

SUPPLEMENTAL INFORMATION MEMORANDUM



Helen Fowler
Director

DOLOMITE CAPITAL LIMITED

(Incorporated with limited liability in the Cayman Islands under registered number 131853)

Series 6 ZAR 40,000,000 Limited Recourse Secured Floating Rate Credit-Linked Notes, linked to Ukraine and Russia due 2019

This Supplemental Information Memorandum includes the Issue Terms relating to the Securities. Investors should note that such Issue Terms supersede in their entirety any termsheets which may have been circulated previously.

By purchasing the Securities, investors are selling credit protection to the Issuer in respect of the Long Reference Entity (being Ukraine and any of its Successors) and purchasing credit protection from the Issuer in respect of the Short Reference Entity (being the Russian Federation and any of its Successors).

The Securities are only intended for highly sophisticated and knowledgeable investors who are capable of understanding and evaluating the risks involved in investing in the Securities and who are required to read "Risk Factors" on pages 6 to 19.

THIS SUPPLEMENTAL INFORMATION MEMORANDUM UNDER WHICH THE SERIES 6 ZAR 40,000,000 LIMITED RECOURSE SECURED FLOATING RATE CREDIT-LINKED NOTES, LINKED TO UKRAINE AND RUSSIA DUE 2019 (THE SECURITIES) ARE DESCRIBED IS SUPPLEMENTAL TO THE INFORMATION MEMORANDUM DATED 22ND JULY, 2014 (THE INFORMATION MEMORANDUM) RELATING TO THE U.S.\$50,000,000,000 LIMITED RECOURSE SECURED DEBT ISSUANCE PROGRAMME (THE PROGRAMME) OF DOLOMITE CAPITAL LIMITED (THE ISSUER) AND THE JSE PLACEMENT DOCUMENT DATED 22ND JULY, 2014 (THE JSE PLACEMENT DOCUMENT) FOR PURPOSES OF INWARD LISTING THE PROGRAMME ON THE INTEREST RATE MARKET OF THE JSE LIMITED (THE JSE) (THE SOUTH AFRICAN PROGRAMME) AND IS ISSUED IN CONJUNCTION WITH AND INCORPORATES BY REFERENCE, THE INFORMATION MEMORANDUM AND THE JSE PLACEMENT DOCUMENT.

Dealer

Merrill Lynch South Africa Proprietary Limited

The date of this Supplemental Information Memorandum is 30th July, 2014

GENERAL

This Supplemental Information Memorandum under which the Series 6 ZAR 40,000,000 Limited Recourse Secured Floating Rate Credit-Linked Notes, linked to Ukraine and Russia due 2019 (the **Securities**) are described is supplemental to the Information Memorandum dated 22nd July, 2014 (the **Information Memorandum**) relating to the U.S.\$50,000,000,000 Limited Recourse Secured Debt Issuance Programme (the **Programme**) of Dolomite Capital Limited (the **Issuer**) and the JSE Placement Document dated 22nd July, 2014 (the **JSE Placement Document**) for purposes of inward listing the Programme on the Interest Rate Market of the JSE Limited (the **JSE**) (the **South African Programme**) and is issued in conjunction with, and incorporates by reference, the Information Memorandum and the JSE Placement Document.

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that the Information Memorandum contains all information required by law and the debt listings requirements of the JSE. The Issuer accepts full responsibility for the accuracy of the information contained in the Information Memorandum, Supplemental Information Memorandum and the annual financial report, the amendments to the annual financial report or any supplements from time to time, except as otherwise stated therein.

This Supplemental Information Memorandum should be read together with the Information Memorandum and the JSE Placement Document as one document. To the extent that the Information Memorandum and/or the JSE Placement Document is inconsistent with this Supplemental Information Memorandum, this Supplemental Information Memorandum shall prevail. Terms defined in the Information Memorandum and the JSE Placement Document shall, unless the context otherwise requires, bear the same meanings herein.

Save as disclosed herein, there has been no significant change and no matter has arisen since publication of the Information Memorandum or the JSE Placement Document.

The JSE takes no responsibility for the contents of the Information Memorandum, the JSE Placement Document, this Supplemental Information Memorandum or the annual reports (as amended or restated from time to time) or the amendments to the annual reports, makes no representation as to the accuracy or completeness of any of the foregoing documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of Information Memorandum, the JSE Placement Document, this Supplemental Information Memorandum or the annual reports (as amended or restated from time to time) or the amendments to the annual reports.

Merrill Lynch International accepts responsibility for the information contained in the section entitled "*Description of the Counterparty*". To the best of the knowledge and belief of Merrill Lynch International (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Issuer has only made very limited queries with regards to the accuracy and completeness of the information under the section entitled "*Description of the Counterparty*" in this Supplemental Information Memorandum (the **Third Party Information**). This information has been accurately reproduced from information publicly available on the Bank of America Merrill Lynch group's website (www.bankofamerica.com) and, so far as the Issuer is aware and is able to ascertain from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. Prospective investors in the Securities should not rely upon, and should make their own independent investigations and enquiries in respect of, the accuracy and completeness of the Third Party Information.

The information relating to the Initial Charged Assets and the issuer of the Initial Charged Assets (the **Charged Assets Issuer**) has been accurately reproduced from information published by the Charged Assets Issuer. Such information has been accurately reproduced from such sources and, so far as the Issuer is aware and is able to ascertain from such sources, no facts have been omitted from such sources which would render the reproduced information inaccurate or misleading.

Application has been made by the Issuer, through FirstRand Bank Limited acting through its Rand Merchant Bank (an authorised dealer approved by the South African Reserve Bank to deal in foreign exchange), to the JSE for the Securities to be admitted to the Interest Rate Market. There can be no assurance that any such admission to trading will be obtained and, if obtained, whether it will be obtained by the Issue Date.

It is a requirement in terms of current South African Exchange Control Regulations to obtain prior approval from the Financial Surveillance Department of the South African Reserve Bank (**FinSurv**) to inward list credit-linked notes on the JSE. The FinSurv has approved the inward listing of credit-linked notes by Dolomite Capital Limited on the JSE. The issuance of the Series 6 ZAR 40,000,000 Limited Recourse Secured Floating Rate Credit-Linked Notes, linked to Ukraine and Russia due 2019 is in accordance with the approval granted by the FinSurv. The Supplemental Information Memorandum will be available for inspection at the registered office of the Issuer and the registered office of the South African Paying Agent in Johannesburg in accordance with the debt listing requirements of the JSE and will be filed with the JSE which will publish such documents on its website at <http://www.jse.co.za>.

The Securities will not be rated.

Neither the delivery of this Supplemental Information Memorandum nor the offering, sale or delivery of any Securities shall in any circumstances imply that the information contained herein is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Securities is correct as of any time subsequent to the date indicated in the document containing the same.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Supplemental Information Memorandum or any other information supplied in connection with the Programme or the Securities and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Trustee (as defined herein) or the Dealer (as defined herein).

The Issuer's annual financial statements for the financial years ended 31st December, 2011, 31st December, 2012 and 31st December, 2013, which have previously been published, have been filed with the JSE and shall be incorporated in, and form part of, this Supplemental Information Memorandum.

This Supplemental Information Memorandum does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken by the Issuer, the Trustee or the Dealer to permit an offering of the Securities or the distribution of this Supplemental Information Memorandum in any jurisdiction where such action is required.

Claims of the Securityholders and the Counterparty will be limited in recourse to the Mortgaged Property.

The Securities have not been and will not be registered under the U.S. Securities Act of 1933 (the "Securities Act"). Consequently, the Securities may not be offered, sold, resold, delivered or transferred (by any person at any time up to the Maturity Date) within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act).

The Securities have not been registered under the Securities Act and may not be offered, sold, resold, delivered or transferred in the United States or to a U.S. person or to a person who is not a Non-United States person (as defined in CFTC Rule 4.7 of the United States Commodity Futures Trading Commission (the “CFTC”)).

Pursuant to an exemption from the CFTC in connection with pools whose participants are limited to Qualified Eligible Persons (as defined in CFTC Rule 4.7 under the Commodity Exchange Act of 1936, as amended), an offering memorandum for this pool is not required to be, and has not been, filed with the CFTC. The CFTC does not pass upon the merits of participating in a pool or upon the adequacy or accuracy of an offering memorandum. Consequently, the CFTC has not reviewed or approved this offering or any offering memorandum for this pool.

The Issuer is not and will not be regulated by the FinSurv as a result of issuing the Securities. Any investment in the Securities does not have the status of a bank deposit and is not within the scope of the deposit protection scheme operated by the FinSurv.

In connection with the issue of the Securities, the Dealer (the **Stabilising Manager**) (or persons acting on behalf of the Stabilising Manager) may over-allot the Securities or effect transactions with a view to supporting the market price of the Securities at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Securities is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Securities and 60 days after the date of allotment of the Securities. Any stabilisation action or over-allotment shall be conducted in accordance with all applicable laws and rules.

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RISK FACTORS

The purchase of the Securities may involve substantial risks and is suitable only for sophisticated investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Securities.

The Securities are not principal protected and purchasers of the Securities are exposed to full loss of principal.

The Issuer believes that the following factors may affect either its ability to fulfil its obligations under the Securities or the performance of the Securities. Some of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Securities, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Securities may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Securities are exhaustive.

Prospective investors should also read the detailed information set out elsewhere in this Supplemental Information Memorandum and in the Information Memorandum and, in the light of their own financial circumstances and investment objectives, reach their own views prior to making any investment decision.

Investor Suitability

Prospective investors should reach an investment decision only after carefully considering the suitability of the Securities in light of their particular circumstances. Investment in the Securities may only be suitable for investors who:

- (a) have substantial knowledge and experience in financial and business matters and expertise in assessing credit risk which enables them to evaluate the merits and risks of an investment in the Securities and the rights attaching to the Securities;
- (b) are capable of bearing the economic risk of an investment in the Securities for an indefinite period of time;
- (c) are acquiring the Securities for their own account (as principal and not as agent) for investment, and not with a view to resale, distribution or other disposition (subject to (i) any applicable law requiring that the disposition of the investor's property be within its control and (ii) any allocation of the Securities within a Securityholder's books to the account of a client for whom such Securityholder exercises a discretionary client mandate); and
- (d) recognise that it may not be possible to make any transfer of the Securities for a substantial period of time, if at all.

Investment in the Securities involves substantial risks, including without limitation, principal, interest rate, commodity, currency, credit, political, liquidity and market risk and is not suitable for all investors. Investment in the Securities is suitable only for investors who can bear the financial and other risks associated with an investment in the Securities.

Credit Risk

The ability of the Issuer to meet its obligations under the Securities will be dependent upon the payment of all sums due from the Counterparty under the Swap Agreement (as defined in the Issue Terms). In the event that the Counterparty defaults in its payment obligations under the Swap Agreement, or the Swap Agreement otherwise terminates early, the Securities will be subject to early redemption. See "*Early Redemption of the Securities (other than following the occurrence of a Credit Event)*" below.

The ability of the Issuer to meet its obligations under the Securities will also be dependent on the payment of interest and principal due on the Charged Assets, upon the South African Paying Agent and the Custodian making the relevant payments when received and upon all parties to the Transaction Documents (other than the Issuer) performing their respective obligations thereunder. Accordingly, Securityholders are exposed, *inter alia*, to the creditworthiness of the Charged Assets Issuer, the Counterparty, the South African Paying Agent and the Custodian, in addition to the creditworthiness of the Long Reference Entity.

The Securities shall be secured by Cash Collateral on the Issue Date

Prospective investors should be aware that the Initial Charged Assets are expected to be delivered to the Issuer on or around the Business Day following the Issue Date. The Issuer shall, on the Issue Date, deposit the Cash Collateral into the ZAR Cash Deposit Account. The Cash Collateral shall form part of the Charged Assets and shall be subject to the security interest in favour of the Trustee created pursuant to the Trust Instrument. As a result, the Securities will be secured solely by Cash Collateral in accordance with Condition 4(b)(iii) (*Substitution with Cash Collateral*) up to the date following the Issue Date on which the Charged Assets are delivered to the Issuer. If an event of default (howsoever described in the terms and conditions of the Initial Charged Assets) has occurred with respect to the Initial Charged Assets prior to the delivery by the Vendor of all or any part of the Initial Charged Assets, any undelivered Initial Charged Assets shall be deemed to have been delivered by the Vendor to the Issuer and sold by the Selling Agent in accordance with the Agency Agreement.

Early Redemption of the Securities (other than following the occurrence of a Credit Event)

On an early redemption of the Securities, the Selling Agent or the Trustee, as applicable, will liquidate the Charged Assets in order to fund payment of amounts due to the Secured Parties. The amount payable to Securityholders will broadly be an amount of South African rand (**ZAR**) (converted from USD, as applicable, at the prevailing USD/ZAR spot rate of exchange) equal to (a) the net proceeds of liquidation of the Charged Assets plus (b) the termination value of the Swap Agreement (which may be positive or negative). Securityholders are therefore exposed to: (i) the credit risk of the Charged Assets; (ii) the mark to market value of the Swap Agreement; and (iii) exchange rate risk, and may receive back less than their initial investment.

The value of the Securities upon an early redemption will depend on the value of the Charged Assets and the Swap Agreement and, consequently, changes in the creditworthiness (or perceived creditworthiness) of the Charged Assets Issuer may affect the market value, which in turn will affect the value of the Securities.

Investors should further note that the Securities will redeem early if, amongst other things, the Counterparty is insolvent.

Redemption upon the occurrence of a Trigger Event

If, on any date during the term of the Securities, the Counterparty determines, either: (a) the sum of (i) the termination value of the Swap Agreement (which may be positive or negative), plus (ii) the ZAR Equivalent of the average bid price of the Charged Assets (excluding accrued interest), is (or has been) less than or equal to 55 per cent. of the outstanding principal amount of the Securities on such date and/or (b)

the ZAR Equivalent of the average bid price of the Charged Assets (excluding accrued interest) is (or has been) less than or equal to 65 per cent., then either such event shall constitute a Trigger Event and the Counterparty may deliver a Trigger Notice to the Issuer, the Trustee and the Calculation Agent.

Upon the delivery of a Trigger Notice, the Securities shall be redeemed and no further interest shall be payable on the Securities. The amount payable to Securityholders will broadly be an amount of ZAR (where for such purposes, any amounts in USD shall be converted at the prevailing USD/ZAR spot rate of exchange, as determined by the Calculation Agent in its sole discretion) equal to (a) the net proceeds of liquidation of the Charged Assets, plus (b) the termination value of the Swap Agreement (which may be positive or negative).

Prospective purchasers should therefore be aware that upon the occurrence of a Trigger Event and delivery of a Trigger Notice they will receive no further interest and will be exposed to the risk that the realisation proceeds of the Charged Assets net of all relevant payments would be less than the aggregate Outstanding Principal Amount of the Securities. In an adverse market, the net proceeds of liquidation of the Charged Assets may be less than the termination value of the Swap Agreement and therefore the amount payable to the Securityholders could be zero. They will also be subject to the currency risk involved in converting such realisation proceeds into ZAR.

Counterparty's assignment to affiliates

Securityholders should be aware that the Counterparty may transfer (without the consent of the Securityholders or any other party, but with notice to each of the Issuer, the Trustee, the South African Paying Agent and the Securityholders) its rights and obligations under the Swap Agreement to an affiliate thereof. As a consequence of any such transfer, the entity acting in the capacity of Calculation Agent may change, and the Calculation Agent may make such changes to the Transaction Documents as are necessary to reflect such changes, without the consent of the Securityholders, the Trustee or any other party.

No Legal or Beneficial Interest in the Reference Entities or any Obligations of the Reference Entities

As a party to the Long Credit Default Swap Transaction and Short Credit Default Transaction, the Issuer has a contractual relationship with the Counterparty. The Issuer, however, has no rights in or to, or any security interest in respect of, any Reference Entity or any obligation of any Reference Entity. The entry into the Long Credit Default Swap Transaction and Short Credit Default Transaction by the Issuer does not constitute a purchase or other acquisition or assignment of any interest in any Reference Entity or any obligation of any Reference Entity. The Counterparty may or may not have an exposure to the credit of either the Long Reference Entity or the Short Reference Entity. None of the Issuer or the Counterparty has undertaken any legal due diligence in respect of any Reference Entity, including the terms of any obligation of any Reference Entity.

Exposure to the Long Reference Entity and the Short Reference Entity and/or their respective Obligations under the Securities

Generally described, investors in the Securities are taking credit risk with respect to the Long Reference Entity and are providing credit protection to the Issuer. The Issuer, in turn, is taking credit risk with respect to the Long Reference Entity in the Long Credit Default Swap Transaction with the Counterparty and, through the Long Credit Default Swap Transaction, is providing credit protection to the Counterparty.

Conversely, the Issuer is taking credit risk with respect to the Short Reference Entity and is providing credit protection to the Securityholders. The Issuer, in turn, is purchasing credit protection from the Counterparty through the Short Credit Default Swap Transaction.

Prospective investors who consider purchasing the Securities should reach an investment decision only after carefully considering the risks associated with the Long Reference Entity and the Short Reference Entity. Because payments under the Securities upon maturity or earlier redemption depend upon, among others, the credit performance of the Reference Entities, the occurrence of a Credit Event in relation to the Long Reference Entity could result in the loss of a substantial portion or all of the Securityholders' investment in the Securities, while the occurrence of a Credit Event in relation to the Short Reference Entity could result in an additional payment being made to Securityholders on maturity of the Securities.

Prospective purchasers should note that the creditworthiness and/or performance of the Reference Entities may be dependent upon economic, political, financial and social events locally and globally as well as its own performance and there can be no assurance that such factors will not adversely affect the Reference Entities' creditworthiness and/or performance and, in turn, the performance of the Securities. Events occurring within a country, such as political upheaval, financial troubles, or natural disasters, will weaken a country's securities markets. The Issuer, under the Swap Agreement, has a contractual relationship with the Counterparty but has no rights in, or to, any security interests in respect of any Reference Obligation or against the issuer of any Reference Obligation. The Counterparty may or may not have an exposure to the credit risk of any of the Reference Entities or any obligation each thereof. Accordingly, the Securities do not represent a claim against the Reference Entities or any obligation each thereof and, in the event of any loss, Securityholders will not have recourse under the Securities to the Reference Entities nor will they have a right to vote or exercise any other right or remedy with respect to the Reference Entities or any obligations each thereof.

Prospective purchasers should also note that, upon the occurrence of an Event Determination Date with respect to the Long Reference Entity, the period of credit-protection provided by the Issuer in relation to the Short Reference Entity shall automatically cease, unless an Event Determination Date has occurred with respect to the Short Reference Entity prior to the date of occurrence of the Event Determination Date with respect to the Long Reference Entity.

Credit Events

Not all Credit Events require an actual default with respect to a Reference Entity's obligations. This means that Securityholders could bear losses based on deterioration in the credit of the Long Reference Entity short of a default. Potential purchasers should note that not all Credit Events have easily ascertainable triggers and disputes can and have arisen as to whether a specific event did or did not constitute a Credit Event. However, under the terms of the Swap Agreement (and subject to an ISDA Credit Derivatives Determinations Committee making a determination in respect of a Credit Event), the Counterparty's good faith, reasonable determination that a Credit Event has or has not occurred will be binding on the Issuer and the Securityholders, notwithstanding the disagreement of the Securityholders or other financial institutions, rating agencies or commentators.

