

APPLICABLE PRICING SUPPLEMENT

VUKILE PROPERTY FUND LIMITED

(the "Issuer")

*(Incorporated in South Africa with limited liability under registration number
2002/027194/06)*

**Issue of ZAR200 000 000 Senior Secured Floating Rate Listed Notes with a
Stock Code VKE07**


Under its ZAR5 000 000 000 Domestic Medium Term Note Programme

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

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum issued by the Issuer dated 4 May 2012, as may be amended or supplemented from time to time. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

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

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



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

DESCRIPTION OF THE NOTES

1. Issuer	Vukile Property Fund Limited
2. Status of the Notes	Senior Notes
3. Security	Secured
	See Appendix "B" for a description of the security structure
4. Listed/Unlisted	Listed
5. Group number, if secured	1
6. Series number	15
7. Tranche number	1
8. Aggregate Principal Amount of this Tranche	ZAR200 000 000
9. Interest/Payment Basis	Floating Rate
10. Issue Date(s) and first settlement date	8 May 2015
11. Minimum Denomination per Note	ZAR1 000 000
12. Specified Denomination (Principal Amount per Note)	ZAR1 000 000
13. Issue Price(s)	100% of the Principal Amount of each Note

14. Applicable Business Day Convention, if Following Business Day different to that specified in the Terms and Conditions
15. Interest Commencement Date(s) 8 May 2015
16. Step-Up Date N/A
17. Final Redemption Date 8 June 2020
18. Specified Currency ZAR
19. Additional Business Centre N/A
20. Maturity Amount 100% of the Principal Amount of each Note
21. Set out the relevant description of any additional/other Terms and Conditions relating to the Notes (including additional covenants) See Appendix "C" for additional/amended Terms and Conditions relating to the Notes

FIXED RATE NOTES

N/A

FLOATING RATE NOTES

22. Interest Payment Date(s) 8 March, 8 June, 8 September and 8 December each year until the Final Redemption Date
23. Interest Period(s) From (and including) 8 March to (but excluding) 8 June, from (and including) 8 June to (but excluding) 8 September, from (and including) 8 September to (but excluding) 8 December, from (and including) 8 December to (but excluding) 8 March of each year until the Final Redemption Date (in each case subject to the Following Business Day Convention in relation to the Interest Payment Dates); provided that the first Interest Period will be from (and including) 8 May 2015 to (but excluding) 8 June 2015.
24. Manner in which the Interest Rate is to be determined Screen Rate Determination/other (insert details)

25. Margin/Spread for the Interest Rate 1.65% per annum to be added to the relevant Reference Rate
26. Margin/Spread for the Step-Up Rate N/A
27. If Screen Determination
- (a) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated) 3 month JIBAR
- (b) Rate Determination Date(s) The auction date for the first Interest Period being the 6 May 2015, and the first Business Day of each Interest Period thereafter
- (c) Relevant Screen page and Reference Code SAFETY
28. If Interest Rate to be calculated otherwise than by reference to Screen Rate Determination, insert basis for determining Interest Rate/Margin/Fall back provisions N/A
29. Any other terms relating to the particular method of calculating interest N/A

ZERO COUPON NOTES

N/A

INDEXED NOTES

N/A

OTHER NOTES

N/A

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

**PROVISIONS REGARDING REDEMPTION/
MATURITY**

31. Redemption at the option of the Issuer: If No
yes:
- | | |
|--|-----|
| (a) Optional Redemption Date(s) | N/A |
| (b) Optional Redemption Amount(s) and
method, if any, of calculation of such
amount(s) | N/A |
| (c) Minimum period of notice | N/A |
| (d) If redeemable in part: | |
| Minimum Redemption Amount(s) | N/A |
| Higher Redemption Amount(s) | N/A |
| (e) Other terms applicable on Redemption | N/A |
32. Redemption at the option of the holders of No
the Senior Notes (Put Option): if yes
- | | |
|--|-----|
| (a) Optional Redemption Date(s) (Put) | N/A |
| (b) Optional Redemption Amount(s) (Put) and
method, if any, of calculation of such
amount(s) | N/A |
| (c) Minimum period of notice | N/A |
| (d) If redeemable in part: | N/A |
| Minimum Redemption Amount(s) | N/A |
| Higher Redemption Amount(s) | N/A |
| (e) Other terms applicable on Redemption | N/A |
33. Redemption at the option of the holders of
the Senior Notes upon the occurrence of a
Put Event in terms of Condition 8.6:
- | | |
|--|-----|
| (a) Delisting of the Notes of this Tranche | Yes |
| (b) Change of Control Event | Yes |
| (c) Downgrade or withdrawal of the Rating of
this Tranche | Yes |
34. Early Redemption Amount(s) payable on
redemption for Taxation reasons in terms of
Condition 8.3 or early redemption following
an Event of Default in terms of Condition 11
- | | |
|--|-----|
| | Yes |
|--|-----|

