limitation, interest rate swaps, caps, floors, collars and similar agreements) designed to protect the Issuer or that other Obligor against or to manage exposure to fluctuations in interest rates, in each case entered into in the ordinary course of business;
- 1.20 **Initial Notes** means all Tranches of Notes issued in terms of the Programme on the same date as Tranche 1 of Series 1 of the Notes;
- 1.21 **Lenders** means FRB and Absa and any New Lender (in their capacities as lenders under the Facility Agreements to which they are a party and holders of Preference Shares under the Preference Share Subscription Agreements to which they are a party), and "Lender" means any one of them, as the context may require;
- 1.22 **New Lender** means any lender under a Facility Agreement or the holder of Preference Shares under a Preference Share Subscription Agreement, which person has acceded to the Security Sharing Agreement in accordance with its terms;
- 1.23 **Obligors** means the Issuer, the other Guarantors and those Subsidiaries of the Issuer incorporated in South Africa which have been granted Facilities by any of the Lenders and/or issued any Preference Shares to any of the Lenders, and "Obligor " means any one of them, as the context requires;
- 1.24 **Ordinary Resolution of the Group 1 Noteholders** means a resolution passed at a properly constituted meeting of the Group 1 Noteholders, by a majority of the votes cast at a poll by the members of the Group 1 Noteholders, present in person or by proxy;
- 1.25 **Person** means any individual, company, partnership, joint venture, association, trust, unincorporated organisation or government or any agency or political subdivision thereof;
- 1.26 **Preference Share Subscription Agreement** bears the meaning assigned to such term in the Security Sharing Agreement;

- 1.27 **Pro Rata Share** means, in relation to a Group 1 Note, the ratio which the Outstanding Principal Amount of that Group 1 Note bears to the Outstanding Principal Amount of all the Group 1 Notes;
- 1.28 **Put Option Agreement** bears the meaning assigned to such term in the Security Sharing Agreement;
- 1.29 **Relevant Indebtedness** means any indebtedness (whether principal, premium, interest or other amounts) for or in respect of (i) monies borrowed, or (ii) liabilities under any acceptance or acceptance credit, or (iii) any bonds, notes, debentures, loan stock or other debt securities, or (iv) any guarantees or indemnities given, whether present or future, actual or contingent or (v) any Preference Shares Subscription Agreement;
- 1.30 **Restricted Property** bears the meaning assigned to such term in the Security Cessions;
- 1.31 **Security** means the security granted in favour of the Secured Creditors by the Issuer and Guarantors, created pursuant to the Security Documents;
- 1.32 **Security Cession** means each cession in security by the Issuer and each other Guarantor of its right, title and interest in and to its trade receivables and bank accounts, granted to each Secured Creditor, respectively, as security for its obligations to each Secured Creditor under any Finance Document to which it is a party, and ranking as described in Appendix B to this Pricing Supplement;
- 1.33 **Security Documents** means:
- 1.33.1 the Guarantee Agreement;
  - 1.33.2 the Security Cession(s);
  - 1.33.3 the Put Option Agreement;
  - 1.33.4 the cession *in securitatem debiti* given by Paracon Holdings Limited (Registration Number 2002/030788/07) in favour of FRB of any and all its reversionary right, title and interest in and to its entire shareholding in and claims against All About Project Management (Pty) Ltd (Registration Number 2006/004068/07);
  - 1.33.5 the cession *in securitatem debiti* given by Paracon Holdings Limited (Registration Number 2002/030788/07) in favour of Absa of any and all its right, title and interest in and to its entire shareholding in and claims against All About Project Management (Pty) Ltd (Registration Number 2006/004068/07); and
  - 1.33.6 any other document which is from time to time designated by the Issuer, the Trustee (on behalf of the Group 1 Noteholders), each Lender and each Hedge Provider as a Security Document;
- 1.34 **Security Provider** means the Issuer and each other Guarantor;