Exposure to Credit Events that occur prior to the Trade Date

The credit risk period commences up to 60 days prior to the Trade Date and will continue until the Maturity Date. A Credit Event that occurred up to 60 days prior to the Trade Date may therefore impact the Securities. Investors should conduct their own review of any recent developments with respect to the Reference Entities by consulting publicly available information. If a request to convene an ISDA Credit Derivatives Determinations Committee has been delivered prior to the Trade Date to determine whether a Credit Event has occurred with respect to a Reference Entity, details of such request may be found on the ISDA website. If an ISDA Credit Derivatives Determinations Committee has not been convened to determine such matter as of the Trade Date, one may still be convened after the Trade Date in respect of an event which occurs up to 60 days before the date of a request to convene such ISDA Credit Derivatives Determinations Committee.

Auction Settlement

Where an Auction Final Price Determination Date occurs with regards to a Credit Event and a Reference Entity, the Auction Final Price will be determined according to an Auction procedure set out in the applicable Credit Derivative Auction Settlement Terms, available on ISDA's website at www.isda.org.

Role of the ISDA Credit Derivatives Determinations Committees

Prospective purchasers should note that the ISDA Credit Derivatives Determinations Committees have the power to make binding decisions on critical issues such as whether a Credit Event has occurred, which obligations are to be valued and whether an Auction should take place in accordance with and as more fully described in the ISDA Credit Derivatives Determinations Committees Rules (published on 11th July, 2011), as amended from time to time and available on ISDA's website at www.isda.org. Consequently, Securityholders will be bound by any such relevant decisions.

Credit Event and Succession Event Backstop Dates

Prospective investors should note that a Credit Event may be triggered under the Credit Default Swap Transaction if a request is submitted to ISDA for the relevant Credit Derivatives Determinations Committee to consider whether the relevant event constitutes a Credit Event or if a Credit Event Notice and a Notice of Publicly Available Information are delivered, within 60 calendar days of the occurrence of such Credit Event unless an Event Determination Date has already occurred with respect to such event. For Succession Events the lookback period is 90 calendar days and functions similarly. This means that there is a time limit on the ability to act on a Credit Event or Succession Event and that it is possible that the Securities could be affected by a Credit Event or a Succession Event that took place prior to the Trade Date.

Movement Option

In certain circumstances, if following a Restructuring Credit Event a No Auction Announcement Date has occurred pursuant to sub-paragraph (b) of the definition of No Auction Announcement Date, the Counterparty may elect, in its sole discretion, to exercise the Movement Option, by delivering an effective Notice to Exercise Movement Option to the Issuer on or prior to the Movement Option Cut-off Date. If the Counterparty exercises such option, the Parallel Auction Settlement Terms shall apply for the purposes of determining the Auction Final Price. Securityholders should be aware that they do not have the right to exercise the Movement Option and therefore if the Counterparty elects not to exercise the Movement Option, the Securities shall be redeemed in accordance with the Fallback Settlement Method.

Market Risk

The value of any Credit-Linked Securities will depend on movements in credit swap spreads during the life of such Securities. Potential purchasers should be aware that credit swap spreads overall may widen over short or even extended periods. Historically, the credit swap market tends to move in cycles, with periods of rising prices (or falling spreads) and periods of falling prices (or rising spreads). Any such fluctuations will directly affect the value of the Securities. Similarly, interest rate levels and implied correlation may fluctuate over time which may also affect the value of such Securities.

Extension of the Maturity Date

The scheduled Maturity Date of the Securities is 22nd March, 2019. Prospective purchasers should note, however, that if an Extension Notice (as defined in the Issue Terms) is delivered by the Counterparty in respect of either (or both) of the Reference Entities, the Securities may not be redeemed until the relevant Extended Maturity Date, subject to the Credit-Linked Securities Conditions Module. The Extended

Maturity Date may be later than the scheduled Maturity Date of the Securities. See paragraph 7 of the Issue Terms.

Modifications to the terms of the Securities

Prospective investors' attention is drawn to Condition 19 (*Meetings of Securityholders, Modification, Waiver and Substitution*) and in particular, the provision that the Trustee shall agree to make any modification (whether or not it may be materially prejudicial to the Securityholders) requested by the Dealer in respect of the Securities if, and to the extent that, such modification is to correct an error in the Issue Terms arising from a discrepancy between the Issue Terms and the final termsheet, as certified by the Dealer in form and content satisfactory to the Trustee.

UK Banking Act 2009

The Banking Act 2009 (the **Banking Act**), which came into effect on 21st February, 2009, includes (amongst other things) provision for a special resolution regime pursuant to which specified UK authorities have extended tools to deal with the failure (or likely failure) of a UK bank or building society (such as HSBC Bank plc as Custodian). In particular, in respect of UK banks, such tools include share and property transfer powers (including powers for partial property transfers), certain ancillary powers (including powers to modify certain contractual arrangements in certain circumstances) and two new special insolvency procedures which may be commenced by UK authorities (i.e. bank insolvency and bank administration). It is possible that the extended tools described above could be used prior to the point at which an application for insolvency proceedings with respect to a relevant entity could be made.

In general, the Banking Act requires the UK authorities to have regard to specified objectives in exercising the powers provided for by the Banking Act. One of the objectives (which is required to be balanced as appropriate with the other specified objectives) refers to the protection and enhancement of the stability of the financial systems of the United Kingdom. The Banking Act includes provisions related to compensation in respect of transfer instruments and orders made under it.

If an instrument or order were to be made under the Banking Act in respect of HSBC Bank plc, such instrument or order may (amongst other things) affect the ability of such entity to satisfy its obligations under the Transaction Documents and/or result in modifications to such documents.

The Banking Act 2009 (Restriction on Partial Property Transfers) (Amendment) Order 2009 (the **Safeguards Order**) came into force on 9th July, 2009. The Safeguards Order imposes certain controls on the powers set out in the Banking Act and, *inter alia*, prevents the transfer under an instrument or order of some and not all of the property, rights and liabilities that comprise a "capital market arrangement" and also includes a restriction on the power to amend the terms of a trust if a partial property transfer is made pursuant to an instrument or order under the Banking Act. The issuance of Securities by the Issuer would constitute a "capital market arrangement" and therefore have the benefit of the Safeguards Order. However, Securityholders should note that such protections apply to partial property transfers only and not to all powers that can be carried out under an instrument or order.

At present, the UK authorities have not made an instrument or order under the Banking Act in respect of HSBC Bank plc and there has been no indication that it will make any such instrument or order, but there can be no assurance that this will not change and/or that Securityholders will not be adversely affected by any such instrument or order if made.

Lastly, the European Commission has published a legislative proposal for a directive providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms. Amongst other things, the proposed directive contemplates the introduction of a package

of minimum early intervention and resolution-related tools and powers for relevant authorities and provides for special rules for cross-border groups. The resolution tools and powers referred to in the directive include certain tools and powers which overlap in part with those available under the Banking Act and also certain further tools, such as provision for authorities to bail-in eligible liabilities of relevant institutions. The proposed directive is not in final form and it is likely that changes will be made to it in the course of the corresponding legislative procedure. As such, it is too early to anticipate the full impact of the directive and there can be no assurance that Securityholders will not be adversely affected by an action taken under it, once it is agreed upon and implemented.

The Volcker Rule

Prospective investors should note that, pursuant to the terms of the Swap Agreement, if the Counterparty determines, in its sole and absolute discretion, that, as a result of the implementation of the rules implementing Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the **Volcker Rule**), it is or is likely to become, in whole or in part, unlawful or illegal or otherwise contrary to the Volcker Rule for the Counterparty to perform its respective obligations under the Swap Agreement and/or any other Transaction Document to which it is a party or to continue its relationship with the Issuer, then the Issuer and the Counterparty have agreed to use reasonable endeavours to make such modifications to the Swap Agreement, or to take any other remedial action that the Counterparty may, in its sole and absolute discretion, determine to be commercially reasonable and necessary in order to ensure compliance with the Volcker Rule.

Provided that the criteria set out in (a) to (e) below are satisfied, then the Issuer and the Counterparty may agree to use reasonable endeavours to make such modifications to the Swap Agreement, and the Calculation Agent, in turn, may use reasonable endeavours to make such modifications to the Issue Terms and/or any other Transaction Document as are necessary to reflect such modifications without the need for the consent of the Issuer, the Trustee, the Securityholders or any other party (and any such modification shall automatically be deemed not to be materially prejudicial to the interests of the Securityholders):

- (a) such modifications and/or other remedial action do not materially alter the economic substance of the transactions constituted by the Transaction Documents when considered as a whole;
- (b) such modifications and/or other remedial action will not require any party to withhold or deduct on account of any tax under any Transaction Document or to incur a loss other than immaterial, incidental expenses;
- (c) no termination event, mandatory redemption event or event of default (howsoever defined) will occur under any of the Transaction Documents as a result of such modifications and/or other remedial action;
- (d) no additional amount will be payable by the Issuer to the Counterparty as a result of such modifications and/or other remedial action; and
- (e) such modifications and/or other remedial action will not affect the operation of the limited recourse and non-petition provisions of the Swap Agreement or similar provisions in any other Transaction Documents.

Notwithstanding the foregoing, nothing herein shall affect the ability of the Issuer or the Counterparty to terminate the Swap Agreement as a result of the occurrence of an Illegality under (and as defined in) the Swap Agreement.

In addition, if the Counterparty determines that it is not possible or commercially reasonable to make such modifications to ensure such compliance with the Volcker Rule, the Counterparty may terminate the Swap Agreement early, which would cause the Securities to redeem early and Securityholders may receive back less than their initial investment.

Independent review and advice

Each prospective purchaser of the Securities must make its own independent review (including as to the financial condition and affairs and its own appraisal of the creditworthiness) of the Issuer, the Counterparty, the Reference Entities and any Reference Obligations and the obligors in respect of the Charged Assets and obtain such professional advice (including, without limitation, tax, accounting, credit, legal and regulatory advice) as it deems appropriate under the circumstances, to assess the economic, social and political condition of each jurisdiction in which each such party is situated and to determine whether an investment in the Securities is appropriate in its particular circumstances.

In so doing, and without restricting the generality of the preceding paragraph, such prospective purchaser must determine that its acquisition and holding of the Securities (a) is fully consistent with its (or if it is acquiring the Securities in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, (b) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether it is acquiring the Securities as principal or in a fiduciary capacity) and (c) is a fit, proper and suitable investment for it (or if it is acquiring the Securities in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Securities. None of the Issuer, the Trustee, the Dealer, or any of their respective affiliates is acting as an investment adviser, or assumes any fiduciary obligation, to any purchaser of Securities.

Neither the Information Memorandum nor this Supplemental Information Memorandum is intended to provide the basis of any credit or other evaluation or should be considered as a recommendation or constituting an invitation or offer that any recipient of the Information Memorandum or this Supplemental Information Memorandum should purchase any of the Securities. The Trustee and the Dealer expressly do not undertake to review the financial condition or affairs of the Issuer, the Counterparty or the obligors in respect of the Charged Assets.

Limited recourse

Claims against the Issuer by the Securityholders of the Series and by the Counterparty will be limited to the Mortgaged Property relating to such Series. The proceeds of realisation of such Mortgaged Property may be less than the sums due to the Securityholders and the Counterparty. Any shortfall will be borne by the Securityholders and by the Counterparty in accordance with the Security Ranking Basis. **In this respect, each prospective investor should note that the claims of the Counterparty in respect of amounts owing to it under the Swap Agreement shall rank in priority to the claims of Securityholders under the Securities.** Each Securityholder, by subscribing for or purchasing the Securities, will be deemed to accept and acknowledge that it is fully aware that, in the event of a shortfall: (a) the Issuer shall be under no obligation to pay, and the other assets (if any) of the Issuer including, in particular, assets securing other Series of securities or Alternative Investments will not be available for payment of, such shortfall, (b) all claims in respect of such shortfall shall be extinguished and (c) the Trustee, the Securityholders and the Counterparty shall have no further claim against the Issuer in respect of such unpaid amounts and will accordingly not be able to petition for the winding up of the Issuer as a consequence of such shortfall.

The Securities are direct, limited recourse obligations of the Issuer alone and not of the officers, members, directors, employees, securityholders or incorporator of the Issuer, the Trustee, the Counterparty, the Reference Entities or the obligors in respect of the Charged Assets or their respective successors or assigns. Furthermore, they are not obligations of, or guaranteed in any way by, the Dealer. Potential investors should also consider carefully "*Early Redemption of the Securities (other than following the occurrence of a Credit Event)*" above.

No secondary market

Neither the Issuer, the Trustee, the Agents, the Dealer nor any of their respective affiliates is under an obligation to provide liquidity for the Securities and no secondary market is expected to develop in respect of the Securities. Whilst the Securities may be listed on the JSE, the Issuer does not expect a trading market for the Securities to develop. In the unlikely event that a secondary market does develop, there can be no assurance that it will provide the Securityholders with liquidity of investment or that it will continue for the life of the Securities. Accordingly, the purchase of the Securities is suitable only for purchasers who can bear the risks associated with a lack of liquidity in the Securities and the financial and other risks associated with an investment in the Securities. Purchasers must be prepared to hold the Securities for an indefinite period of time or until final redemption or maturity of the Securities.

Business relationships

Each of the Issuer, the Dealer, the Trustee and the Agents and/or any of their respective affiliates may have existing or future business relationships with the Counterparty, the Reference Entities or the Charged Assets Issuer (including, but not limited to, lending, depository, risk management, advisory and banking relationships) and will pursue actions and take steps that it deems necessary or appropriate to protect its interests arising therefrom without regard to the consequences for a Securityholder. Furthermore, the Dealer, the Trustee, the Agents and/or any of their respective affiliates may buy, sell or hold positions in obligations of, or act as investment or commercial bankers, advisers or fiduciaries to, or hold directorship and officer positions in, the Charged Assets Issuer.

Conflicts of Interest

The Counterparty and any of its affiliates is acting or may act in a number of capacities in connection with the issue of the Securities. The Counterparty and any of its affiliates acting in such capacities in connection with the issue of the Securities shall only have the duties and responsibilities expressly agreed to by it in the relevant capacity and shall not, by virtue of its or any other affiliates acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to hold a standard of care other than as expressly provided with respect to each such capacity. Each of the Counterparty and any of its affiliates in their respective various capacities in connection with the Securities may enter business dealings, including the acquisition of investment securities as contemplated by the Transaction Documents from which it may derive revenues and profits in addition to any fees stated in various documents, without any duty to account therefor, provided that any such revenue, profits or fees will be paid or received only in accordance with applicable regulations.

Various potential and actual conflicts of interest may arise between the interests of the Securityholders and either the Issuer and/or the Counterparty, as a result of the various businesses, management, investment and other activities of such persons, and none of such persons is required to resolve such conflicts of interest in favour of the Securityholders. The Counterparty may, where Cash Settlement applies as the Fallback Settlement Method, select the cheapest Deliverable Obligation(s) to value, with no obligation to minimise Securityholders' losses. The following briefly summarises some of those conflicts, but is not intended to be an exhaustive list of all such conflicts. The Counterparty shall manage conflicts of interest in accordance with its conflicts of interest policy.

Such persons may (a) deal in the Charged Assets, or securities or obligations of the Reference Entities or the Charged Assets Issuer, (b) enter into credit derivatives involving reference entities that may include the Reference Entities and/or the Charged Assets Issuer (including credit derivatives to hedge its obligations under the Swap Agreement), (c) advise and distribute securities on behalf of, arrange or manage transactions on behalf of, accept deposits from, make loans or otherwise extend credit to and generally engage in any kind of commercial or investment banking or other business with, the Charged Assets Issuer and/or the Reference Entities and (d) act with respect to such business in the same manner as if the Securities did not exist, regardless of whether any such relationship or action might have an adverse effect on the Charged Assets, the Reference Entities or the Securities, or on the position of any other party to the transaction described herein or otherwise.

Additional Conflicts of Interest relating to Credit-Linked Securities

The Counterparty, the Calculation Agent or any of their respective affiliates may (i) act as a voting member on a ISDA Credit Derivatives Determinations Committee, (ii) participate as a participating bidder in an Auction and (iii) be a party to credit derivative transactions which incorporate or are deemed to incorporate the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 Credit Derivatives Definitions. As a consequence, subject to any decision of the relevant Credit Derivatives Determinations Committee, such entity may take certain actions which may influence the process and outcome of decisions of the ISDA Credit Derivatives Determinations Committees (for example, determine if a Credit Event has occurred and if applicable select the Deliverable Obligation(s) to value thereby maximising a Securityholder's loss) and/or the Auction Final Price. Such action may have an impact on the Securities and therefore be adverse to the interests of the Securityholders and may result in an economic benefit accruing to the Counterparty or Calculation Agent or any of their affiliates, as the case may be. In taking action relating to the ISDA Credit Derivatives Determinations Committees, acting as a participating bidder or performing any duty under the Rules, the Counterparty or the Calculation Agent or any of their affiliates, as the case may be, shall have no obligation to consider the interests of the Securityholders and may ignore any conflict of interest arising due to its responsibilities under the Securities.

No Obligations owing by the Calculation Agent

The Calculation Agent shall have no obligations to the Securityholders, and shall only have the obligations expressed to be binding on it pursuant to the Agency Agreement and the Issue Terms. All determination and calculations made by the Calculation Agent shall be conclusive and binding on the Securityholders.

Securityholders should be aware that where any right or obligation of the Calculation Agent is not specified to be exercised or performed within a specific timeframe, a failure or delay by the Calculation Agent in exercising such right or performing such obligation will not be presumed to operate as a waiver and will not be presumed to preclude any subsequent or further exercise or performance by the Calculation Agent. Securityholders should be aware that the Calculation Agent may at any time assign or transfer its rights, obligations or duties under the Agency Agreement to any of its affiliates. As a result potential and actual conflicts of interest may arise between the interests of the Securityholders and either the Issuer and/or the Counterparty or its affiliates.

Taxation

Each Securityholder will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Securities. The Issuer will not be obliged to pay any additional amounts to Securityholders to reimburse them for any tax, assessment or charge required to be withheld or deducted from payments in respect of the Securities by the

Issuer or the South African Paying Agent except as provided for in the Issue Terms. In addition, to the extent that the Issuer suffers any tax in respect of its income from the Charged Assets or payments under a Charged Agreement (including the deduction of tax from such payments) so that it would be unable to make payment of the full amount payable on the Securities without recourse to further sources of income, the Securities may be redeemed early and Securityholders may not recover all amounts invested in the Securities. The attention of each prospective purchaser is drawn to the section entitled "*Taxation*" in the Information Memorandum. None of the Issuer, the Dealer or any of their respective affiliates makes any representation nor has given to any potential purchaser and nor will give any advice concerning the appropriate accounting treatment or possible tax consequences of purchasing the Securities.

U.S. Foreign Account Tax Compliance Act withholding

The U.S. "Foreign Account Tax Compliance Act" (or **FATCA**) imposes a new reporting regime and, potentially, a 30% withholding tax with respect to (i) certain payments from sources within the United States, (ii) "foreign pass thru payments" made to certain non-U.S. financial institutions that do not comply with this new reporting regime, and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution. The Issuer may be classified as a non-U.S. financial institution for these purposes. If an amount in respect of such withholding tax were to be deducted or withheld either from amounts due to the Issuer or from interest, principal or other payments made in respect of the Securities, neither the Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Securities, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected.

*Prospective investors should refer to the section in the Information Memorandum entitled "*Taxation – 5. Foreign Account Tax Compliance Act*".*

Provision of information

None of the Issuer, the Trustee, the Agents, the Dealer nor any of their respective affiliates makes any representation as to the credit quality of the Counterparty, the Reference Entities, or the Charged Assets Issuer. Any of such persons may have acquired, or during the term of the Securities may acquire, non-public information with respect to the Counterparty, the Reference Entities, or the Charged Assets Issuer. None of such persons is under any obligation (i) to review on the Securityholders' behalf, the business, financial conditions, prospects, creditworthiness or status of affairs of the Charged Assets Issuer, the Reference Entities, or conduct any investigation or due diligence into the Charged Assets Issuer or (ii) other than as may be required by applicable rules and regulations relating to the Securities to make available (a) any information relating to the Securities or (b) any non-public information they may possess in respect of the Counterparty, the Reference Entities, or the Charged Assets Issuer.