or early redemption at the option of
Noteholders in terms of Condition 8.6: if yes

as per Condition 8.7

Early Redemption Amount and method, if
any, of calculation of such amount

GENERAL

- | | |
|---|--|
| 35. Additional selling restrictions | N/A |
| 36. International Securities Numbering (ISIN) | ZAG000126137 |
| 37. Stock Code | VKE07 |
| 38. Financial Exchange | JSE |
| 39. Dealer(s) | Rand Merchant Bank, a division of
FirstRand Bank Limited |
| 40. If syndicated, names of Lead Manager(s) | N/A |
| 41. Method of distribution | Dutch Auction |
| 42. Rating assigned to this Tranche of Notes (if any), date of such rating and date for review of such rating | AA+ (national scale) as at April 2015
which shall be reviewed annually |
| 43. Rating Agency (if any) | Global Credit Ratings |
| 44. Governing Law | South Africa |
| 45. Last Day to Register | by 17h00 on 25 February, 28 May, 28
August and 27 November, being the
Business Day preceding the Books Closed
Period |
| 46. Books Closed Period | The register will be closed from (and
including) 26 February to (but excluding) 8
March, from (and including) 29 May to (but
excluding) 8 June, from (and including) 29
August to (but excluding) 8 September,
from (and including) 28 November to (but
excluding) 8 December of each year until
the Final Redemption Date |
| 47. Calculation Agent | Rand Merchant Bank, a division of
FirstRand Bank Limited |

- | | |
|---|---|
| 48. Specified Office of the Calculation Agent | 1 Merchant Place
Cnr Fredman Drive & Rivonia Road
Sandton
2196 |
| 49. Transfer Agent | Rand Merchant Bank, a division of
FirstRand Bank Limited |
| 50. Specified Office of the Transfer Agent | 1 Merchant Place
Cnr Fredman Drive & Rivonia Road
Sandton
2196 |
| 51. Debt Sponsor | Java Capital, in respect of the Programme.
Rand Merchant Bank, a division of
FirstRand Bank Limited, is transaction
sponsor in respect of the Group 1 Notes |
| 52. Issuer's Settlement Agent | Rand Merchant Bank, a division of
FirstRand Bank Limited |
| 53. Specified Office of the Issuer's Settlement Agent | 1 Merchant Place
Cnr Fredman Drive & Rivonia Road
Sandton
2196 |
| 54. Stabilisation Manager, if any | N/A |
| 55. Programme Amount | ZAR5 000 000 000. The authorised amount
has not been exceeded. |
| 56. Aggregate Outstanding Principal Amount of Notes in issue on the Issue Date of this Tranche | ZAR1,707,000,000, excluding this Tranche
of Notes and any other Tranche(s) of Notes
to be issued on the Issue Date |
| 57. Aggregate Outstanding Principal Amount of Notes in issue in respect of the Series on the Issue Date of this Tranche | ZARnil, excluding this Tranche of Notes
and any other Tranche(s) of Notes to be
issued in respect of the Series on the Issue
Date |
| 58. Aggregate Outstanding Principal Amount of Notes in issue in respect of the Group on the Issue Date of this Tranche | ZAR1,707,000,000, excluding this Tranche
of Notes and any other Tranche(s) of Notes
to be issued in respect of the Group on the
Issue Date |
| 59. Additional Events of Default | Condition 11.1 of the Terms and
Conditions set out in the Programme
Memorandum is amended by the insertion
of the following additional Condition 11.1.9:
Cross default to Notes of Group 1: if any
other Tranche of Notes of Group 1 is
declared to be, or becomes due and
payable, or is capable of being declared
due and payable, before its scheduled due |

date for payment by reason of an event of default (however described). This is specific to this Tranche of Notes

60. Other provisions

The Issuer undertakes that it will not issue further Group 1 Notes in addition to the Tranches of Group 1 Notes issued on the Issue Date, with an aggregate Principal Amount of ZAR1 020 000 000, unless the Rating Agency confirms in writing that the Rating of the existing Group 1 Notes in issue will not be adversely affected by the issue of such further Group 1 Notes.



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

SECURITY STRUCTURE - SEE APPENDIX "B"

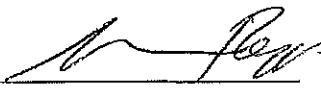
ADDITIONAL/AMENDED TERMS AND CONDITIONS RELATING TO THE NOTES
– SEE APPENDIX "C"

As at the date of this Pricing Supplement, following due and careful enquiry, there has been no material change in the financial or trading position of the Issuer and its subsidiaries since the end of the last financial period for which either audited annual consolidated financial statements or unaudited interim consolidated financial results have been published. No auditors have been involved in making such statement.

