



a world class African city

## **CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY**

### **Issue of ZAR1,458,000,000 Senior Unsecured 10.18% Fixed Rate Notes due 9 June 2024 under the City of Johannesburg Metropolitan Municipality ZAR13,000,000,000 Domestic Medium Term Note Programme**

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Programme Memorandum dated 15 September 2009. The Notes described in this Applicable Pricing Supplement are subject to the Terms and Conditions in the Programme Memorandum. This Applicable Pricing Supplement contains the final terms of the Notes and this Applicable Pricing Supplement must be read in conjunction with such Programme Memorandum. 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.

#### **DESCRIPTION OF THE NOTES**

1. Issuer	City of Johannesburg Metropolitan Municipality
2. Status of Notes	Senior Unsecured
3. Series Number	11
4. Tranche Number	1
5. Nominal Amount	ZAR1,458,000,000
6. Interest/Payment Basis	Fixed Rate
7. Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	N/A
8. Form of the Notes	Listed Registered Notes
9. Issue Date	9 June 2014
10. Business Centre	Johannesburg
11. Additional Business Centre	N/A
12. Specified Denomination	ZAR1,000,000
13. Issue Price	100% of Nominal Amount
14. Interest Commencement Date	9 June 2014
15. Maturity Date	9 June 2024
16. Specified Currency	ZAR
17. Applicable Business Day Convention	Following Business Day
18. Final Redemption Amount	100% of Nominal Amount
19. Last Day to Register	by 17h00 on 29 May and 27 November of each year
20. Books Closed Period(s)	The Register will be closed from 30 May to 8 June and from 28 November to 8 December of each year until the Maturity Date

21. Default Rate N/A

**PROGRAMME AMOUNT**

22. Programme Amount as at the Issue Date ZAR13,000,000,000

**FIXED RATE NOTES**

23. (a) Fixed Interest Rate 10.18% per annum payable semi-annually in arrears  
(b) Fixed Interest Payment Date(s) 9 December and 9 June of each year until and including the Maturity Date  
(c) Initial Broken Amount N/A  
(d) Final Broken Amount N/A  
(e) Any other terms relating to the particular method of calculating interest N/A

**FLOATING RATE NOTES** N/A

**ZERO COUPON NOTES** N/A

**PARTLY-PAID NOTES** N/A

**INSTALMENT NOTES** N/A

**MIXED RATE NOTES** N/A

**INDEX-LINKED NOTES** N/A

**DUAL CURRENCY NOTES** N/A

**EXCHANGEABLE NOTES** N/A

**OTHER NOTES** N/A

**PROVISIONS REGARDING REDEMPTION/MATURITY**

24. Issuer's Optional Redemption: No  
if yes:

25. Redemption at the Option of the Senior Noteholders: No

26. Early Redemption for taxation reasons or on Event of Default (if required or if different from that set out in the Conditions 11.2 and 14 respectively). No

27. Early Redemption Amount 100% of Nominal Amount

**GENERAL**

28. Financial Exchange Interest Rate Market of the JSE Limited

29. Calculation Agent City of Johannesburg Metropolitan Municipality

30. Paying Agent City of Johannesburg Metropolitan Municipality

(a) Specified office of the Calculation Agent and the Paying Agent 14th Floor, Jorissen Place, 66 Jorissen Street Braamfontein, Johannesburg, 2001

(b) Telephone Number (011) 242 1042

(c) Telefax Number (011) 242 1055

31.	Transfer Agent	Computershare Investor Services Proprietary Limited
	(a) Specified office of the Transfer Agent	70 Marshall Street, Johannesburg, 2001
	(b) Telephone Number	(011) 370 7843
	(c) Telefax Number	(011) 688 7707
32.	Settlement Agent	The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division
33.	Stabilising manager	N/A
34.	Provisions relating to Stabilisation	N/A
35.	Additional selling restrictions	N/A
36.	ISIN	ZAG000116708
37.	Stock Code	COJG01
38.	Method of distribution	Dutch Auction
39.	Managers	N/A
40.	Dealer(s)	The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division; and Basis Points Capital Proprietary Limited
41.	Credit Rating assigned to Issuer	Moody's National Scale Rating of A1.za, which may be renewed from time to time.
42.	Governing law (if the laws of South Africa are not applicable)	N/A
43.	Other Banking Jurisdiction	N/A
44.	Other provisions	N/A

#### **DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS**

45. Paragraph 3(5)(a)

The ultimate borrower is the Issuer.