Legal opinions

Legal opinions relating to the Securities will be obtained on issue with respect to the laws of England and of the Cayman Islands but no such opinions will be obtained with respect to any other applicable laws and no investigations will be made into the validity or enforceability of the laws of any other jurisdiction in respect of the obligations under the Securities. Any such legal opinions will not be addressed to, and may not be relied on by, Securityholders. In particular, save as aforesaid, no legal opinions will be obtained in relation to:

- (a) the laws of the country of incorporation of the Reference Entities or the Charged Assets Issuer;

- (b) the laws of any country in which any obligations of the Reference Entities or of the Charged Assets are situated; or
- (c) the laws of any country which are expressed to govern any obligations of the Reference Entities or of the Charged Assets.

Such laws, depending upon the circumstances, may affect, among other things, the validity and legal and binding effect of the obligations of the Reference Entities or the Charged Assets and the effectiveness and ranking of the security for the Securities. Consequently, no responsibility is accepted by the Issuer in relation to such matters.

Legality of purchase

None of the Issuer, the Dealer or any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Securities by a prospective purchaser of the Securities, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective purchaser with any law, regulation or regulatory policy applicable to it.

Commingling of Charged Assets

Prospective investors' attention is drawn to the provisions in the Agency Agreement allowing the Charged Assets held by the Custodian to be commingled with Custodian's own assets in certain limited circumstances and, in such circumstances, in the event of the Custodian's insolvency, the Issuer's assets may not be as well protected from claims made on behalf of the general creditors of the Custodian.

Currency Risk

An investment in Securities denominated or payable in a currency other than the currency of the jurisdiction of a particular purchaser (the **Purchaser's Currency**), entails significant risks that are not associated with a similar investment in a security denominated and/or payable in the Purchaser's Currency. These risks include, but are not limited to:

- (a) the possibility of significant market changes in rates of exchange between the Purchaser's Currency and the currency in which the Securities are denominated and/or payable;
- (b) the possibility of significant changes in rates of exchange between the Purchaser's Currency and the currency in which the Securities are denominated and/or payable resulting from the official redenomination or revaluation of the currency; and
- (c) the possibility of the imposition or modification of foreign exchange controls by either the jurisdiction of the purchaser or foreign governments.

Foreign Exchange Risk

The Securities are denominated in ZAR and the Charged Assets are denominated in USD and all scheduled payments due under the Long Credit Default Swap Transaction and the Short Credit Default Swap Transaction are denominated in USD. The Issuer has entered into a cross-currency swap with the Counterparty to ensure that payments due to it in relation to the Charged Assets and the Long Credit Default Swap Transaction are converted into ZAR in order to make payments of interest and principal due on the Securities. However, prospective investors should be aware that if Securities are subject to early redemption (other than following a Credit Event), the Swap Agreement will be terminated and if the net termination value of the Swap Agreement is in favour of the Counterparty, such amount shall be met from the proceeds of the Charged Assets, which may reduce the interest and principal amounts payable on the

Securities. In addition, upon an early redemption of the Securities, the Swap Agreement will be terminated and any proceeds of the Charged Assets that are not required to be paid to the Counterparty shall be converted into ZAR at the prevailing spot rate.

Therefore, prospective investors should be aware that in the event of an early redemption of the Securities (following a Credit Event or otherwise), the amount of interest and principal received in respect of the Securities will subject to the foreign exchange rate risk between ZAR and USD.

Current Market Conditions

The current liquidity shortage and volatility in the credit markets has introduced a variety of increased risks relating to several aspects of the Issuer's operations. Such additional risks include the inability of the Issuer to sell its assets which, among other things, may render it unable to dispose of underperforming or defaulted assets and therefore unable to satisfy its obligations in relation to the redemption of the Securities. As a result of market conditions, it is possible that the Reference Obligations of each Reference Entity and/or the Charged Assets will experience higher default rates than anticipated and that performance will suffer. Such market conditions may also lead to the inability of the Issuer to determine a reliable valuation of its assets. All of such factors could materially adversely affect the interests of Securityholders. Some leading global financial institutions have been forced into mergers with other financial institutions, partially or fully nationalised or have gone bankrupt or insolvent. The bankruptcy or insolvency of a major financial institution may have an adverse effect on the Issuer, the Reference Entities and the Charged Assets Issuer, particularly if such financial institution is the administrative agent of a Charged Asset. The bankruptcy or insolvency of another financial institution may result in the disruption of payments to the Issuer. In addition, the bankruptcy or insolvency of one or more additional financial institutions or one or more sovereigns may trigger additional crises in the global credit markets and overall economy which would have a significant adverse effect on the Issuer, the Reference Entities, the Charged Assets and the Securities.

Comparative Returns

Risk-adjusted returns and absolute returns on the Securities may be lower than that of comparable investments. Each prospective purchaser should be aware that any return on the Securities may not exceed or even equal the return that might have been achieved had the amount of its initial investment been placed on deposit for the same period. In the event of an early redemption of the Securities, Securityholders may not recover the amount of their investment. See "*Early Redemption of the Securities (other than following the occurrence of a Credit Event*" above.

Non-U.S. Investors

The Securities will not be registered with the U.S. Securities and Exchange Commission under the Securities Act of 1933, as amended (the **1933 Act**), the Issuer will not be registered under the Investment Company Act of 1940, as amended (the **1940 Act**) or under any state or foreign securities laws and the Securities will be offered and sold only to non-US persons who purchase the Securities outside the United States of America pursuant to Regulation S of the 1933 Act. The offer and sale of offered Securities or the transactions contemplated herein may be further restricted by law. Potential purchasers are required to inform themselves of and to observe any legal restrictions on their involvement in the transaction.

Trustee Indemnity

Upon the occurrence of an Event of Default in relation to the Securities, Securityholders may be required to provide an indemnity to the Trustee to its satisfaction as provided for in Condition 11 (*Events of Default*)

before the Trustee gives notice to the Issuer accelerating the Securities. The Trustee shall not be obliged to take any action if not indemnified to its satisfaction.

Terms of Series 6 ZAR 40,000,000 Limited Recourse Secured Floating Rate Credit-Linked Notes, linked to Ukraine and Russia due 2019 are set out in the Issue Terms below.

ISSUE TERMS

Capitalised terms used but not otherwise defined herein shall have the meanings given to them in the Information Memorandum dated 22nd July, 2014 (the **Information Memorandum**) and in the JSE Placement Document dated, and approved by the JSE Limited (the **JSE**) on, 22nd July, 2014, as so supplemented, for the purposes of inward listing South African Securities on the Interest Rate Market of the JSE (the **JSE Placement Document**). This document constitutes the Issue Terms and must be read in conjunction with the Information Memorandum and the JSE Placement Document. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Issue Terms, the JSE Placement Document and the Information Memorandum.

The Securities referred to below are Auction Settled CLS, but of a type different to those described in subparagraph (h) of Condition CL1 (*Types of Credit-Linked Securities*) of the Credit-Linked Securities Conditions Module (as defined below), insofar as the Issuer purchases credit protection from the Securityholders in respect of the Long Reference Entity (as defined herein) and at the same time sells protection to the Securityholders in respect of the Short Reference Entity (as defined herein).

If an Event Determination Date occurs with respect to the Long Reference Entity and has not been reversed on or prior to the Auction Final Price Determination Date with respect to the Long Reference Entity, the Issuer will (subject to the occurrence of a Fallback Settlement Method Event) redeem the Securities on the Long Auction Redemption Date by payment of the relevant Long Auction Redemption Amount, such amount to be apportioned *pro rata* among all Securityholders.

If an Event Determination Date occurs with respect to the Short Reference Entity, then the Issuer will (unless an Event Determination Date subsequently occurs with respect to the Long Reference Entity and as otherwise set out herein), redeem the Securities on the Maturity Date at their Outstanding Principal Amount (plus accrued interest) together with payment of an amount in ZAR equal to the relevant Short Bonus Amount (as defined below), such amount to be apportioned *pro rata* among all Securityholders.

The Securities have the **Terms** as set out in these Issue Terms, which will complete and modify (i) the Bearer Securities Base Conditions Module, March 2013 Edition (the **Bearer Securities Base Conditions Module**), (ii) the Registered Securities Conditions Module, March 2013 Edition (the **Registered Securities Conditions Module**), (iii) the General Definitions Module, March 2013 Edition (the **General Definitions Module**), (iv) the Credit-Linked Securities Conditions Module, March 2013 Edition (the **Credit-Linked Securities Conditions Module**), (v) the Credit-Linked Securities Definitions Module, March 2013 Edition (the **Credit-Linked Securities Definitions Module**) and (vi) the additional terms and conditions of the South African Securities set out in the JSE Placement Document (the **Additional South African Securities Conditions**), each of which is incorporated by reference into these Issue Terms (together, the **Conditions**). The Bearer Securities Base Conditions Module, the Registered Securities Conditions Module, the General Definitions Module, the Credit-Linked Securities Conditions Module and the Credit-Linked Securities Definitions Module are each set out in full in the Information Memorandum, while the Additional South African Securities Conditions are set out in full in the JSE Placement Document.

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|----|----------------------------|--|
| 1. | Issuer: | Dolomite Capital Limited. |
| 2. | Description of Securities: | Series 6 ZAR 40,000,000 Limited Recourse Secured Floating Rate Credit-Linked Notes, linked to Ukraine and Russia due 2019. |

3.
 - (a) Issue Date: 30th July, 2014.
 - (b) Issue Price: 100 per cent. of the Aggregate Outstanding Principal Amount.
 - (c) Trade Date: 11th June, 2014
4. Status of the Securities: The Securities will constitute direct, secured, limited recourse obligations of the Issuer and will, save for such exceptions as may be provided by applicable legislation or judicial order, rank *pari passu* and without preference among themselves.
5. Date of corporate authorisation for issuance of Securities: 28th July, 2014.

INTEREST

6. The Securities are Floating Rate Securities which pay interest on their Outstanding Principal Amount on the basis and on the Specified Interest Payment Dates specified below.

If the Maturity Date is on a date later than the Scheduled Termination Date because an Extension Notice has been given, the Securities shall accrue interest from (and including) the Scheduled Termination Date to (but excluding) the Maturity Date at the Overnight Rate.

- (a) Interest Rate Basis: Floating Rate.
- (b) Specified Interest Payment Dates: Subject to Condition CL4 (*Interest*) of the Credit-Linked Securities Conditions Module, paragraph 4(i) below and Condition 7(d) (*Types of Securities – Cessation of interest*), 22nd March, 22nd June, 22nd September and 22nd December of each year, commencing 22nd September, 2014 (a short first coupon) up to (and including) 22nd March, 2019, in each case subject to adjustment in accordance with the Business Day Convention specified below, for the purposes of payment and the accrual of interest, except for the Specified Interest Payment Date falling on 22nd March, 2019 which shall be subject to adjustment for the purposes of payment only.
- (c) Interest Commencement Date: Issue Date.
- (d) Business Day Convention: Following Business Day Convention.
- (e) Manner in which Rate of Interest is to be determined: ISDA Determination (2006 Definitions).
 - (A) Floating Rate Option: ZAR-JIBAR-SAFEX.
 - (B) Designated Maturity: 3 months.
 - (C) Reset Date: The first day of each Interest

Period, except for the initial Interest Period in respect of which the Reset Date shall be 23rd July, 2014.

- (f) Margin: Plus 5.90 per cent. per annum.
- (g) Additional Business Centre(s) New York.
and/or Additional Financial
Centre(s):
- (h) Floating Rate Day Count Fraction: Actual/365.
- (i) Cessation of interest: If an Event Determination Date occurs in respect of the Long Reference Entity (see paragraph 8 below), interest shall cease to accrue from and including the Specified Interest Payment Date immediately preceding the Event Determination Date (or, in the case of an Event Determination Date occurring during the initial Interest Period, from and including the Interest Commencement Date).

For the avoidance of doubt, if an Event Determination Date occurs in respect of the Short Reference Entity (see paragraph 8 below), interest shall continue to accrue in respect of the Securities until the Scheduled Termination Date, unless an Event Determination Date occurs in respect of the Long Reference Entity, in which case interest shall cease to accrue as provided in the immediately preceding paragraph.

PROVISIONS RELATING TO REDEMPTION

- 7. (a) Maturity Date: The Securities shall be redeemed on the Scheduled Termination Date (see paragraph 7(b) below) at their Outstanding Principal Amount, unless:
 - (a) the Counterparty has given an Extension Notice in respect of either the Long Reference or the Short Reference Entity;
 - (b) the Securities have previously been either:
 - (i) redeemed for tax reasons or mandatorily under Conditions 8(b) (*Redemption – Redemption for taxation reasons*) or 8(c) (*Redemption – Mandatory Redemption*), including, for the avoidance of doubt, following a termination of the Swap Agreement at the option of the Counterparty following the occurrence of a Trigger

Event (as defined in paragraph 36 below); or

- (ii) purchased under Condition 9 (*Purchase*)

or, as the case may be, are in the process of being redeemed or purchased;

- (c) in relation to a Credit Event with respect to either the Long Reference Entity or the Short Reference Entity, an Event Determination Date has occurred;
- (d) an Event of Default has occurred under Condition 11 (*Events of Default*); and/or
- (e) a Sanctions Event has occurred and is continuing at such time under (and as defined in) Condition 10(h) (as set out in paragraph 34 below).

If an Extension Notice has been given in respect of either the Long Reference or the Short Reference Entity, the Maturity Date shall be the relevant Extended Maturity Date with respect to the relevant Reference Entity unless:

- (i) the Counterparty has given a Cancellation Notice prior to the Extended Maturity Date, in which case the Maturity Date shall be the later of:
 - (a) the Scheduled Termination Date; and
 - (b) the date which is 2 Business Days following the date upon which the Cancellation Notice was given; or
- (ii) an Event Determination Date occurs, in which case the provisions of paragraphs 8 and 9 below shall apply.

If an Extension Notice has been given in respect of both the Long Reference and the Short Reference Entity, then an Extension Date and Extended Maturity Date will be determined separately with respect to each Reference Entity. In such circumstances, the Maturity Date will be the later to occur of such Extended Maturity Dates, except in the circumstances as set out in sub-paragraphs (i) and (ii) above, provided that, for such purposes:

- (iii) the Maturity Date may only fall on a date prior to the Extended Maturity Date as set out in sub-paragraph (i) above if Cancellation Notices have been given (or deemed to have been given) in respect of both Reference Entities, in which case, in the event that sub-paragraph (i)(b) applies, the Maturity Date shall be the date which is 2 Business Days following the date upon which the later of the two Cancellation Notices was given; and
- (iv) if an Event Determination Date occurs with respect to the Long Reference Entity then a Cancellation Notice shall automatically be deemed to have been given with respect to the Short Reference Entity and the Securities shall be redeemed in accordance with the provisions of paragraphs 8 and 9 below.

If an Event Determination Date has occurred with respect to the Short Reference Entity, then, provided that no Credit Event has occurred, nor an Extension Notice given, with respect to the Long Reference Entity and provided further that either (x) the relevant Auction Settlement Date with respect to the Short Reference Entity falls prior to the Maturity Date or (y) as the case may be, following the occurrence of a Fallback Settlement Method Event with respect to the Short Reference Entity, the Calculation Agent has determined the Portfolio Final Price with respect to the Short Reference Entity prior to the Maturity Date, all in accordance with paragraphs 8 and 9 below, then in addition to payment of the Outstanding Principal Amount on the Maturity Date, the Issuer shall also redeem each Security on such date by payment of an additional amount equal to the relevant Short Bonus Amount (as defined herein), such amount to be apportioned *pro rata* among all Securityholders on the terms as set out these Issue Terms.

For the avoidance of doubt, Condition CL11 (*Final Redemption and Maturity Date*) of the Credit-Linked Securities Conditions Module shall apply (as amended by these Issue Terms).

The Counterparty may deliver an Extension Notice at any time prior to 11.00 a.m. (London time) on the first Business Day prior to the Scheduled Termination Date. As soon as reasonably practicable after receiving an Extension Notice from

the Counterparty, the Issuer shall inform the Securityholders in accordance with Condition 15 (*Notices*).

- (b) Scheduled Termination Date: 22nd March, 2019, subject to adjustment in accordance with the Business Day Convention, for the purposes of payment only.

CREDIT-LINKED PROVISIONS

8. The Securities are Auction Settled CLS.

If an Event Determination Date occurs with respect to the Long Reference Entity and has not been reversed on or prior to the Auction Final Price Determination Date with respect to the Long Reference Entity, the Issuer will (subject to the occurrence of a Fallback Settlement Method Event and save as otherwise set out herein) redeem the Securities on the Auction Redemption Date by payment of the Long Auction Redemption Amount, apportioned *pro rata* among all Securityholders on the terms as set out in the Credit-Linked Securities Conditions Module, as modified by these Issue Terms.

If a Fallback Settlement Method Event occurs with respect to the Long Reference Entity, the Issuer shall (save as otherwise set out herein) redeem the Securities on the Long Cash Settlement Date by payment of the Long Cash Redemption Amount, apportioned *pro rata* among all Securityholders on the terms as set out in the Credit-Linked Securities Conditions Module, as modified by these Issue Terms.

The Long Reference Entity and the initial Long Reference Obligation are as set out in paragraphs 8(a) and (b) below.

If an Event Determination Date occurs with respect to the Short Reference Entity and has not been reversed on or prior to the Auction Final Price Determination Date with respect to the Short Reference Entity, the Issuer will (save as otherwise set out herein) redeem the Securities on the Maturity Date at their Outstanding Principal Amount plus accrued interest, together with payment of an amount in ZAR equal to the relevant Short Bonus Amount, such amount to be apportioned *pro rata* among all Securityholders on the terms as set out herein.

The Short Reference Entity and the initial Short Reference Obligation are as set out in paragraphs 8(c) and (d) below.

For the avoidance of doubt, if an Event Determination Date occurs with respect to the Long Reference Entity following the occurrence of an Event Determination Date with respect to the Short Reference Entity, then the Short Bonus Amount shall (save as otherwise set out herein) be payable to Securityholders on the relevant Long Auction Redemption Date (or Long Cash Settlement Date, as the case may be), as part of the Long Auction Redemption Amount (or Long Cash Settlement Amount, as the case may be) payable to Securityholders on such date as a result of the occurrence of such Event Determination Date with respect to the Long Reference Entity.

For the further avoidance of doubt, no Event Determination Date may occur with respect to the Short Reference Entity following the occurrence of an Event Determination Date with respect to the Long Reference Entity.

- (a) (i) Long Reference Entity: Ukraine and any Successor thereto (the **Long Reference Entity**).