- 1.35 **Security Sharing Agreement** means the agreement concluded between each Lender, each Hedge Provider (if any) and the Trustee acting on behalf of and for the benefit of the Group 1 Noteholders, which sets out certain arrangements which apply between the Secured Creditors as creditors of the Issuer and the other Obligor and holders of Security furnished by the Guarantors;
- 1.36 **Secured Creditors** means:
- 1.36.1 the Trustee on behalf of and for the benefit of the Group 1 Noteholders;
- 1.36.2 each Hedge Provider; and
- 1.36.3 each Lender;
- and "Secured Creditor" means each or any one of them, as the context requires;
- 1.37 **South African Group** means the Issuer and its Subsidiaries Incorporated in South Africa;
- 1.38 **Subsidiary** means a subsidiary within the meaning of the Companies Act;
- 1.39 **Transaction Documents** means, for the purposes of Condition 12.1.8 (Events of Default), the Security Documents, any Hedging Agreement and the Trust Deed;
- 1.40 **Trust Deed** means the trust deed constituting the Adcorp Note Trust;
- 1.41 **Trustee** means the trustee for the time being of the Adcorp Note Trust, acting on behalf of and for the benefit of the Group 1 Noteholders, which shall initially be GMG Trust Company (SA) (Pty) Ltd (Registration number 2006/013631/07), a company duly registered and incorporated in accordance with the company laws of South Africa.
2. For purposes of Condition 25, an Event of Default is "continuing" if it has not been remedied to the satisfaction of the Trustee or waived in writing by the Trustee (in each case, acting on the instructions of an Extraordinary Resolution of the Group 1 Noteholders).

**DOCUMENTS INCORPORATED BY REFERENCE**

For so long as the Group 1 Notes are outstanding, the following documents listed below are deemed to be incorporated into, and to form part of, the Programme Memorandum in addition to the documents listed in the Programme Memorandum and will be available for inspection by Group 1 Noteholders at the Specified Office of the Issuer:

- (a) the Trust Deed; and
- (b) the Security Documents.

## TRUSTEE

GMG Trust Company (SA) (Pty) Ltd (Registration number 2006/013631/07) has been appointed in terms of a trust deed between the Trustee and the Issuer, to act as trustee on behalf of and for the benefit of Group 1 Noteholders.

Pursuant to the Trust Deed, the Trustee is entitled to exercise the rights conferred on the Trustee and is obliged to perform the duties imposed on the Trustee in terms of the Conditions of the Group 1 Notes, including the rights and duties in terms of Condition 12.2 (Steps following an Event of Default relating to the Group 1 Notes), Condition 23 (Meetings of the Group 1 Noteholders) and Condition 25 (Covenants).

The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer or any Obligor to which Facilities have been provided, in which Preference Shares have been subscribed for, or which has furnished Security as it may think fit to enforce the provisions of the Trust Deed, the Group 1 Notes, the Security Documents or any other Finance Document, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed, the Group 1 Notes, the Security Documents or any other Finance Document, unless (i) it shall have been so directed by an Extraordinary Resolution of the Group 1 Noteholders or been so requested in writing by Group 1 Noteholders holding at least one-quarter of the aggregate Principal Amount of the Group 1 Notes for the time being outstanding, and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

No Group 1 Noteholder shall be entitled to proceed directly against the Issuer or any Obligor unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

The Trust Deed sets out provisions relating to the replacement of the Trustee, including following a resolution to this effect by the Noteholders, by a majority consisting of not less than 75% of the votes cast on a poll by the Noteholders, present in person or by proxy at a meeting convened in terms of the Terms and Conditions of the Notes.

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including relieving it from taking proceedings unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit. The Trustee may rely without liability to Group 1 Noteholders on a report, confirmation or certificate or any advice of any accountants, financial advisers or investment bank, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee shall be obliged to accept and be entitled to rely on any such report, confirmation or certificate or advice where the Issuer procures delivery of the same pursuant to its obligation to do so under any provision of these Conditions or the Trust Deed and such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee and the Group 1 Noteholders in the absence of manifest error.

In connection with the exercise of its functions the Trustee shall have regard to the interests of the Group Noteholders as a class and, in particular but without limitation, shall not have regard to the consequences of the exercise of its trusts, powers or discretions for individual Group 1 Noteholders resulting from their

being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory, and the Trustee shall not be entitled to require, nor shall any Group 1 Noteholder be entitled to claim, from the Issuer or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Group 1 Noteholders.