46. 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.

47. Paragraph 3(5)(c)

The auditor of the Issuer is the Auditor General South Africa.

48. Paragraph 3(5)(d)

As at the date of this issue:

- (i) the Issuer has issued ZAR6,138,000,000 commercial paper (excluding this issue); and
- (ii) to the best of the Issuer's knowledge and belief, the Issuer will not issue any further commercial paper during the current financial year, ending 30 June 2014.

49. Paragraph 3(5)(e)

All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in the Notes is contained in the Programme Memorandum and the Applicable Pricing Supplement.

50. 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.

51. Paragraph 3(5)(g)

The Notes issued will be listed.

52. Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for the funding of its "green projects" which will be determined based on the selection criteria as stated in Schedule 1 hereto headed "*Selection Criteria*".

53. Paragraph 3(5)(i)

The obligations of the Issuer in respect of the Notes are unsecured.

54. Paragraph 3(5)(j)

The Auditor General South Africa, the statutory auditors of the Issuer, has confirmed that its review did not reveal anything which indicates this issue of Notes issued under the Programme will not comply in all respects with the relevant provisions of the Commercial Paper Regulations.

### Responsibility

The Issuer accepts full responsibility for the information contained in this Applicable Pricing Supplement. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case) the information contained in this Applicable Pricing Supplement is in accordance with the facts and does not omit anything which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made. This Applicable Pricing Supplement contains all information required by law and the debt listings requirements of the JSE.

Application is hereby made to list this issue of Notes on 9 June 2014.

**SIGNED** at Johannesburg this 5<sup>th</sup> day of June 2014.

For and on behalf of

**CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY**



Name: Trevor Fowler  
Capacity: City Manager  
Who warrants his/her authority hereto



Name: Reginald Boqo  
Capacity: Group Chief Financial Officer  
Who warrants his/her authority hereto

**Selection Criteria**

**Renewable Electricity/Power**

- Grid electricity efficiency
- Grid connected electricity generation from renewable sources
- Installation of power efficient transformers in power distribution grid
- Installation of high voltage direct power transmission line
- Supply side energy efficiency improvements (transmission and distribution)
- Off-grid electricity generation
- Electrification of communities through grid extension
- Renewable thermal energy
- Solar water heating systems
- Fuel Switch - Coal/oil to gas
- Switching fossil fuels
- Waste energy recovery projects

**Household and building Energy Efficiency**

- Water Saving
- Demand side energy efficiency activities for installation of low-flow hot water savings devices
- Lighting
- Distribution of efficient light bulbs to households
- Demand side activities for efficient lighting technologies
- Demand side activities for efficient outdoor and street lighting technologies
- Demand side energy efficiency activities for installation of energy efficient and/or controls in buildings
- Energy efficiency and fuel switching measures for buildings
- Energy efficiency and renewable energy measures in new residential buildings
- Substituting fossil fuels based lighting with LED/CFL lighting systems
- Demand side energy efficiency activities

**Transport**

- Energy Efficiency
- Transportation energy efficiency activities using retrofit technologies
- Fossil fuel switch

- Fuel Switch
- Introduction of low emission vehicles/technologies to commercial vehicle fleet
- Energy Efficiency
- Transportation energy efficiency activities using retrofit technologies
- Fossil fuel switch
- Fuel Switch
- Introduction of low emission vehicles/technologies to commercial vehicle fleet

#### **Waste Management and Wastewater**

- Recovery and recycling of materials from solid waste
- Alternative treatment composting
- Alternative waste treatment processes
- Avoidance of methane emissions through composting
- Avoidance of methane emission through excavating and composting of partially decayed municipal solid waste
- Landfill Gas
- Flaring use of landfill gas
- Landfill methane recovery
- Manure and comparable waste
- GHG emission reductions through multi-site manure collection and treatment in a central plant
- Reforestation and Afforestation
- Small scale project activities implemented on wetlands
- Small scale project activities implemented on lands other than wetlands

Further information regarding the Issuer's "green projects" is available on request at the Issuer's address below:

14<sup>th</sup> Floor  
 Jorissen Place  
 66 Jorissen Street  
 Braamfontein  
 Johannesburg  
 2001

Tel: 011 242 1040