			Condition CL9 (<i>Succession Events</i>) of the Credit-Linked Securities Conditions Module shall not apply and any Successors to the Long Reference Entity shall be determined in accordance with the terms of the Credit Default Swap Transaction.								
	(ii)	Transaction Type with respect to the Long Reference Entity:	Emerging European & Middle Eastern Sovereign.								
(b)	(i)	Reference Obligation applicable to the Long Reference Entity:	<p>The obligation identified as follows:</p> <table><tr><td>Primary obligor:</td><td>Ukraine</td></tr><tr><td>Maturity:</td><td>14th November, 2017</td></tr><tr><td>Coupon:</td><td>6.75 per cent. per annum</td></tr><tr><td>ISIN:</td><td>XS0330776617</td></tr></table> <p>(the Specified Long Reference Obligation) and any Substitute Reference Obligation with respect to such Specified Long Reference Obligation (together, the Long Reference Obligation).</p>	Primary obligor:	Ukraine	Maturity:	14th November, 2017	Coupon:	6.75 per cent. per annum	ISIN:	XS0330776617
	Primary obligor:	Ukraine									
Maturity:	14th November, 2017										
Coupon:	6.75 per cent. per annum										
ISIN:	XS0330776617										
	(ii)	Whether Substitution of the Long Reference Obligation is applicable:	Applicable, in the limited circumstances set out in the definition of “Substitute Reference Obligation” in the Credit-Linked Definitions Module.								
(c)	(i)	Short Reference Entity:	Russian Federation and any Successor thereto (the Short Reference Entity and, together with the Long Reference Entity, the Reference Entities and each a Reference Entity).								
			Condition CL9 (<i>Succession Events</i>) of the Credit-Linked Securities Conditions Module shall not apply and any Successors to the Short Reference Entity shall be determined in accordance with the terms of the Credit Default Swap Transaction.								
	(ii)	Transaction Type with respect to the Short Reference Entity:	Emerging European & Middle Eastern Sovereign.								
(d)	(i)	Reference Obligation applicable to the Short Reference Entity:	<p>The obligation identified as follows:</p> <table><tr><td>Primary obligor:</td><td>Russian Federation</td></tr><tr><td>Maturity:</td><td>31st March, 2030</td></tr><tr><td>Coupon:</td><td>7.50 per cent. per annum</td></tr><tr><td>ISIN:</td><td>XS0114288789</td></tr></table> <p>(the Specified Short Reference Obligation) and any Substitute Reference Obligation with respect to such Specified Short Reference Obligation (together, the Short Reference Obligation).</p>	Primary obligor:	Russian Federation	Maturity:	31st March, 2030	Coupon:	7.50 per cent. per annum	ISIN:	XS0114288789
	Primary obligor:	Russian Federation									
Maturity:	31st March, 2030										
Coupon:	7.50 per cent. per annum										
ISIN:	XS0114288789										

(ii)	Whether Substitution of the Short Reference Obligation is applicable:	<p>Applicable, in the limited circumstances set out in the definition of “Substitute Reference Obligation” in the Credit-Linked Definitions Module.</p> <p>All references in the Credit-Linked Securities Conditions Module and/or the Credit-Linked Definitions Module to the “Reference Entity” and the “Reference Obligation” shall be construed as references to the Long Reference Entity and the Long Reference Obligation or to the Short Reference Entity and the Short Reference Obligation, as applicable, as the context requires.</p>
(e)	All Guarantees:	With respect to each Reference Entity, as specified in the Physical Settlement Matrix for the relevant Transaction Type.
(f)	Reference Amount:	<p>With respect to each Reference Entity, an amount in USD equal to the Initial USD Principal Amount.</p> <p>For the purposes hereof, Initial USD Principal Amount means USD 3,726,000.</p>
(g)	Settlement Method:	With respect to each Reference Entity, Auction Settlement.
(h)	Fallback Settlement Method:	With respect to each Reference Entity, Cash Settlement.
(i)	Fallback Settlement Security Type:	With respect to each Reference Entity, Single Name Cash CLS.
(j)	Credit Events:	<p>With respect to each Reference Entity:</p> <p>Failure to Pay.</p> <p>Payment Requirement: USD 1,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable.</p> <p>Grace Period Extension: Applicable.</p> <p>Obligation Acceleration.</p> <p>Repudiation/Moratorium.</p> <p>Restructuring.</p> <p>Restructuring Maturity Limitation and Fully Transferable Obligation: Not Applicable</p> <p>Modified Restructuring Maturity Limitation</p>

and Conditionally Transferable Obligation:
Not Applicable.

Multiple Holder Obligation: Not Applicable

Default Requirement: USD 10,000,000 or its
equivalent in the relevant Obligation
Currency as of the occurrence of the relevant
Credit Event.

(k) Obligations:

Obligation Category:

With respect to each Reference Entity, as specified
in the Physical Settlement Matrix for the relevant
Transaction Type.

Obligation Characteristics:

With respect to each Reference Entity, as specified
in the Physical Settlement Matrix for the relevant
Transaction Type.

9. Redemption following the occurrence of a Credit Event:

(a) Long Reference Entity:

(i) The Issuer will redeem all of
the Securities as follows in the
case of a redemption upon a
Credit Event with respect to
the Long Reference Entity:

If an Auction Final Price Determination Date occurs
with respect to the Long Reference Entity, the Issuer
will redeem all the Securities on the Long Auction
Redemption Date by payment of the Long Auction
Redemption Amount to the Securityholders, such
amount to be apportioned *pro rata* among all
Securityholders, rounding the resultant figure
downwards to the nearest cent.

If a Fallback Settlement Method Event occurs with
respect to the Long Reference Entity, the Issuer will
redeem all the Securities on the Long Cash
Settlement Date by paying the Long Cash
Redemption Amount, such amount to be apportioned
pro rata among all Securityholders, rounding the
resultant figure downwards to the nearest cent.

(ii) Long Auction Redemption
Date:

The third Business Day following the Auction
Settlement Date with respect to the Long Reference
Entity (the **Long Auction Redemption Date**);
provided that:

(i) if an Event Determination Date has occurred
with respect to the Short Reference Entity on
or prior to the Event Determination Date with
respect to the Long Reference Entity; and

(ii) the Short Auction Amount (or Short Cash
Settlement Amount, as the case may be) has

not yet been determined by the Calculation Agent in accordance with this paragraph 9 by such third Business Day following the Auction Settlement Date with respect to the Long Reference Entity, the Long Auction Redemption Date shall be postponed until the fifth Business Day following the date upon which the Short Auction Amount (or Short Cash Settlement Amount, as the case may be) is so determined by the Calculation Agent.

- (iii) Long Auction Redemption Amount: An amount in ZAR (the **Long Auction Redemption Amount**) equal to the greater of zero and the sum of:
- (i) the product of (x) the Reference Amount and (y) the Auction Final Price with respect to the Long Reference Entity;
 - (ii) the Early Redemption Adjustment (as defined below); and
 - (iii) if an Event Determination Date has occurred with respect to the Short Reference Entity on or prior to the Event Determination Date with respect to the Long Reference Entity, the Short Bonus Amount.
- The Calculation Agent shall convert any non-ZAR amounts into their ZAR Equivalent on the Settlement Valuation Date for the purposes of determining the formula above.
- (iv) The Long Cash Redemption Amount payable upon the occurrence of a Fallback Settlement Method Event with respect to the Long Reference Entity: If a Fallback Settlement Method Event occurs with respect to the Long Reference Entity, the **Long Cash Redemption Amount** shall be an amount in ZAR determined in the same manner as the Long Auction Redemption Amount above, save that references therein to the “Auction Final Price” with respect to the Long Reference Entity shall be construed as references to the “Weighted Average Final Price” (determined as set out under paragraph 9(c) below) with respect to the Long Reference Entity.
- (v) The Long Cash Settlement Date upon the occurrence of a Fallback Settlement Method Event with respect to the Long Reference Entity: If a Fallback Settlement Method Event occurs with respect to the Long Reference Entity, the **Long Cash Settlement Date** shall be a Business Day selected by the Counterparty in its sole and absolute discretion that is no later than the fifth Business Day after the Calculation Agent has determined the Portfolio Final Price with respect to the Long Reference Entity, provided that:

- (i) if an Event Determination Date has occurred with respect to the Short Reference Entity on or prior to the Event Determination Date with respect to the Long Reference Entity; and
- (ii) the Short Auction Amount (or Short Cash Settlement Amount, as the case may be) has not yet been determined by the Calculation Agent in accordance with this paragraph 9 by such fifth Business Day after the Calculation Agent has determined the Portfolio Final Price with respect to the Long Reference Entity, the Long Cash Settlement Date shall be postponed until the fifth Business Day following the date upon which the Short Auction Amount (or Short Cash Settlement Amount, as the case may be) is so determined by the Calculation Agent.

(b) Short Reference Entity:

- (i) Payments following a Credit Event with respect to the Short Reference Entity: If an Auction Final Price Determination Date occurs with respect to the Short Reference Entity, then on the relevant Short Auction Payment Date, the Counterparty will pay to the Issuer an amount in USD equal to the relevant Short Auction Amount, which amount shall be converted into its ZAR Equivalent by the Calculation Agent on the relevant Short Auction Payment Date and deposited by the Issuer in the Short CDS Settlement Account.

If a Fallback Settlement Method Event occurs with respect to the Short Reference Entity, then on the relevant Short Cash Settlement Date, the Counterparty will pay to the Issuer an amount in USD equal to the relevant Short Cash Settlement Amount, which amount shall be converted into its ZAR Equivalent by the Calculation Agent on the relevant Short Cash Settlement Date and deposited by the Issuer in the Short CDS Settlement Account.

The Issuer will pay to Securityholders an amount equal to the Short Bonus Amount on the Scheduled Termination Date unless an Event Determination Date occurs with respect to the Long Reference Entity following the occurrence of the Event Determination Date with respect to the Short Reference Entity, in which case the Short Bonus Amount shall be factored into the Long Auction Redemption Amount (or Long Cash Redemption Amount, as the case may be) payable by the Issuer

- on the relevant Long Auction Redemption Date (or Long Auction Cash Settlement Date, as the case may be) (the relevant date of payment, the **Short Bonus Payment Date**), such amount to be apportioned *pro rata* among all Securityholders, rounding the resultant figure downwards to the nearest cent.
- (iii) Short Auction Amount: An amount in USD (the **Short Auction Amount**) equal to the greater of zero and the product of:
- (i) the Reference Amount; and
 - (ii) (100% - the Auction Final Price)
- with respect to the Short Reference Entity.
- (iv) The Short Cash Settlement Amount payable upon the occurrence of a Fallback Settlement Method Event with respect to the Short Reference Entity: If a Fallback Settlement Method Event occurs with respect to the Short Reference Entity, the **Short Cash Settlement Amount** shall be an amount in USD determined in the same manner as the Short Auction Amount above, save that references therein to the “Auction Final Price” with respect to the Short Reference Entity shall be construed as references to the “Weighted Average Final Price” (determined as set out under paragraph 9(c) below) with respect to the Short Reference Entity.
- (v) Short Bonus Amount: On the relevant Short Bonus Payment Date, an amount in ZAR (the **Short Bonus Amount**) equal to the ZAR Equivalent of the relevant Short Auction Amount (or Short Cash Settlement Amount, as the case may be), together with interest accrued on such amount in the Short CDS Settlement Account from, and including, the relevant date of deposit to, but excluding, such Short Bonus Payment Date.
- (vi) Short Auction Payment Date The third Business Day following the Auction Settlement Date or, if a Fallback Settlement Method Event occurs with respect to the Short Reference Entity, the fifth Business Day following the date on which the Calculation Agent has determined the Portfolio Final Price with respect to the Short Reference Entity.
- (c) Fallback Valuation Provisions: *The provisions of this paragraph 9(c) shall apply separately in respect of each Reference Entity in respect of which an Event Determination Date and Fallback Settlement Method Event have occurred.*
- (i) Valuation Date upon the occurrence of a Fallback Settlement Method Event with With respect to each type or issue of Valuation Obligation in the relevant Valuation Obligations Portfolio, the Valuation Date shall be a Business

- respect to either Reference Entity:
Day selected by the Counterparty in its sole and absolute discretion that is not later than 365 Business Days following satisfaction of the Conditions to Settlement with respect to the relevant Reference Entity.
- (ii) Quotation Amount (for purposes of Fallback Settlement Method only):
With respect to each type or issue of Valuation Obligation in the relevant Valuation Obligations Portfolio, an amount determined by the Counterparty in its sole and absolute discretion prior to the relevant Valuation Date provided that (a) the aggregate of all Quotation Amounts in respect of all Valuation Obligations comprised in the Valuation Obligations Portfolio shall not exceed the Reference Amount for the relevant Reference Entity as at the relevant Event Determination Date (or its equivalent in the relevant Obligation Currency converted by the Counterparty by reference to exchange rates in effect at the time that the relevant Quotation is being obtained), and (b) the Quotation Amount and type of Valuation Obligation shall be determined by the Counterparty in its sole and absolute discretion in accordance with the terms of the relevant Confirmation.
- (iii) Quotations (for purposes of Fallback Settlement Method only):
Exclude Accrued Interest.
- The Calculation Agent shall attempt to obtain Full Quotations from at least five Dealers one of whom may be the Counterparty or any affiliate thereof (collectively, the **Eligible Bidders**) with respect to the Valuation Date.
- If the Calculation Agent is unable to obtain from the Eligible Bidders two Full Quotations on the Valuation Date, then the Calculation Agent shall attempt to obtain Full Quotations from Eligible Bidders on each subsequent Business Day, until the date on which at least two Full Quotations are obtained.
- If the Calculation Agent is unable to obtain from the Eligible Bidders two Full Quotations on or before the third Business Day following the Valuation Date, then the Calculation Agent shall on each subsequent Business Day attempt to obtain (a) Full Quotations from Eligible Bidders and (b) (from the Counterparty and/or Dealers only) a Weighted Average Quotation.
- If the Calculation Agent is unable to obtain two Full Quotations from Eligible Bidders or (from the

Counterparty and/or Dealers) a Weighted Average Quotation on or before the tenth Business Day following the Valuation Date, then the Calculation Agent shall on each subsequent Business Day attempt to obtain either (a) one Full Quotation from Eligible Bidders or (b) (from the Counterparty and/or Dealers) a Weighted Average Quotation.

If the Calculation Agent is unable to obtain one Full Quotation from an Eligible Bidder or (from the Counterparty and/or Dealers) a Weighted Average Quotation in the period from and including the eleventh Business Day following the Valuation Date to and including the fifteenth Business Day following the Valuation Date, the Final Price shall be deemed to be zero.

- (iv) Valuation Time: 11.00 a.m. in the principal trading market for the relevant Valuation Obligation or such other time as selected by the Calculation Agent in its sole discretion.
- (v) Final Price: With respect to each Valuation Obligation, the highest Quotation obtained by the Calculation Agent with respect to such Valuation Obligation on the relevant Valuation Date, expressed as a percentage (treating such Valuation Obligation as the Reference Obligation for such purpose).
- (vi) Weighted Average Final Price: With respect to a Reference Entity and the related Final Price Calculation Date, the weighted average of the Final Prices determined for each Valuation Obligation in the relevant Valuation Portfolio, weighted by reference to the Quotation Amount of each such Valuation Obligation.
- (vii) Dealers: Each Dealer selected by the Counterparty.
- (viii) Valuation Portfolio: The Valuation Obligation(s) selected by the Counterparty in its sole and absolute discretion. If the Valuation Portfolio with respect to a Reference Entity comprises more than one Valuation Obligation, then the Counterparty shall, in its sole and absolute discretion, allocate to each such Valuation Obligation an amount of the outstanding principal balance (or the Currency Amount thereof) that, in aggregate, shall not exceed the Reference Amount in respect of the relevant Reference Entity.
- (ix) Valuation Obligation: The Valuation Obligation(s) may comprise:
 - (i) the Reference Obligation; and/or

- (ii) any obligation of the Reference Entity (either directly or as provider of any Qualifying Affiliate Guarantee) as selected by the Counterparty in its sole and absolute discretion which is included in the Deliverable Obligation Category and has the Deliverable Obligation Characteristics.
- (x) Deliverable Obligation Bond.
Category:
- (xi) Deliverable Obligation Not Subordinated
Characteristics:

Specified Currency

Not Domestic Law

Not Contingent

Not Domestic Issuance

Transferable

Not Bearer

PROVISIONS RELATING TO SECURITY

10. Initial Charged Assets: USD 3,726,000 aggregate principal amount of USD 2,500,000,000 2.650% Senior Notes due April 2019 issued by Bank of America Corporation (the **Charged Assets Issuer**) under its Medium-Term Note Programme, Series L (ISIN: US06051GFD60).
11. Substitution of Charged Assets:
 - (a) At the direction of the Counterparty pursuant to Condition 4(b)(i) (*Substitution at direction of Counterparty*): Not applicable.
 - (b) At the direction of the Securityholders pursuant to Condition 4(b)(ii) (*Substitution at the request of Securityholders*): Not applicable.
 - (c) Substitution with Cash Collateral pursuant to Condition 4(b)(iii) (*Substitution with Cash Collateral*): Applicable.

12. Charged Agreements:

- (a) Counterparty: Merrill Lynch International of Bank of America
Merrill Lynch Financial Centre, 2 King Edward
Street, London EC1A 1HQ.
- (b) Swap Agreement: A 1992 ISDA Master Agreement (Multicurrency –
Cross Border) and Schedule thereto (in the form of
the Swap Schedule Terms Module, March 2013
Edition) dated as of the Issue Date, as supplemented
by: (i) a confirmation evidencing a long credit
default swap transaction (the **Long Credit Default
Swap Transaction**); (ii) a confirmation evidencing a
short credit default swap transaction (the **Short
Credit Default Swap Transaction**); and (iii) a
confirmation evidencing a cross-currency swap
transaction (the **Cross-Currency Swap
Transaction**), each between the Issuer and the
Counterparty (together, the **Swap Agreement**).
- (c) Counterparty's rights to assign and/or to delegate its rights and obligations under the Swap Agreement: The Counterparty may transfer (without the consent of any party or the Securityholders, but with notice to each of the Issuer, the Trustee and the Securityholders) its rights and obligations under the Swap Agreement to any subsidiary (direct or indirect) of Bank of America Corporation. As a consequence of any such transfer, the entity acting in the capacity of Calculation Agent may change, and the Calculation Agent may make such changes to the Transaction Documents as are necessary to reflect such changes, without the consent of the Securityholders, the Trustee or any other party.
- (d) Swap Guarantor: Not Applicable.
- (e) Swap Guarantee: Not Applicable.
- (f) Modifications to the Swap Agreement and other Transaction Documents in order to avoid a Volcker Illegality Event: Pursuant to the terms of the Swap Agreement, if the Counterparty determines, in its sole and absolute discretion, that, as a result of the implementation of the rules implementing Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the **Volcker Rule**), it is or is likely to become, in whole or in part, unlawful or illegal or otherwise contrary to the Volcker Rule for the Counterparty to perform its respective obligations under the Swap Agreement and/or any other Transaction Document to which it is a party or to continue its relationship with the Issuer (each a **Volcker Illegality Event**), then the Issuer and the Counterparty have agreed to make such modifications to the Swap Agreement, or

to take any other remedial action that the Counterparty may, in its sole and absolute discretion, determine to be commercially reasonable and necessary in order to ensure compliance with the Volcker Rule.

Provided that the criteria set out in (a) to (e) below are satisfied, then the Issuer and the Counterparty may agree to use reasonable endeavours to make such modifications to the Swap Agreement, and the Calculation Agent, in turn, may use reasonable endeavours to make such modifications to the Issue Terms and/or any other Transaction Document as are necessary to reflect such modifications without the need for the consent of the Issuer, the Trustee, the Securityholders or any other party (and any such modification shall automatically be deemed not to be materially prejudicial to the interests of the Securityholders):

- (a) such modifications and/or other remedial action do not materially alter the economic substance of the transactions constituted by the Transaction Documents when considered as a whole;
- (b) such modifications and/or other remedial action will not require any party to withhold or deduct on account of any tax under any Transaction Document or to incur a loss other than immaterial, incidental expenses;
- (c) no termination event, mandatory redemption event or event of default (howsoever defined) will occur under any of the Transaction Documents as a result of such modifications and/or other remedial action;
- (d) no additional amount will be payable by the Issuer to the Counterparty as a result of such modifications and/or other remedial action; and
- (e) such modifications and/or other remedial action will not affect the operation of the limited recourse and non-petition provisions of the Swap Agreement or similar provisions in any other Transaction Documents.

Notwithstanding the foregoing, nothing herein shall affect the ability of the Issuer or the Counterparty to

terminate the Swap Agreement as a result of the occurrence of an Illegality under (and as defined in) the Swap Agreement. In addition, the Swap Agreement provides that if the Counterparty determines that it is not possible or commercially reasonable to make such modifications to ensure such compliance with the Volcker Rule, the Counterparty may terminate the Swap Agreement early.

For the avoidance of doubt, any termination of the Swap Agreement in either such circumstances would result in redemption of the Securities pursuant to Condition 8(c)(i) (*Redemption – Mandatory Redemption – Following Default under the Charged Assets or termination of a Charged Agreement or delivery of a Trigger Notice*) (modified as set out in paragraph 33 below).

13. Security:

(a) Security Ranking Basis:

Counterparty Priority Basis, which means that the net proceeds of realisation of, or enforcement with respect to, the security constituted by the Trust Instrument (following payment of all amounts due to the Trustee in accordance with the Trust Instrument) shall be applied:

- (i) *first* in meeting the claims of the Counterparty; and
- (ii) *thereafter, pro rata and pari passu* in meeting the claims of the Securityholders.

(b) Instructing Creditor:

For the purposes of these Securities only, the Instructing Creditor shall be the Counterparty.

14. Custodian's account details:

Euroclear Account No. 811921 or such other account as may be advised by the Custodian from time to time (the **Custodian Account**).

15. Cash Deposit Account details:

- (i) ZAR Account No. 74565893 established with the Custodian in the name of Dolomite Capital Limited Series 6 (the **ZAR Cash Deposit Account**), assigned to HSBC Corporate Trustee Company (UK) Limited as Trustee to Dolomite Capital Limited, into which the Cash Collateral will be deposited on the Issue Date pending delivery of the Charged Assets by the Vendor in accordance with Condition 4(b)(iii) (*Substitution with Cash Collateral*); and

- (ii) ZAR Account No. 74672498 established with the Custodian in the name of Dolomite Capital Limited Series 6 (the **Short CDS Settlement Account**), assigned to HSBC Corporate Trustee Company (UK) Limited as Trustee to Dolomite Capital Limited, into which any USD denominated Short Auction Amount or Short Cash Settlement Amount (as the case may be) paid by the Counterparty to the Issuer pursuant to the Short Credit Default Swap Transaction shall be deposited, after conversion into its ZAR Equivalent by the Calculation Agent.

The Short Auction Amount (or Short Cash Settlement Amount, as the case may be) shall accrue interest in the Short CDS Settlement Account at the Custodian's rate of interest for overnight ZAR deposits of a similar size to the Short Auction Amount (or Short Cash Settlement Amount, as the case may be).

16. Counterparty's Accounts details: As set out in the Swap Agreement.
17. Additional Charging Document: Not applicable.

GENERAL PROVISIONS APPLICABLE TO THE SECURITIES

18. New Global Note: No.
19. Last Day to Register: 11th March, 11th June, 11th September and 11th December in each year, commencing on 11th September, 2014, up to the Scheduled Termination Date.
20. Books Closed Period: Each of the following, commencing on 12th September, 2014, in each year up to the Scheduled Termination Date:
- (i) from (and including) 12th March to (and including) 22nd March;
 - (ii) from (and including) 12th June to (and including) 22nd June;
 - (iii) from (and including) 12th September to (and including) 22nd September; and
 - (iv) from (and including) 12th December to (and including) 22nd December,

or such shorter periods as the Issuer may decide.

21. Form of Securities: The Securities in this Series are issued in uncertificated form and held by Strate Limited (the **CSD**), a licensed central securities depositary in terms of the South African Financial Markets Act 2012.
22. Whether the Securities are a U.S. Series or a Non-U.S. Series: The Securities may not be offered or sold (by any person at any time up to the Maturity Date) to, or for the account or benefit of, a U.S. Person (as defined in Regulation S) or to a person who is not a Non-United States person (as defined in CFTC Rule 4.7 of the United States Commodity Futures Trading Commission) and may not be held otherwise than through the CSD.
23. Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: Not applicable.
24. Currency of Issue: South African rand (**ZAR**).
25. Specified Denominations: ZAR 1,000,000.
26. Whether the Issuer is able to purchase any of the Securities pursuant to Condition 9 (*Purchase*): Yes.
27. Rating: The Securities will not be rated.
28. Listing: Application has been made to the JSE for the Securities to be admitted to the Interest Rate Market by the Issuer, through the Debt Sponsor and Facilitation Agent (an authorised dealer approved by the South African Reserve Bank to deal in foreign exchange). There can be no assurance that any such admission will be obtained.
29. (a) ISIN: ZAG000118365.
- (b) Instrument Code: DOL006.
30. Intended to be held in a manner which would allow Eurosystem eligibility: No.
31. Method of Distribution: Private placement.
- On the Issue Date, the Aggregate Outstanding Principal Amount of all Securities issued and outstanding under the Programme is equal to ZAR 180,000,000, and it includes the following:
- (a) Series 2 ZAR 50,000,000 Limited Recourse Floating Rate Credit-Linked Secured Notes

due 2018;

- (b) Series 3 ZAR 40,000,000 Limited Recourse Floating Rate Credit-Linked Secured Notes due 2018;
- (c) Series 4 ZAR 50,000,000 Limited Recourse Floating Rate Credit-Linked Secured Notes due 2019; and
- (d) Series 6 ZAR 40,000,000 Limited Recourse Secured Floating Rate Credit-Linked Notes, linked to Ukraine and Russia due 2019.

AGENTS AND OTHER PARTIES

32. Party and specified office:

- (a) Trustee: HSBC Corporate Trustee Company (UK) Limited of Level 27, 8 Canada Square, London E14 5HQ.
- (b) South African Paying Agent: FirstRand Bank Limited, acting through its Rand Merchant Bank division, of 1 Merchant Place Cnr Fredman Drive and Rivonia Road Sandton, 2196, South Africa.
- (c) Custodian: HSBC Bank plc of 8 Canada Square, London E14 5HQ.
- (d) Calculation Agent and Agent Bank: Merrill Lynch International of Bank of America Merrill Lynch Financial Centre, 2 King Edward Street, London EC1A 1HQ, or any one of its Affiliates.
- (e) Selling Agent: Merrill Lynch International of Bank of America Merrill Lynch Financial Centre, 2 King Edward Street, London EC1A 1HQ, or any one of its Affiliates.
- (f) Issuer's Process Agent: Merrill Lynch International of Bank of America Merrill Lynch Financial Centre, 2 King Edward Street, London EC1A 1HQ.
- (g) Vendor: Merrill Lynch International of Bank of America Merrill Lynch Financial Centre, 2 King Edward Street, London EC1A 1HQ.
- (h) Debt Sponsor and Facilitation Agent: FirstRand Bank Limited acting through its Rand Merchant Bank division, of 1 Merchant Place Cnr Fredman Drive and Rivonia Road Sandton, 2196, South Africa.
- (i) Dealer: Merrill Lynch South Africa Proprietary Limited of

Merrill Lynch Building, 138 West Street, Sandton, 2196, South Africa, acting pursuant to the South African Placing Agreement between the Issuer, Merrill Lynch International and the Dealer dated 22nd April, 2013 (the **South African Placing Agreement**).

Pursuant to the terms of the South African Placing Agreement, the Dealer has agreed to procure the subscription of the Securities.

- (j) South African Transfer Agent: FirstRand Bank Limited, acting through its Rand Merchant Bank division, of 1 Merchant Place Cnr Fredman Drive and Rivonia Road Sandton, 2196, South Africa.

ADDITIONAL TERMS

The following additional terms shall be deemed to be added to the Conditions. To the extent that the Conditions are inconsistent with these additional terms, such Conditions shall not apply.

33. Amendments to the Conditions

- (i) the title of Condition 8(c)(i) shall be deemed to be amended as follows: "Condition 8(c)(i) (*Mandatory Redemption - Following Payment Default under the Charged Assets, termination of a Charged Agreement or delivery of a Trigger Notice*)" and all references to such Condition shall be construed accordingly;
- (ii) the following provision shall be deemed to be added immediately following the end of subparagraph (D) of Condition 8(c)(i) (*Mandatory Redemption - Following Payment Default under the Charged Assets or termination of a Charged Agreement or delivery of a Trigger Notice*) of the Bearer Securities Base Conditions Module:

"or

- (E) a Trigger Notice has been delivered by the Counterparty to the Issuer, the Trustee and the Calculation Agent (regardless of whether or not the relevant Trigger Event referred to in such notice is then continuing),"; and
- (iii) Condition CL11(e) (*Final Redemption and Maturity Date*) shall be amended to read:
- "If an Event Determination Date occurs on or prior to the Extended Maturity Date, redemption of the Securities shall be subject to and in accordance with Condition CL6 (*Cash Settlement*) (as amended by the Issue Terms), otherwise the Securities will be redeemed at their Outstanding Principal Amount together with interest accrued in accordance with Condition 8(a) (*Final Redemption*).".

34. A new Condition 10(h) shall be deemed to be added as follows:

“(h) Suspension following the occurrence of a Sanctions Event

- (i) Notwithstanding any other provision in these Conditions, if, at any time, the Calculation Agent determines that:

- (a) the Short Reference Entity has become the subject of financial sanctions imposed by the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury and/or implemented by HM Treasury following the imposition of EU restrictive measures by the Council of the European Union (in each case, **Sanctions**); and
- (b) as a result of such Sanctions, it has become or may be unlawful for any of the parties to the Transaction Documents to perform their respective obligations under such Transaction Documents,

(a **Sanctions Event**), then the Calculation Agent may (in its sole and absolute discretion) give notice to the Issuer, the Counterparty, the Trustee and the Principal Paying Agent, upon which all payments under the Securities shall toll and remain suspended until the earlier of:

- (x) such date that the Calculation Agent notifies such parties that the relevant Sanctions Event is no longer continuing; and
- (y) the date on which the Swap Agreement is terminated in accordance with its terms, which, for the avoidance of doubt (to the extent permitted by the relevant Sanctions), may be for any reason, including as a result of the delivery by the Counterparty of a Trigger Notice as described in Condition 8(c)(i) (*Mandatory Redemption - Following Payment Default under the Charged Assets or termination of a Charged Agreement or delivery of a Trigger Notice*) above,

(in either case, the **Sanctions Event End Date**).

- (ii) For as long as a Sanctions Event is continuing, all amounts that would otherwise fall to be paid in respect of the Securities and/or the Swap Agreement shall, to the extent permitted by the relevant Sanctions, be paid into one or more escrow accounts to be identified by the Calculation Agent and, in the case of the Issuer's escrow account (where applicable and to the extent permitted by the relevant Sanctions), secured by the Issuer on terms satisfactory to the Trustee, accruing overnight interest at the rate determined by the Calculation Agent.
- (iii) For as long as a Sanctions Event is continuing:
 - (x) any failure by the Issuer to make payments that would otherwise be due on the Securities shall not constitute an Event of Default under Condition 11 (*Events of Default*) and the Swap Agreement provides that any failure by the Issuer or the Counterparty to make payments that would otherwise be due under the Swap Agreement shall not constitute an Event of Default pursuant to (and as defined in) the Swap Agreement; and
 - (y) neither the Trustee nor any Securityholder may take any action to accelerate the Securities and none of the Issuer, the Counterparty or the Trustee may take any action to terminate the Swap Agreement.
- (iv) On the Sanctions Event End Date, the Calculation Agent shall, in its sole and absolute discretion, determine the relevant amounts (if any) payable by the parties to each other under the Swap Agreement and by the Issuer to Securityholders under

the Securities (taking into account, where relevant, the occurrence and effect of any Credit Event during the period in which the Sanctions Event was continuing) and such amounts shall be paid 10 Business Days following the Sanctions Event End Date.”

35. Condition CL13 (*Amendment of the Conditions in accordance with market convention*) of the Credit-Linked Securities Conditions Module shall not apply in respect of the Securities.

36. **Definitions**

Calculation Date means with respect to a Reference Entity, the date on which the Final Price can first be determined in respect of all Valuation Obligations in the relevant Valuation Portfolio.

The **Clean Average Bid Price** of the Charged Assets at any time shall be determined by the Counterparty under the Swap Agreement in its sole and absolute discretion during the period from and including the Issue Date to but excluding the Maturity Date on the basis of quotations (which may be quotations shown on live broker screens) from three brokers or other financial institutions (which are recognised sources of such quotations and which for the avoidance of doubt may include the Counterparty or any of its Affiliates) of prices for securities of the same series of the Charged Assets and in or around or the same nominal amount (as determined by the Counterparty in its sole and absolute discretion) as the Charged Assets, provided that the Counterparty may, in its sole and absolute discretion, elect to obtain quotations for such other notional amount as it determines as being representative for a single transaction in the relevant market at the relevant time. Each quotation will be for an amount, if any, stated as a percentage of the outstanding principal amount of the Charged Assets the subject of the quote, that would be paid by such institutions to purchase the Charged Assets for settlement on such day as the Counterparty shall in its absolute discretion determine and shall exclude accrued interest. The Counterparty shall require each dealer or other financial institution to provide firm bid quotations and the Clean Average Bid Price shall be the average of such firm quotations.

Early Redemption Adjustment means an amount in ZAR calculated by the Calculation Agent on the Settlement Valuation Date as the sum of:

- (a) the ZAR Equivalent of:
 - (i) Proceeds multiplied by the outstanding principal amount of the Charged Assets being sold pursuant to Condition CL5 (*Sale of Charged Assets*); *minus*
 - (ii) the outstanding principal amount of the Charged Assets; *plus*
- (b) the Termination Value of the Cross-Currency Swap Transaction; *plus*
- (c) if an Event Determination Date has not occurred with respect to the Short Reference Entity on or prior to the Event Determination Date with respect to the Long Reference Entity, the Termination Value of the Short Credit Default Swap Transaction.

The Calculation Agent shall convert any non-ZAR amounts into their ZAR Equivalent on the Settlement Valuation Date for the purposes of determining the formula above.

Final Price Calculation Date means either (a) the date on which the Auction Final Price is determined or (b) if the Fallback Settlement Method applies, with respect to a particular Valuation Obligation, the Calculation Date.

Settlement Valuation Date means, following the occurrence of an Event Determination Date with respect to the Long Reference Entity, either:

- (a) if no Fallback Settlement Method Event has occurred, the date being two Business Days prior to the Long Auction Redemption Date; or
- (b) if a Fallback Settlement Method Event has occurred, the date being two Business Days prior to the Long Cash Settlement Date.

Swap Transaction means each of: (a) the Long Credit Default Swap Transaction; (b) the Short Credit Default Swap Transaction; and (b) the Cross-Currency Swap Transaction.

Termination Value means in respect of any date of determination and, as the context requires, in respect of either the Swap Agreement as a whole, or any Swap Transaction comprised in the Swap Agreement, the amount in ZAR which the Counterparty would pay to the Issuer (expressed as a positive amount) or require the Issuer to pay to the Counterparty (expressed as a negative amount) assuming that such date was an Early Termination Date in respect of the Swap Agreement as a whole, or in respect of the relevant Swap Transaction only. Such amount shall be determined by reference to the amount which the Issuer would be required to pay (or receive, as applicable) to enter into a transaction with a market dealer that would have the effect of preserving for the Issuer the economic equivalent of any payment or delivery (whether the underlying obligation was absolute or contingent and assuming the satisfaction of each applicable condition precedent) by the parties under Section 2(a)(i) of the Swap Agreement that would have been required after the relevant date.

Trigger Event means, on any day, that either of the following circumstances has occurred (and provided that any such event need not be continuing at the time at which the Trigger Notice is delivered) as determined by the Counterparty in its sole and absolute discretion:

- (a) the sum of: (i) the Termination Value of the Swap Agreement, *plus* (ii) the ZAR Equivalent of the product of (x) the Clean Average Bid Price of the Charged Assets and (y) the aggregate principal amount of the Charged Assets then held by or on behalf of the Issuer is (or was) equal to or less than 55 per cent. of the Outstanding Principal Amount of the Securities as of such day; and/or
- (b) the ZAR Equivalent of the product of (i) the Clean Average Bid Price of the Charged Assets and (ii) the aggregate principal amount of the Charged Assets then held by or on behalf of the Issue is (or was) less than or equal to 65 per cent.

Trigger Notice means a written notice (which may be given by email or facsimile) delivered to the Issuer, the Calculation Agent and the Trustee by the Counterparty (which it may elect to do so or not, in its absolute discretion) following the occurrence of a Trigger Event, specifying that a Trigger Event has occurred, the date of such occurrence and whether such Trigger Event falls under sub-paragraph (a) or (b) of the definition thereof.

USD Equivalent means in respect of any amount in ZAR on any date, the equivalent amount in USD determined by the Calculation Agent by applying the relevant then-prevailing spot rate of exchange.



ZAR Equivalent means in respect of any amount in USD on any date, the equivalent amount in ZAR determined by the Calculation Agent by applying the relevant then-prevailing spot rate of exchange.

37. **Purpose of these Issue Terms**

These Issue Terms comprise the final terms required for issue and admission to trading on the Interest Rate Market of the JSE Limited of the Securities described herein pursuant to the Issuer's ZAR 1,000,000,000 Limited Recourse Secured Debt Issuance Programme.

Application is hereby made to list this issue of Securities pursuant to the Issuer's ZAR 1,000,000,000 Limited Recourse Secured Debt Issuance Programme.

SIGNED at GRAND CAYMAN this 29th day of July 2014
For and on behalf of
DOLOMITE CAPITAL LIMITED
(as Issuer)

	
Name: _____	Name: _____
Capacity: David Dyer	Capacity: Helen Fowler
Director	Director

FORM OF LONG CREDIT DEFAULT SWAP CONFIRMATION

**MERRILL LYNCH INTERNATIONAL
BANK OF AMERICA MERRILL LYNCH FINANCIAL CENTRE
2 KING EDWARD STREET, LONDON EC1A 1HQ
(REGISTERED NO. 2312079)**

30th July, 2014



Dolomite Capital Limited
At the offices of Intertrust Corporate Services (Cayman) Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9005
Cayman Islands

RE: LONG CREDIT DERIVATIVE TRANSACTION (Series 6)
Ref: 61401791/14ML345068

Dear Sir or Madam,

The purpose of this communication is to confirm the terms and conditions of the Credit Derivative Transaction entered into between Merrill Lynch International ("**Party A**") and Dolomite Capital Limited ("**Party B**") on the date hereof (the "**Transaction**"). This communication constitutes a "Confirmation" as referred to in the Agreement specified below.

- A. This Confirmation supplements, forms part of, and is subject to, the 1992 ISDA Master Agreement dated as of 30th July, 2014 (the "**Agreement**"), between you and us.

The Transaction evidenced by this Confirmation relates to the issue by Party B of ZAR 40,000,000 in aggregate principal amount of its Series 6 Limited Recourse Secured Floating Rate Credit-Linked Notes, linked to Ukraine and Russia due 2019 (the "**Securities**"). Notwithstanding Part 5(h) of the Swap Schedule Terms Module, March 2013 Edition, the Agreement (including the Transaction evidenced by this Confirmation and the transactions evidenced by the Short Credit Default Swap Confirmation and the Cross-Currency Swap Confirmation (each as defined below)) constitutes a single agreement for the purpose of Section 1(c) of the Agreement.

All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

- B. Party A and Party B have also entered into (i) a related short credit default swap transaction in relation to the Securities under the Agreement, as evidenced by a confirmation (the "**Short Credit Default Swap Confirmation**") dated the Effective Date (the "**Short Credit Default Swap Transaction**"); and (ii) a related cross-currency swap transaction in relation to the Securities under the Agreement, as evidenced by a confirmation (the "**Cross-Currency Swap Confirmation**") dated the Effective Date (the "**Cross-Currency Swap Transaction**").
- C. The terms of the Transaction to which this Confirmation relates are as follows:

The definitions and provisions contained in the 2003 ISDA Credit Derivatives Definitions as supplemented by (i) the May 2003 Supplement to the 2003 ISDA Credit Derivatives Definitions; (ii) the 2005 Matrix

Supplement to the 2003 ISDA Credit Derivatives Definitions; and (iii) the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions, each as published by the International Swaps and Derivatives Association, Inc. (“ISDA”) (together, the “**Credit Derivatives Definitions**”) and in the Trust Instrument dated 30th July, 2014 (as amended and supplemented from time to time, the “**Trust Instrument**”) (together with the Credit Derivatives Definitions, the “**Credit Definitions**”) are incorporated into this Confirmation by this reference. In the event of any inconsistency between the definitions and provisions of the Credit Derivatives Definitions and the Trust Instrument, the Trust Instrument shall prevail. In the event of any inconsistency between the Credit Definitions and the other definitions and provisions of this Confirmation, such other provisions shall prevail.

1. General Terms:

Trade Date:	11th June, 2014.
Effective Date:	30th July, 2014.
Scheduled Termination Date:	22nd March, 2019, which date shall not be subject to adjustment in accordance with any Business Day Convention.
Termination Date:	The date on which neither party has any actual or contingent obligations hereunder.
Fixed Rate Payer:	Party A (the “ Buyer ”).
Floating Rate Payer:	Party B (the “ Seller ”).
Calculation Agent:	Party A.
Calculation Agent City:	London.
Business Days:	For the purpose of determining the Fixed Rate Payer Payment Dates and any other payment dates in this Confirmation, London, New York and Johannesburg.
Business Day Convention:	Following (which subject to Sections 1.4 and 1.6 of the Credit Derivatives Definitions and unless otherwise stated shall apply to any date referred to in this Confirmation that falls on a day that is not a Business Day).
Reference Entity:	Ukraine and any Successors. For the purpose of this Transaction, “Successor” shall have the meaning ascribed to such term in the Trust Instrument and, where more than one Successor is identified, this Transaction shall be split into the required number of New Credit Derivatives Transactions as described in Condition CL9(a) (<i>Succession Events</i>) of the Securities as amended by the Issue Terms of the Securities attached to the Trust Instrument.
Transaction Type:	Emerging European & Middle Eastern Sovereign.

Reference Obligation:	Primary obligor:	Ukraine
	Maturity:	14th November, 2017
	Coupon:	6.75 per cent. per annum
	ISIN:	XS0330776617

(the “**Specified Reference Obligation**”) and any Substitute Reference Obligation (as defined in the Trust Instrument) with respect to such Specified Reference Obligation.

For the avoidance of doubt, where one or more Successors to the Reference Entity have been identified and any one or more such Successors have not assumed the relevant Reference Obligation, a Substitute Reference Obligation will be determined in accordance with the Trust Instrument.

Whether Substitution of Reference Obligation is applicable:	Applicable, in accordance with the terms of the Trust Instrument.
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All Guarantees:	As specified in the Credit Derivatives Physical Settlement Matrix for the Transaction Type.
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2. **Fixed Payments:**

Fixed Rate Payer Calculation Amount:	USD 3,726,000.
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Fixed Rate Payer Payment Dates:	22nd March, 22nd June, 22nd September and 22nd December of each year, commencing 22nd September, 2014 up to (and including) 22nd March, 2019, in each case subject to adjustment in accordance with the Following Business Day Convention.
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Fixed Rate Payer Period End Dates:	22nd March, 22nd June, 22nd September and 22nd December of each year, commencing 22nd September, 2014 up to (and including) 22nd March, 2019, in each case subject to adjustment in accordance with the Following Business Day Convention, except for the Fixed Rate Payer Period End Date falling on 22nd March, 2019 which shall be unadjusted.
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Notwithstanding Section 2.9 of the Credit Derivatives Definitions:

- (i) the initial Fixed Rate Payer Calculation Period will commence on (and include) 30th July, 2014; and
- (ii) the final Fixed Rate Payer Calculation Period will end on (but exclude) 22nd March, 2019.

Fixed Rate:	5.54 per cent. per annum.
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Fixed Rate Day Count Fraction:	30/360.
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3. Floating Amounts:

Floating Rate Payer Calculation Amount: USD 3,726,000.

Conditions to Settlement: Notice of Publicly Available Information: Applicable

Notifying Party: Buyer.

Any Credit Event Notice and Notice of Publicly Available Information shall be delivered by Buyer to Seller and each of the Calculation Agent, Trustee and Principal Paying Agent (as such terms are defined in the Trust Instrument).

Credit Events:

(1) Failure to Pay:

Grace Period Extension: Applicable.

Payment Requirement: USD 1,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable.

(2) Obligation Acceleration

(3) Repudiation/Moratorium

(4) Restructuring:

Restructuring Maturity Limitation and Fully Transferable Obligation: Not Applicable.

Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation: Not Applicable.

Multiple Holder Obligation: Not Applicable.

Default Requirement: USD 10,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Credit Event.

Obligations:

Obligation Category: As specified in the Credit Derivatives Physical Settlement Matrix for the Transaction Type.

Obligation Characteristics: As specified in the Credit Derivatives Physical Settlement Matrix for the Transaction Type.

4. Settlement Terms:

Settlement Method: Auction Settlement.

Fallback Settlement Method: Cash Settlement

Terms Relating to Settlement: Subject as provided below, regardless of the applicable Settlement Method, the Seller shall pay to the Buyer on the first Business Day after the Charged Assets are liquidated an amount equal to the Charged Asset Market Value (as defined in the Trust Instrument) multiplied by the notional amount of the Charged Assets liquidated, unless the Charged Assets have redeemed in accordance with their terms, in which case the Seller shall pay to Buyer the redemption proceeds thereof on or as soon as reasonably practicable following the Event Determination Date.

Notwithstanding the provisions of Article XII of the Credit Derivatives Definitions, the Buyer shall pay to the Seller an amount equal to the Auction Settlement Amount on the Auction Settlement Date.

If the parties are to perform their respective payment obligations in accordance with the Fallback Settlement Method pursuant to Section 12.1 of the Credit Derivatives Definitions, the Buyer shall pay to the Seller an amount equal to the Cash Settlement Amount on the Cash Settlement Date.

Auction Settlement Amount: An amount in USD equal to the sum of:

- (i) the product of (x) the Floating Rate Payer Calculation Amount and (y) the Auction Final Price with respect to the Reference Entity; and
- (ii) the USD Equivalent of the Early Redemption Adjustment (as defined in the Trust Instrument).

The Calculation Agent shall convert the Early Redemption Adjustment (or any of its non-USD components) into its USD Equivalent on the Settlement Valuation Date (as defined in the Trust Instrument) for the purposes of determining the formula above.

Auction Settlement Date: The Long Auction Redemption Date (as defined in the Trust Instrument).

Cash Settlement Amount (if applicable): An amount in USD equal to the sum of:

- (i) the product of (x) the Floating Rate Payer Calculation Amount and (y) the Weighted Average

Final Price (as defined in the Trust Instrument) with respect to the Reference Entity; and

- (ii) the USD Equivalent of the Early Redemption Adjustment (as defined in the Trust Instrument).

The Calculation Agent shall convert the Early Redemption Adjustment (or any of its non-USD components) into its USD Equivalent on the Settlement Valuation Date (as defined in the Trust Instrument) for the purposes of determining the formula above.

Cash Settlement Date (if applicable):

The Long Cash Settlement Date (as defined in the Trust Instrument).

Escrow:

Not Applicable.

OTHER PROVISIONS

1. Definitions:

- (i) References to the "**Trust Instrument**" in this Confirmation shall mean the Trust Instrument (as amended and supplemented from time to time) executed in relation to the Securities.
- (ii) Words and expressions defined in the Trust Instrument shall bear the same meanings in this Confirmation and shall prevail in the case of inconsistency.

2. Notice and Account Details:

Notices to Party A:

Attention: Structured Credit Trading Desk
Tel: 00 44 207 996 2855
Email: dg.EM_Trading @bankofamerica.com
CC: dg.EMEA_GCP_Structuring@baml.com

USD Payments to Party A:

Bank of America, N.A., New York
SWIFT Code: BOFAUS3N
(Fed ABA: "026009593")
Favour of: Merrill Lynch International, London
(SWIFT Code: MLILGB2A)
Account No: 6550-6-60515
(Ref: Dolomite Capital Limited Series 6)

or such other account as may be advised by Party A from time to time.

ZAR Payments to Party A: The Standard Bank of South Africa Ltd., Johannesburg
 SWIFT Code: SBZAZAJJ
 Favour of: Merrill Lynch International, London
 (SWIFT Code: MLILGB2A)
 Account No: 7664656
 (Ref: Dolomite Capital Limited Series 6)

or such other account as may be advised by Party A from time to time.

Notices to Party B: Dolomite Capital Limited
 c/o: Intertrust Corporate Services (Cayman) Limited
 190 Elgin Avenue
 George Town
 Grand Cayman KY1-9005
 Cayman Islands

Attention: Margo Richardson
 Telefax: 001 345 945 4757

With a copy to:

Deutsche Bank (Cayman) Limited
 171 Elgin Avenue
 Boundary Hall
 Cricket Square
 Grand Cayman KY1-1104
 Cayman Islands

USD Payments to Party B: HSBC Bank USA, National Association, New York
 (SWIFT Code: MRMDUS33)
 Favour: HSBC Bank plc, London
 (SWIFT Code: MIDLGB22)
 A/C No.: 000023868
 For further credit to: Dolomite Capital Limited Series 6 assigned
 to HSBC Corporate Trustee Company (UK) Limited as Trustee
 to Dolomite Capital Limited
 Account Number: 74565885
 Ref: CTLA / Dolomite 6

ZAR Payments to Party B: Nedbank, Johannesburg
 (SWIFT Code: NEDSZAJJ)
 Favour: HSBC Bank plc, London
 (SWIFT Code: MIDLGB22)
 A/C No.: 1986201430

For further credit to: Dolomite Capital Limited Series 6 assigned
 to HSBC Corporate Trustee Company (UK) Limited as Trustee
 to Dolomite Capital Limited

Account Number: 74565893
 Ref: CTLA / Dolomite 6

3. Governing Law:

This Confirmation will be governed by and construed in accordance with the laws of England.

4. U.S. Federal Income Tax:

The parties agree that for the purposes of U.S. federal income taxes, this Transaction shall be treated as an option.

5. Rounding:

All amounts payable by a party under this Transaction shall be rounded to the nearest cent (with half a cent being rounded downwards).

6. Other Terms:

- (a) Buyer represents to Seller that Buyer is not an “**affiliate**” of any Reference Entity, as the term “**affiliate**” is defined in Rule 144(a)(1) under the U.S. Securities Act of 1933.
- (b) For the purposes of calculating the Termination Value of the Cross-Currency Swap Transaction and/or (where relevant) the Short Credit Default Swap Transaction, the occurrence of an Event Determination Date shall be deemed to be an Additional Termination Event for the purposes of the Cross-Currency Swap Transaction and (where relevant) the Short Credit Default Swap Transaction pursuant to which such Cross-Currency Swap Transaction and (where relevant) the Short Credit Default Swap Transaction are hypothetically terminated (and upon which a calculation of the relevant Termination Value is based) and in respect of which Party A shall be deemed to have designated an Early Termination Date and Party B shall be deemed to be the Affected Party. Such hypothetical termination of the Cross-Currency Swap Transaction and (where relevant) the Short Credit Default Swap Transaction shall not result in any payment of the Termination Value of the Cross-Currency Swap Transaction and (where relevant) the Short Credit Default Swap Transaction (whether by Party A to Party B or vice versa) but such Termination Value(s) shall be taken into consideration in calculating the Early Redemption Adjustment.

7. Termination Currency:

The Termination Currency shall be ZAR.

8. Contracts (Rights of Third Parties) Act 1999:

A person who is not a party to this Transaction has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Transaction, but this does not affect any right or remedy of the third party which exists or is available apart from that Act.

9. Succession Event:

Notwithstanding any other provision of this Confirmation, upon the occurrence of a Succession Event, the terms of Condition CL9 (*Succession Events*) of the Securities shall apply and the terms of the new credit derivatives transactions shall be construed accordingly.

10. Purchases and Further Issues:

In the event of a purchase by Party B of some but not all of the Securities pursuant to Condition 9 (*Purchase*) of the Securities or an issue by Party B of Further Fungible Securities pursuant to Condition 20 (*Further Issues*) of the Securities, the Calculation Agent shall, without the consent of Party A, Party B or any other parties, adjust the provisions of this Confirmation to reflect such partial purchase or further issue and to preserve the economic equivalence of the Transaction documented hereunder after such partial purchase or further issue.

11. Additional Termination Event

It shall be an Additional Termination Event if all but not some of the Securities then outstanding becoming subject to redemption (including, where the Selling Agent has, pursuant to the Conditions, become obliged to arrange for and administer the sale of the Charged Assets) pursuant to Conditions 8(b) (*Redemption for taxation reasons*), 8(c)(i) (*Mandatory Redemption - Following Payment Default under the Charged Assets, termination of a Charged Agreement or delivery of a Trigger Notice*) or 8(c)(ii) (*Mandatory Redemption - Following Early Redemption of the Charged Assets*) and Party A shall designate an Early Termination Date in respect of this Transaction.

For the purposes of the foregoing Additional Termination Events, the Affected Party shall be Party B.

12. Non-petition and Limited Recourse

Party A shall have recourse in respect of any claim only to the Mortgaged Property, subject always to the security created by and the provisions of the Trust Instrument and/or the Additional Charging Document and the provisions of this paragraph 12. Subject to the Trustee (or any Securityholder) having realised the Mortgaged Property, Party A shall not be entitled to take any further steps against Party B to recover any further sums in respect of the payment of any obligation of Party B once the Mortgaged Property and the proceeds of realisation thereof, as applicable, have been exhausted for whatever reason and the right to claim in respect of such sums shall be automatically extinguished. Any shortfall will be borne by Securityholders, the Trustee and Party A in accordance with the Security Ranking Basis set out and as defined in the Conditions (unless otherwise specified). Party A has not claimed or exercised and shall not be entitled to exercise any right of set-off, counterclaim, security interest, lien, consolidation of accounts or other similar right arising by operation of law or otherwise against any person entitled to receive any payment under the Securities or against the Mortgaged Property in respect of any other Series of securities issued by Party B or any other assets of Party B (and Party A hereby waives all such rights) and undertakes to bring such security, and all other security created by the Trust Instrument and/or the Additional Charging Document, to the attention of any person dealing with the Mortgaged Property. Party A agrees that it shall not be entitled to petition or take any step for the winding-up of Party B. The obligations of Party B are solely the corporate obligations of Party B. No recourse for the payment of any obligation of Party B shall be had against any stockholder, employee, officer, director, affiliate, incorporator, manager or member of Party B provided that this shall not apply if it would be in breach of any legal or regulatory requirement of the applicable jurisdiction. The provisions contained in this clause shall survive any termination of the Agreement.

13. Representations:

- (a) Each party represents and warrants to the other party as of the Effective Date that it is entering into this Transaction for investment, financial intermediation, hedging or other commercial purposes.
- (b) Each party hereby agrees for the benefit of the other party that, as of the Effective Date:

Non-Reliance. It is acting for its own account, and it has made its own independent decisions to enter into this Transaction and as to whether this Transaction is appropriate or proper for it based upon its own judgment and upon advice from such advisors as it has deemed necessary. It is not relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into this Transaction; it being understood that information and explanations related to the terms and conditions of this Transaction shall not be considered investment advice or a recommendation to enter into this Transaction. No communication (written or oral) received from the other party shall be deemed to be an assurance or guarantee as to the expected results of this Transaction.

Assessment and Understanding. It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of this Transaction. It is also capable of assuming, and assumes, the risks of this Transaction.

Status of Parties. No other party is acting as a fiduciary for or any adviser to it in respect of this Transaction.

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing this Confirmation and returning it to us by facsimile transmission.

Yours faithfully,

MERRILL LYNCH INTERNATIONAL

By:

Authorised Signatory

Accepted and confirmed as
of the date written above:

Signed by a duly authorised attorney of

DOLOMITE CAPITAL LIMITED

By:

Name:
Title:

FORM OF SHORT CREDIT DEFAULT SWAP CONFIRMATION

**MERRILL LYNCH INTERNATIONAL
BANK OF AMERICA MERRILL LYNCH FINANCIAL CENTRE
2 KING EDWARD STREET, LONDON EC1A 1HQ
(REGISTERED NO. 2312079)**

30th July, 2014



Dolomite Capital Limited
At the offices of Intertrust Corporate Services (Cayman) Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9005
Cayman Islands

RE: SHORT CREDIT DERIVATIVE TRANSACTION (Series 6)
Ref: 61401794/14ML345068

Dear Sir or Madam,

The purpose of this communication is to confirm the terms and conditions of the Credit Derivative Transaction entered into between Merrill Lynch International ("**Party A**") and Dolomite Capital Limited ("**Party B**") on the date hereof (the "**Transaction**"). This communication constitutes a "Confirmation" as referred to in the Agreement specified below.

- A. This Confirmation supplements, forms part of, and is subject to, the 1992 ISDA Master Agreement dated as of 30th July, 2014 (the "**Agreement**"), between you and us.

The Transaction evidenced by this Confirmation relates to the issue by Party B of ZAR 40,000,000 in aggregate principal amount of its Series 6 Limited Recourse Secured Floating Rate Credit-Linked Notes, linked to Ukraine and Russia due 2019 (the "**Securities**"). Notwithstanding Part 5(h) of the Swap Schedule Terms Module, March 2013 Edition, the Agreement (including the Transaction evidenced by this Confirmation and the transactions evidenced by the Long Credit Default Swap Confirmation and the Cross-Currency Swap Confirmation (each as defined below)) constitutes a single agreement for the purpose of Section 1(c) of the Agreement.

All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

- B. Party A and Party B have also entered into (i) a related long credit default swap transaction in relation to the Securities under the Agreement, as evidenced by a confirmation (the "**Long Credit Default Swap Confirmation**") dated the Effective Date (the "**Long Credit Default Swap Transaction**"); and (ii) a related cross-currency swap transaction in relation to the Securities under the Agreement, as evidenced by a confirmation (the "**Cross-Currency Swap Confirmation**") dated the Effective Date (the "**Cross-Currency Swap Transaction**").
- C. The terms of the Transaction to which this Confirmation relates are as follows:

The definitions and provisions contained in the 2003 ISDA Credit Derivatives Definitions as supplemented by (i) the May 2003 Supplement to the 2003 ISDA Credit Derivatives Definitions; (ii) the 2005 Matrix

Supplement to the 2003 ISDA Credit Derivatives Definitions; and (iii) the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions, each as published by the International Swaps and Derivatives Association, Inc. (“ISDA”) (together, the “**Credit Derivatives Definitions**”) and in the Trust Instrument dated 30th July, 2014 (as amended and supplemented from time to time, the “**Trust Instrument**”) (together with the Credit Derivatives Definitions, the “**Credit Definitions**”) are incorporated into this Confirmation by this reference. In the event of any inconsistency between the definitions and provisions of the Credit Derivatives Definitions and the Trust Instrument, the Trust Instrument shall prevail. In the event of any inconsistency between the Credit Definitions and the other definitions and provisions of this Confirmation, such other provisions shall prevail.

1. General Terms:

Trade Date:	11th June, 2014.
Effective Date:	30th July, 2014.
Scheduled Termination Date:	22nd March, 2019, which date shall not be subject to adjustment in accordance with any Business Day Convention.
Termination Date:	The date on which neither party has any actual or contingent obligations hereunder.
Fixed Rate Payer:	Party B (the “ Buyer ”).
Floating Rate Payer:	Party A (the “ Seller ”).
Calculation Agent:	Party A.
Calculation Agent City:	London.
Business Days:	For the purpose of determining the Fixed Rate Payer Payment Dates and any other payment dates in this Confirmation, London, New York and Johannesburg.
Business Day Convention:	Following (which subject to Sections 1.4 and 1.6 of the Credit Derivatives Definitions and unless otherwise stated shall apply to any date referred to in this Confirmation that falls on a day that is not a Business Day).
Reference Entity:	Russian Federation and any Successors. For the purpose of this Transaction, “Successor” shall have the meaning ascribed to such term in the Trust Instrument and, where more than one Successor is identified, this Transaction shall be split into the required number of New Credit Derivatives Transactions as described in Condition CL9(a) (<i>Succession Events</i>) of the Securities as amended by the Issue Terms of the Securities attached to the Trust Instrument.
Transaction Type:	Emerging European & Middle Eastern Sovereign.

Reference Obligation:	Primary obligor:	Russian Federation
	Maturity:	31st March, 2030
	Coupon:	7.50 per cent. per annum
	ISIN:	XS0114288789

(the “**Specified Reference Obligation**”) and any Substitute Reference Obligation (as defined in the Trust Instrument) with respect to such Specified Reference Obligation.

For the avoidance of doubt, where one or more Successors to the Reference Entity have been identified and any one or more such Successors have not assumed the relevant Reference Obligation, a Substitute Reference Obligation will be determined in accordance with the Trust Instrument.

Whether Substitution of Reference Obligation is applicable:	Applicable, in accordance with the terms of the Trust Instrument.
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All Guarantees:	As specified in the Credit Derivatives Physical Settlement Matrix for the Transaction Type.
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2. **Fixed Payments:**

Fixed Rate Payer Calculation Amount:	USD 3,726,000.
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Fixed Rate Payer Payment Dates:	22nd March, 22nd June, 22nd September and 22nd December of each year, commencing 22nd September, 2014 up to (and including) 22nd March, 2019, in each case subject to adjustment in accordance with the Following Business Day Convention.
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Fixed Rate Payer Period End Dates:	22nd March, 22nd June, 22nd September and 22nd December of each year, commencing 22nd September, 2014 up to (and including) 22nd March, 2019, in each case subject to adjustment in accordance with the Following Business Day Convention, except for the Fixed Rate Payer Period End Date falling on 22nd March, 2019 which shall be unadjusted.
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Notwithstanding Section 2.9 of the Credit Derivatives Definitions:

- (i) the initial Fixed Rate Payer Calculation Period will commence on (and include) 30th July, 2014; and
- (ii) the final Fixed Rate Payer Calculation Period will end on (but exclude) 22nd March, 2019.

Fixed Rate:	1.65 per cent. per annum.
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Fixed Rate Day Count Fraction:	30/360.
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3. Floating Amounts:

Floating Rate Payer Calculation Amount: USD 3,726,000.

Conditions to Settlement: Notice of Publicly Available Information: Applicable

Notifying Party: Buyer.

Any Credit Event Notice and Notice of Publicly Available Information shall be delivered by Buyer to Seller and each of the Calculation Agent, Trustee and Principal Paying Agent (as such terms are defined in the Trust Instrument).

Credit Events:

(1) Failure to Pay:

Grace Period Extension: Applicable.

Payment Requirement: USD 1,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable.

(2) Obligation Acceleration

(3) Repudiation/Moratorium

(4) Restructuring:

Restructuring Maturity Limitation and Fully Transferable Obligation: Not Applicable.

Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation: Not Applicable.

Multiple Holder Obligation: Not Applicable.

Default Requirement: USD 10,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Credit Event.

Obligations:

Obligation Category: As specified in the Credit Derivatives Physical Settlement Matrix for the Transaction Type.

Obligation Characteristics: As specified in the Credit Derivatives Physical Settlement Matrix for the Transaction Type.

4. Settlement Terms:

Settlement Method: Auction Settlement.

Fallback Settlement Method: Cash Settlement

Terms Relating to Settlement: Notwithstanding the provisions of Article XII of the Credit Derivatives Definitions, the Seller shall pay to the Buyer an amount equal to the Auction Settlement Amount on the Auction Payment Date.

If the parties are to perform their respective payment obligations in accordance with the Fallback Settlement Method pursuant to Section 12.1 of the Credit Derivatives Definitions, the Seller shall pay to the Buyer an amount equal to the Cash Settlement Amount on the Cash Settlement Date.

Auction Settlement Amount: An amount in USD equal to the greater of zero and the product of:

- (i) the Floating Rate Payer Calculation Amount; and
- (ii) (100% - the Auction Final Price).

Auction Payment Date: The third Business Day following the Auction Settlement Date.

Cash Settlement Amount (if applicable): An amount in USD equal to the greater of zero and the product of:

- (i) the Floating Rate Payer Calculation Amount; and
- (ii) (100% - the Weighted Average Final Price (as defined in the Trust Instrument)).

Cash Settlement Date (if applicable): The fifth Business Day following the date on which the Calculation Agent has determined the Portfolio Final Price (as defined in the Trust Instrument) with respect to the Reference Entity.

Escrow: Not Applicable.

OTHER PROVISIONS

1. Definitions:

- (i) References to the "**Trust Instrument**" in this Confirmation shall mean the Trust Instrument (as amended and supplemented from time to time) executed in relation to the Securities.
- (ii) Words and expressions defined in the Trust Instrument shall bear the same meanings in this Confirmation and shall prevail in the case of inconsistency.

2. Notice and Account Details:

Notices to Party A:

Attention: Structured Credit Trading Desk
Tel: 00 44 207 996 2855
Email: dg.EM_Trading @bankofamerica.com
CC: dg.EMEA_GCP_Structuring@baml.com

USD Payments to Party A:

Bank of America, N.A., New York
SWIFT Code: BOFAUS3N
(Fed ABA: "026009593")
Favour of: Merrill Lynch International, London
(SWIFT Code: MLILGB2A)
Account No: 6550-6-60515
(Ref: Dolomite Capital Limited Series 6)

or such other account as may be advised by Party A from time to time.

ZAR Payments to Party A:

The Standard Bank of South Africa Ltd., Johannesburg
SWIFT Code: SBZAJJ
Favour of: Merrill Lynch International, London
(SWIFT Code: MLILGB2A)
Account No: 7664656
(Ref: Dolomite Capital Limited Series 6)

or such other account as may be advised by Party A from time to time.

Notices to Party B:

Dolomite Capital Limited
c/o: Intertrust Corporate Services (Cayman) Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9005
Cayman Islands

Attention: Margo Richardson
Telefax: 001 345 945 4757

With a copy to:

Deutsche Bank (Cayman) Limited
171 Elgin Avenue
Boundary Hall
Cricket Square
Grand Cayman KY1-1104
Cayman Islands

USD Payments to Party B: HSBC Bank USA, National Association, New York
(SWIFT Code: MRMDUS33)
Favour: HSBC Bank plc, London
(SWIFT Code: MIDLGB22)
A/C No.: 000023868
For further credit to: Dolomite Capital Limited Series 6 assigned
to HSBC Corporate Trustee Company (UK) Limited as Trustee
to Dolomite Capital Limited
Account Number: 74565885
Ref: CTLA / Dolomite 6

ZAR Payments to Party B: Nedbank, Johannesburg
(SWIFT Code: NEDSZAJJ)
Favour: HSBC Bank plc, London
(SWIFT Code: MIDLGB22)
A/C No.: 1986201430
For further credit to: Dolomite Capital Limited Series 6 assigned
to HSBC Corporate Trustee Company (UK) Limited as Trustee
to Dolomite Capital Limited
Account Number: 74565893
Ref: CTLA / Dolomite 6

3. Governing Law:

This Confirmation will be governed by and construed in accordance with the laws of England.

4. U.S. Federal Income Tax:

The parties agree that for the purposes of U.S. federal income taxes, this Transaction shall be treated as an option.

5. Rounding:

All amounts payable by a party under this Transaction shall be rounded to the nearest cent (with half a cent being rounded downwards).

6. Other Terms:

- (a) Buyer represents to Seller that Buyer is not an “**affiliate**” of any Reference Entity, as the term “**affiliate**” is defined in Rule 144(a)(1) under the U.S. Securities Act of 1933.
- (b) Notwithstanding anything to the contrary in the Credit Derivatives Definitions and/or in the Agreement, if an Event Determination Date occurs with respect to the Reference Entity under the Long Credit Default Swap Transaction, then the Conditions to Settlement under

this Transaction may no longer be satisfied (to the extent not already satisfied at such time) and such Event Determination Date shall be deemed to constitute an Additional Termination Event for the purposes of this Transaction, pursuant to which this Transaction shall be hypothetically terminated (and upon which a calculation of the Termination Value shall be based), in respect of which Party A shall be deemed to have designated an Early Termination Date and Party B shall be deemed to be the Affected Party. Such hypothetical termination of this Transaction shall not result in any payment of the Termination Value (whether by Party A to Party B or vice versa) but such Termination Value shall be taken into consideration in calculating the Early Redemption Adjustment for the purposes of the Long Credit Default Swap Transaction.

7. Termination Currency:

The Termination Currency shall be ZAR.

8. Contracts (Rights of Third Parties) Act 1999:

A person who is not a party to this Transaction has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Transaction, but this does not affect any right or remedy of the third party which exists or is available apart from that Act.

9. Succession Event:

Notwithstanding any other provision of this Confirmation, upon the occurrence of a Succession Event, the terms of Condition CL9 (*Succession Events*) of the Securities shall apply and the terms of the new credit derivatives transactions shall be construed accordingly.

10. Purchases and Further Issues:

In the event of a purchase by Party B of some but not all of the Securities pursuant to Condition 9 (Purchase) of the Securities or an issue by Party B of Further Fungible Securities pursuant to Condition 20 (*Further Issues*) of the Securities, the Calculation Agent shall, without the consent of Party A, Party B or any other parties, adjust the provisions of this Confirmation to reflect such partial purchase or further issue and to preserve the economic equivalence of the Transaction documented hereunder after such partial purchase or further issue.

11. Additional Termination Event

It shall be an Additional Termination Event if all but not some of the Securities then outstanding becoming subject to redemption (including, where the Selling Agent has, pursuant to the Conditions, become obliged to arrange for and administer the sale of the Charged Assets) pursuant to Conditions 8(b) (*Redemption for taxation reasons*), 8(c)(i) (*Mandatory Redemption - Following Payment Default under the Charged Assets, termination of a Charged Agreement or delivery of a Trigger Notice*) or 8(c)(ii) (*Mandatory Redemption - Following Early Redemption of the Charged Assets*) and Party A shall designate an Early Termination Date in respect of this Transaction.

For the purposes of the foregoing Additional Termination Events, the Affected Party shall be Party B.

12. Non-petition and Limited Recourse

Party A shall have recourse in respect of any claim only to the Mortgaged Property, subject always to the security created by and the provisions of the Trust Instrument and/or the Additional Charging

Document and the provisions of this paragraph 12. Subject to the Trustee (or any Securityholder) having realised the Mortgaged Property, Party A shall not be entitled to take any further steps against Party B to recover any further sums in respect of the payment of any obligation of Party B once the Mortgaged Property and the proceeds of realisation thereof, as applicable, have been exhausted for whatever reason and the right to claim in respect of such sums shall be automatically extinguished. Any shortfall will be borne by Securityholders, the Trustee and Party A in accordance with the Security Ranking Basis set out and as defined in the Conditions (unless otherwise specified). Party A has not claimed or exercised and shall not be entitled to exercise any right of set-off, counterclaim, security interest, lien, consolidation of accounts or other similar right arising by operation of law or otherwise against any person entitled to receive any payment under the Securities or against the Mortgaged Property in respect of any other Series of securities issued by Party B or any other assets of Party B (and Party A hereby waives all such rights) and undertakes to bring such security, and all other security created by the Trust Instrument and/or the Additional Charging Document, to the attention of any person dealing with the Mortgaged Property. Party A agrees that it shall not be entitled to petition or take any step for the winding-up of Party B. The obligations of Party B are solely the corporate obligations of Party B. No recourse for the payment of any obligation of Party B shall be had against any stockholder, employee, officer, director, affiliate, incorporator, manager or member of Party B provided that this shall not apply if it would be in breach of any legal or regulatory requirement of the applicable jurisdiction. The provisions contained in this clause shall survive any termination of the Agreement.

13. Representations:

- (a) Each party represents and warrants to the other party as of the Effective Date that it is entering into this Transaction for investment, financial intermediation, hedging or other commercial purposes.
- (b) Each party hereby agrees for the benefit of the other party that, as of the Effective Date:

Non-Reliance. It is acting for its own account, and it has made its own independent decisions to enter into this Transaction and as to whether this Transaction is appropriate or proper for it based upon its own judgment and upon advice from such advisors as it has deemed necessary. It is not relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into this Transaction; it being understood that information and explanations related to the terms and conditions of this Transaction shall not be considered investment advice or a recommendation to enter into this Transaction. No communication (written or oral) received from the other party shall be deemed to be an assurance or guarantee as to the expected results of this Transaction.

Assessment and Understanding. It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of this Transaction. It is also capable of assuming, and assumes, the risks of this Transaction.

Status of Parties. No other party is acting as a fiduciary for or any adviser to it in respect of this Transaction.

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing this Confirmation and returning it to us by facsimile transmission.

Yours faithfully,

MERRILL LYNCH INTERNATIONAL

By:

Authorised Signatory

Accepted and confirmed as
of the date written above:

Signed by a duly authorised attorney of

DOLOMITE CAPITAL LIMITED

By:

Name:

Title:

FORM OF CROSS-CURRENCY SWAP CONFIRMATION

MERRILL LYNCH INTERNATIONAL
BANK OF AMERICA MERRILL LYNCH FINANCIAL CENTRE
2 KING EDWARD STREET, LONDON EC1A 1HQ
(REGISTERED NO. 2312079)

30th July, 2014



Dolomite Capital Limited
At the offices of Intertrust Corporate Services (Cayman) Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9005
Cayman Islands

RE: CROSS-CURRENCY SWAP TRANSACTION (Series 6)
Ref: 914038790/14ML345068

Dear Sir or Madam,

The purpose of this communication is to confirm the terms and conditions of the Transaction entered into between Merrill Lynch International ("**Party A**") and Dolomite Capital Limited ("**Party B**") on the date hereof (the "**Transaction**"). This communication constitutes a "Confirmation" as referred to in the Agreement specified below.

- A. This Confirmation supplements, forms part of, and is subject to, the 1992 ISDA Master Agreement dated as of 30th July, 2014 (the "**Agreement**"), between you and us.

The Transaction evidenced by this Confirmation relates to the issue by Party B of ZAR 40,000,000 in aggregate principal amount of its Series 6 Limited Recourse Secured Floating Rate Credit-Linked Notes, linked to Ukraine and Russia due 2019 (the "**Securities**"). Notwithstanding Part 5(h) of the Swap Schedule Terms Module, March 2013 Edition, the Agreement (including the Transaction evidenced by this Confirmation and the transactions evidenced by the Long Credit Default Swap Confirmation and the Short Credit Default Swap Confirmation (each as defined below)) constitutes a single agreement for the purpose of Section 1(c) of the Agreement.

All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

- B. Party A and Party B have also entered into (i) a related long credit default swap transaction in relation to the Securities under the Agreement, as evidenced by a confirmation (the "**Long Credit Default Swap Confirmation**") dated the Effective Date (the "**Long Credit Default Swap Transaction**"); and (ii) a related short credit default swap transaction in relation to the Securities under the Agreement, as evidenced by a confirmation (the "**Short Credit Default Swap Confirmation**") dated the Effective Date (the "**Short Credit Default Swap Transaction**").
- C. The terms of the Transaction to which this Confirmation relates are as follows:

The definitions and provisions contained in the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc., (the “**2006 Definitions**”), are incorporated into this Confirmation by this reference. Any reference in the 2006 Definitions to a “Swap Transaction” shall be deemed to include references to a “Transaction” hereunder. In the event of any inconsistency between the 2006 Definitions and the provisions of this Confirmation, the provisions of this Confirmation shall prevail.

1. General Terms:

Trade Date:	11th June, 2014
Effective Date:	30th July, 2014.
Termination Date:	22nd March, 2019, subject to adjustment in accordance with the Following Business Day Convention.

2. Party A Payments:

Floating Rate Payer:	Party A.
Floating Rate Payer Final Exchange Amount:	Party A will pay to Party B ZAR 40,000,000 on the final Floating Rate Payer Payment Date; provided however that upon the occurrence of an Event Determination Date in respect of the Reference Entity under the Long Credit Default Swap Transaction, the Floating Rate Payer Final Exchange Amount shall be deemed reduced to zero, except for the purposes of determining the Termination Value of this Transaction.
Floating Rate Payer Currency Amount:	ZAR 40,000,000; provided however that upon the occurrence of an Event Determination Date in respect of the Reference Entity under the Long Credit Default Swap Transaction, the Floating Rate Payer Currency Amount shall be deemed reduced to zero as of and from the last day in the immediately preceding Floating Rate Payer Calculation Period, or, in the case of the initial Floating Rate Payer Calculation Period, as of and from the day immediately preceding the first day of such Floating Rate Payer Calculation Period, except for the purposes of calculating the Termination Value of this Transaction.
Floating Rate Payer Payment Dates:	22nd March, 22nd June, 22nd September and 22nd December of each year from (and including) 22nd September, 2014 up to (and including) 22nd March, 2019, in each case subject to adjustment in accordance with the Following Business Day Convention.
Floating Rate Payer Period End Dates:	22nd March, 22nd June, 22nd September and 22nd December of each year from (and including) 22nd September, 2014 up to (and including) 22nd March, 2019, in each case subject to adjustment in accordance

with the Following Business Day Convention, except for the Floating Rate Payer Period End Date falling on 22nd March, 2019 to which No Adjustment shall apply.

For the avoidance of doubt:

- (i) the initial Floating Rate Payer Calculation Period shall commence on (and include) 30th July, 2014; and
- (ii) the final Floating Rate Payer Calculation Period shall end on (but exclude) 22nd March, 2019.

Floating Rate Option: ZAR-JIBAR-SAFEX.

Designated Maturity: 3 months.

Spread: Plus 5.90 per cent. per annum.

Reset Dates: The first day of each Floating Rate Payer Calculation Period, except for the initial Floating Rate Payer Calculation Period in respect of which the Reset Date shall be 23rd July, 2014.

Floating Rate Payer Day Count Fraction: Actual/Actual.

Floating Rate Payer Business Days: London, New York and Johannesburg.

3. **Party B Payments:**

Fixed Rate Payer I: Party B.

Fixed Rate Payer I Final Exchange Amount: Party B will deliver all the Charged Assets then held by it to or to the order of Party A on the final Floating Rate Payer Payment Date (as defined above) with full title guarantee, free and clear of any and all liens, charges or encumbrances; provided however that upon the occurrence of an Event Determination Date in respect of the Reference Entity under the Long Credit Default Swap Transaction, the Fixed Rate Payer I Final Exchange Amount shall be deemed reduced to zero, except for the purposes of determining the Termination Value of this Transaction.

Fixed Rate Payer I Currency Amount: USD 3,726,000; provided however that upon the occurrence of an Event Determination Date in respect of the Reference Entity under the Long Credit Default Swap Transaction, the Fixed Rate Payer I Currency Amount shall be deemed reduced to zero as of and from the last day of the immediately preceding Fixed Rate Payer I Calculation Period, or, if such Event Determination Date occurs during the initial Fixed Rate Payer I Calculation Period, as of and from the day

immediately preceding the first day of such Fixed Rate Payer I Calculation Period, except for the purposes of determining the Termination Value of this Transaction.

Fixed Rate Payer I Payment Dates: 1st April and 1st October of each year, commencing 1st October, 2014 up to (and including) 1st October, 2018, in each case subject to adjustment in accordance with the Following Business Day Convention, but subject always to the business day convention that shall apply in respect of the Charged Assets which shall prevail.

Fixed Rate Payer I Period End Dates: 1st April and 1st October of each year, commencing 1st October, 2014 up to (and including) 1st October, 2018, with No Adjustment to any Fixed Rate Payer Period End Date, but subject always to the interest accrual provisions that shall apply in respect of the Charged Assets which shall prevail.

Notwithstanding Section 4.13 of the 2006 Definitions (but subject as aforesaid), the initial Fixed Rate Payer Calculation Period shall be from (and including) 1st April, 2014 to (but excluding) 1st October, 2014 with No Adjustment.

Fixed Rate Payer I Fixed Rate: 2.650 per cent. per annum.

Fixed Rate Payer I Day Count Fraction: 30/360, but subject always to the day count fraction that shall apply in respect of the Charged Assets which shall prevail.

Fixed Rate Payer I Business Days: London, New York and Charlotte, North Carolina, but subject always to the business days that shall apply in respect of the Charged Assets which shall prevail.

Fixed Rate Payer II: Party B.

Fixed Rate Payer II Currency Amount: USD 3,726,000; provided however that upon the occurrence of an Event Determination Date in respect of the Reference Entity under the Long Credit Default Swap Transaction, the Fixed Rate Payer II Currency Amount shall be deemed reduced to zero as of and from the last day of the immediately preceding Fixed Rate Payer II Calculation Period, or, if such Event Determination Date occurs during the initial Fixed Rate Payer II Calculation Period, as of and from the day immediately preceding the first day of such Fixed Rate Payer II Calculation Period, except for the purposes of determining the Termination Value of this Transaction.

Fixed Rate Payer II Payment Dates: 22nd March, 22nd June, 22nd September and 22nd December of each year, commencing 22nd September, 2014 up to (and including) 22nd March, 2019, in each

case subject to adjustment in accordance with the Following Business Day Convention.

Fixed Rate Payer II Period End Dates:

22nd March, 22nd June, 22nd September and 22nd December of each year, commencing 22nd September, 2014 up to (and including) 22nd March, 2019, in each case subject to adjustment in accordance with the Following Business Day Convention, except for the Fixed Rate Payer II Period End Date falling on 22nd March, 2019 which shall be unadjusted.

For the avoidance of doubt:

- (i) the initial Fixed Rate Payer II Calculation Period will commence on (and include) 30th July, 2014; and
- (ii) the final Fixed Rate Payer II Calculation Period will end on (but exclude) 22nd March, 2019.

Fixed Rate Payer II Fixed Rate: 3.89 per cent. per annum.

Fixed Rate Payer II Day Count Fraction: 30/360.

Fixed Rate Payer II Business Days: London, New York and Johannesburg.

OTHER PROVISIONS

1. Definitions:

- (i) References to the "**Trust Instrument**" in this Confirmation shall mean the Trust Instrument (as amended and supplemented from time to time) executed in relation to the Securities.
- (ii) Words and expressions defined in the Trust Instrument shall bear the same meanings in this Confirmation and shall prevail in the case of inconsistency.

2. Notice and Account Details:

Notices to Party A:

Attention: Structured Credit Trading Desk
Tel: 00 44 207 996 2855
Email: dg.EM_Trading @bankofamerica.com
CC: dg.EMEA_GCP_Structuring@baml.com

USD Payments to Party A: Bank of America, N.A., New York
 SWIFT Code: BOFAUS3N
 (Fed ABA: "026009593")
 Favour of: Merrill Lynch International, London
 (SWIFT Code: MLILGB2A)
 Account No: 6550-6-60515
 (Ref: Dolomite Capital Limited Series 6)

or such other account as may be advised by Party A from time to time.

ZAR Payments to Party A: The Standard Bank of South Africa Ltd., Johannesburg
 SWIFT Code: SBZAJJ
 Favour of: Merrill Lynch International, London
 (SWIFT Code: MLILGB2A)
 Account No: 7664656
 (Ref: Dolomite Capital Limited Series 6)

or such other account as may be advised by Party A from time to time.

Notices to Party B: Dolomite Capital Limited
 c/o: Intertrust Corporate Services (Cayman) Limited
 190 Elgin Avenue
 George Town
 Grand Cayman KY1-9005
 Cayman Islands

Attention: Margo Richardson
 Telefax: 001 345 945 4757

With a copy to:

Deutsche Bank (Cayman) Limited
 171 Elgin Avenue
 Boundary Hall
 Cricket Square
 Grand Cayman KY1-1104
 Cayman Islands

USD Payments to Party B: HSBC Bank USA, National Association, New York
 (SWIFT Code: MRMDUS33)
 Favour: HSBC Bank plc, London
 (SWIFT Code: MIDLGB22)
 A/C No.: 000023868
 For further credit to: Dolomite Capital Limited Series 6
 assigned to HSBC Corporate Trustee Company (UK) Limited
 as Trustee to Dolomite Capital Limited
 Account Number: 74565885
 Ref: CTLA / Dolomite 6

ZAR Payments to Party B: Nedbank, Johannesburg
 (SWIFT Code: NEDSZAJJ)
 Favour: HSBC Bank plc, London
 (SWIFT Code: MIDLGB22)

A/C No.: 1986201430

For further credit to: Dolomite Capital Limited Series 6
assigned to HSBC Corporate Trustee Company (UK) Limited
as Trustee to Dolomite Capital Limited

Account Number: 74565893

Ref: CTLA / Dolomite 6

3. Governing Law:

This Confirmation will be governed by and construed in accordance with the laws of England.

4. Rounding:

All amounts payable by a party under this Transaction shall be rounded to the nearest cent (with half a cent being rounded downwards).

5. Other Terms:

The occurrence of an Event Determination Date under the Long Credit Default Swap Transaction shall be deemed to be an Additional Termination Event for the purposes of this Transaction, pursuant to which this Transaction shall be hypothetically terminated (and upon which a calculation of the Termination Value shall be based), in respect of which Party A shall be deemed to have designated an Early Termination Date and Party B shall be deemed to be the Affected Party. Such hypothetical termination of this Transaction shall not result in any payment of the Termination Value (whether by Party A to Party B or vice versa) but such Termination Value shall be taken into consideration in calculating the Early Redemption Adjustment for the purposes of the Long Credit Default Swap Transaction.

6. Termination Currency:

The Termination Currency shall be ZAR.

7. Contracts (Rights of Third Parties) Act 1999:

A person who is not a party to this Transaction has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Transaction, but this does not affect any right or remedy of the third party which exists or is available apart from that Act.

8. Purchases and Further Issues:

In the event of a purchase by Party B of some but not all of the Securities pursuant to Condition 9 (*Purchase*) of the Securities or an issue by Party B of Further Fungible Securities pursuant to Condition 20 (*Further Issues*) of the Securities, the Calculation Agent shall, without the consent of Party A, Party B or any other parties, adjust the provisions of this Confirmation to reflect such partial purchase or further issue and to preserve the economic equivalence of the Transaction documented hereunder after such partial purchase or further issue.

9. Additional Termination Event

It shall be an Additional Termination Event if all but not some of the Securities then outstanding becoming subject to redemption (including, where the Selling Agent has, pursuant to the Conditions, become obliged to arrange for and administer the sale of the Charged Assets) pursuant

to Conditions 8(b) (*Redemption for taxation reasons*), 8(c)(i) (*Mandatory Redemption - Following Payment Default under the Charged Assets, termination of a Charged Agreement or delivery of a Trigger Notice*) or 8(c)(ii) (*Mandatory Redemption - Following Early Redemption of the Charged Assets*) and Party A shall designate an Early Termination Date in respect of this Transaction.

For the purposes of the foregoing Additional Termination Events, the Affected Party shall be Party B.

10. Non-petition and Limited Recourse

Party A shall have recourse in respect of any claim only to the Mortgaged Property, subject always to the security created by and the provisions of the Trust Instrument and/or the Additional Charging Document and the provisions of this paragraph 10. Subject to the Trustee (or any Securityholder) having realised the Mortgaged Property, Party A shall not be entitled to take any further steps against Party B to recover any further sums in respect of the payment of any obligation of Party B once the Mortgaged Property and the proceeds of realisation thereof, as applicable, have been exhausted for whatever reason and the right to claim in respect of such sums shall be automatically extinguished. Any shortfall will be borne by Securityholders, the Trustee and Party A in accordance with the Security Ranking Basis set out and as defined in the Conditions (unless otherwise specified). Party A has not claimed or exercised and shall not be entitled to exercise any right of set-off, counterclaim, security interest, lien, consolidation of accounts or other similar right arising by operation of law or otherwise against any person entitled to receive any payment under the Securities or against the Mortgaged Property in respect of any other Series of securities issued by Party B or any other assets of Party B (and Party A hereby waives all such rights) and undertakes to bring such security, and all other security created by the Trust Instrument and/or the Additional Charging Document, to the attention of any person dealing with the Mortgaged Property. Party A agrees that it shall not be entitled to petition or take any step for the winding-up of Party B. The obligations of Party B are solely the corporate obligations of Party B. No recourse for the payment of any obligation of Party B shall be had against any stockholder, employee, officer, director, affiliate, incorporator, manager or member of Party B provided that this shall not apply if it would be in breach of any legal or regulatory requirement of the applicable jurisdiction. The provisions contained in this clause shall survive any termination of the Agreement.

11. Representations:

- (a) Each party represents and warrants to the other party as of the Effective Date that it is entering into this Transaction for investment, financial intermediation, hedging or other commercial purposes.
- (b) Each party hereby agrees for the benefit of the other party that, as of the Effective Date:

Non-Reliance. It is acting for its own account, and it has made its own independent decisions to enter into this Transaction and as to whether this Transaction is appropriate or proper for it based upon its own judgment and upon advice from such advisors as it has deemed necessary. It is not relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into this Transaction; it being understood that information and explanations related to the terms and conditions of this Transaction shall not be considered investment advice or a recommendation to enter into this Transaction. No communication (written or oral) received from the other party shall be deemed to be an assurance or guarantee as to the expected results of this Transaction.

Assessment and Understanding. It is capable of assessing the merits of and understanding

(on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of this Transaction. It is also capable of assuming, and assumes, the risks of this Transaction.

Status of Parties. No other party is acting as a fiduciary for or any adviser to it in respect of this Transaction.

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing this Confirmation and returning it to us by facsimile transmission.

Yours faithfully,

MERRILL LYNCH INTERNATIONAL

By:

Authorised Signatory

Accepted and confirmed as
of the date written above:

Signed by a duly authorised attorney of

DOLOMITE CAPITAL LIMITED

By:

Name:
Title:

SUBSCRIPTION AND SALE

The Dealer agrees that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers the Securities or possesses or distributes this Supplemental Information Memorandum or the Information Memorandum and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Securities under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and the Issuer shall not have any responsibility therefor.

Neither the Issuer nor the Dealer represents that Securities may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

In particular, the selling restrictions in the following jurisdictions, as set out in the Information Memorandum and described here, apply:

United States (Non-U.S. Series), the European Economic Area (including the United Kingdom) and the Cayman Islands.

In addition, the following selling restriction shall also apply to the Securities:

South Africa

The Dealer represents, warrants and agrees that it (i) will not offer the Securities for subscription, (ii) will not solicit any offers for subscription for or sale of the Securities, and (iii) will itself not sell or offer the Securities in South Africa in contravention of the South African Companies Act, South African Banks Act, South African Exchange Control Regulations and/or any other applicable laws and regulations of South Africa in force from time to time.

Each of the Issuer and the Dealer represents and agrees that it will not make an "*offer to the public*" (as such expression is defined in the South African Companies Act, and which expression includes any section of the public) of the Securities (whether for subscription, purchase or sale) in South Africa. This Supplemental Information Memorandum does not, nor is it intended to, constitute a prospectus prepared and registered under the South African Companies Act.

Offers not deemed to be offers to the public

Offers for subscription for, or sale of, the Securities are not deemed to be offers to the public, if made:

- (a) to certain investors contemplated in section 96(1)(a) of the South African Companies Act; or
- (b) the total contemplated acquisition cost of the Securities, for any single addressee acting as principal, shall be equal to or greater than ZAR1,000,000, or such higher amount as may be promulgated by notice in the Government Gazette of South Africa pursuant to section 96(2)(a) of the South African Companies Act.

Information made available in this Supplemental Information Memorandum should not be considered as "*advice*" as defined in the South African Financial Advisory and Intermediary Services Act, 2002.

USE OF PROCEEDS

The net proceeds of the issue of the Securities, which amount to ZAR 40,000,000, will be used by the Issuer to purchase the Initial Charged Assets from the Vendor on or around the Business Day following the Issue Date.

Method of Payment

On the Issue Date, delivery will be made in book-entry form through the facilities of Strate Limited (the **CSD**) as licensed central securities depository against payment therefor in immediately available funds.

DESCRIPTION OF THE INITIAL CHARGED ASSETS AND THE CHARGED ASSETS ISSUER

The information in the following sections concerning the Initial Charged Assets and the Charged Assets Issuer has been accurately reproduced from information published by the Charged Assets Issuer and from information published by Bloomberg. So far as the Issuer is aware and is able to ascertain from information published by Charged Assets Issuer and from information published by Bloomberg, no facts have been omitted which would render the information reproduced herein inaccurate or misleading.

The Initial Charged Assets comprise USD 3,726,000 aggregate principal amount of USD 2,500,000,000 2.650% Senior Notes due April 2019 issued by the Charged Assets Issuer under its Medium-Term Note Programme, Series L.

Charged Assets Issuer:	Bank of America Corporation
Charged Assets Issuer's address:	100 N Tryon St #170, Charlotte, NC 28202, United States
Charged Assets Issuer's country of incorporation:	U.S.A.
Charged Assets Issuer's business:	Financial services.
Guarantor:	Not applicable.
Interest Payment Dates:	1st April and 1st October of each year.
Interest Rate:	2.650 per cent. per annum
Specified Denomination:	USD 2,000 and multiples of USD 1,000 in excess thereof
Aggregate Nominal Amount:	USD 3,726,000 aggregate principal amount of a total issuance of USD 2,500,000,000
Maturity Date:	1st April, 2019.
Governing law:	New York.
ID Codes:	ISIN: US06051GFD60. CUSIP No: 06051GFD6.
Listing:	None.

This information in relation to the Initial Charged Assets and the Charged Assets Issuer has been extracted from public sources and has not been independently verified by the Issuer or Merrill Lynch International.

DESCRIPTION OF THE COUNTERPARTY

Merrill Lynch International (**MLI**) is a company incorporated in England and Wales and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. MLI is a company unlimited with shares. MLI was established on 2nd November, 1988 under the UK Companies Act 1985 as Mobilemanor Limited changing its name to Merrill Lynch International Limited on 8th March, 1989 and re-registering as an unlimited company on 29th March, 1996. The registered address of MLI is 2 King Edward Street, London, EC1A 1HQ. MLI's principal activities are to provide a wide range of financial services globally for business originated in Europe, the Middle East and Africa, Asia Pacific and the Americas, to act as a broker and dealer in financial instruments and to provide corporate finance advisory services. MLI also provides a number of post trade related services including settlement and clearing services to third party clients.

GENERAL INFORMATION

1. There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document which may have or have had in such period a significant effect on the financial position or profitability of the Issuer.
2. No material fees are payable by the Issuer in respect of which the Issuer does not have the right of reimbursement. The estimated total expenses related to the admission to trading on the JSE are approximately ZAR 5,710.
3. The audited financial statements for the three financial years ended on 31st December, 2011, 2012 and 2013 were prepared in accordance with International Financial Reporting Standards and are solely for the benefit and use of existing investors and any authorized user as referred to in the engagement letter between KPMG in the Cayman Islands and the Issuer, and are not intended for any other purpose. Therefore, unless the parties are authorised users explicitly stated in the engagement letter between KPMG in the Cayman Islands and the Issuer, the parties do not acquire, or assert that they have acquired, any rights as a result of this communication, or any subsequent communication, that it would not otherwise have had. KPMG therefore does not assume any duties or obligations to the parties as a result of providing the information.
4. The Issuer does not intend to provide any post-issuance information in relation to the Securities.
5. For the life of the Securities, copies of the published annual audited financial statements of the Issuer for the periods ended 31st December, 2011, 31st December, 2012 and 31st December, 2013, in each case together with the audit reports prepared in connection therewith, will be available in physical form during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Issuer.
6. FirstRand Bank Limited acting through its Rand Merchant Bank is acting solely in its capacity as Debt Sponsor and Facilitation Agent for the Issuer in connection with the Securities and is not itself seeking admission of the Securities to the Interest Rate Market of the JSE Exchange.
7. Any websites referred to herein do not form part of this prospectus.
8. The issue of the Securities was authorised by a resolution of the Board of Directors of the Issuer passed on 28th July, 2014.
9. Pursuant to a written resolution of the shareholders of the Issuer passed on 27th March, 2014, Helen Allen was replaced as a director of the Issuer by Helen Fowler.

REGISTERED OFFICE OF THE ISSUER

Dolomite Capital Limited

At the offices of Intertrust Corporate Services (Cayman) Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9005
Cayman Islands

TRUSTEE

HSBC Corporate Trustee Company (UK) Limited

Level 27
8 Canada Square
London E14 5HQ
England

COUNTERPARTY, AGENT BANK, SELLING AGENT, VENDOR AND CALCULATION AGENT

Merrill Lynch International

Bank of America Merrill Lynch Financial Centre
2 King Edward Street, London EC1A 1HQ
England

**SOUTH AFRICAN PAYING AGENT AND SOUTH
AFRICAN TRANSFER AGENT**

CUSTODIAN

FirstRand Bank Limited acting through its Rand

Merchant Bank
1 Merchant Place
Cnr Fredman Drive and Rivonia Road
Sandton, 2196
South Africa

HSBC Bank plc

8 Canada Square
London E14 5HQ
England

LEGAL ADVISERS

To the Issuer
as to South African law:

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The Reserve
54 Melville Road
Illovo, Johannesburg
South Africa

To the Dealer
as to English law:

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England

To the Issuer as to Cayman
Islands law

Walkers
Third Floor
6 Gracechurch Street
London EC3 0AT
England

**DEBT SPONSOR AND FACILITATION AGENT
(AUTHORISED DEALER)**

DEALER

FirstRand Bank Limited acting through its Rand

Merchant Bank
1 Merchant Place
Cnr Fredman Drive and Rivonia Road
Sandton, 2196
South Africa

Merrill Lynch South Africa Proprietary Limited

Merrill Lynch Building
138 West Street
Sandton, 2196
South Africa