Application is hereby made to list this Tranche of the Notes, as from 8 May 2015 pursuant to the Vukile Property Fund Limited Domestic Medium Term Note Programme. The Programme was registered with the JSE on 2 May 2012.

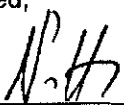
VUKILE PROPERTY FUND LIMITED

Signed at Johannesburg on behalf of Vukile Property Fund Limited,
on 6 MAY 2015



Director

Signed at Johannesburg on behalf of Vukile Property Fund Limited,
on 6 MAY 2015



Director

APPENDIX "A"**Disclosure Requirements in terms of paragraph 3(5) of the Commercial Paper Regulations**

At the date of this Applicable Pricing Supplement:

Paragraph 3(5)(a)

The ultimate borrower is the Issuer.

Paragraph 3(5)(b)

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

Paragraph 3(5)(c)

The auditor of the Issuer is Grant Thornton.

Paragraph 3(5)(d)

As at the date of this issue:

- (a) the amount of Notes in issue by the Issuer is ZAR1,707,000,000. The issue of this tranche of note will not exceed the Authorised Programme Size; and
- (b) it is anticipated that the Issuer will issue additional Notes with an estimated nominal value of R400 000 000 during the remainder of its current financial year ended 31 March 2016, in addition to the Notes forming part of this issue of Notes.

Paragraph 3(5)(e)

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



Paragraph 3(5)(f)

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

Paragraph 3(5)(g)

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

Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer to re-finance existing financial indebtedness.

Paragraph 3(5)(i)

The Notes are secured.

Paragraph 3(5)(j)

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



APPENDIX "B"**SECURITY STRUCTURE**

All the Notes of Group 1 share in the same security.

SECURITY IN FAVOUR OF THE GROUP 1 NOTEHOLDERS**SECURITY SPV GUARANTEE**

The Security SPV will bind itself under an irrevocable Security SPV Guarantee to the Group 1 Noteholders, pursuant to the terms and conditions stated in such Security SPV Guarantee. Pursuant to such Security SPV Guarantee, the Security SPV will undertake in favour of each Group 1 Noteholder to pay it the full amount then owing to it by the Issuer, if an Acceleration Notice is delivered following an Event of Default under the Group 1 Notes. The liability of the Security SPV pursuant to the Security SPV Guarantee will, however, be limited in the aggregate to the net amount recovered by the Security SPV from the Issuer arising out of the Issuer Indemnity and, if necessary, the Security Documents referred to below.

ISSUER INDEMNITY

The Issuer will give an Issuer Indemnity to the Security SPV in respect of claims that may be made against the Security SPV arising out of the Security SPV Guarantee. The Issuer shall not be entitled to refuse to make payment under the Issuer Indemnity to the Security SPV by reason of the fact that the Security SPV has not paid the claims of the Group 1 Noteholders under the Security SPV Guarantee nor shall the Issuer be entitled to refuse to make payment by reason of the fact that the liability of the Security SPV in respect of any such Security SPV Guarantee is limited in the manner set out in the Security SPV Guarantee.

GUARANTEE SPV GUARANTEE

In accordance with the Issuer Indemnity, the Issuer agrees to procure that the Guarantee SPV will bind itself under a Guarantee SPV Guarantee to the Security SPV.




SECURITY GRANTED BY THE ISSUER TO THE GUARANTEE SPV

The Guarantee SPV has been established as an insolvency remote, special purpose company for the purpose of issuing limited recourse guarantees to Permitted Creditors of the Issuer, against indemnity/ies from the Issuer. The Issuer's obligations under the Underlying Indemnity are secured by Mortgage Bond/s registered in favour of the Guarantee SPV and by the Underlying Security Cession.

The Permitted Creditors are (i) any persons that lend and advance or agree to lend and advance money to the Issuer (each a "Lender"), or (ii) any persons (acting in their capacity as hedge provider) that enter into any Hedge Document with the Issuer (each a "Hedge Counterparty"), or (iii) any special purpose company or trust established to hold security for such Lenders (each a "Security Entity"), and which Lenders, Hedge Counterparties or Security Entities have entered into the Guarantee SPV Common Terms Agreement. In terms of the Guarantee SPV Common Terms Agreement, the Permitted Creditors regulate their rights of enforcement (including in respect of security) against the Issuer and the Guarantee SPV, as described below.

The shares in the Guarantee SPV are held by the Guarantee SPV Owner Trust, in respect of which a third party, independent of the Issuer and the Permitted Creditors, acts as trustee. The current trustee is TMF Corporate Services South Africa Proprietary Limited (previously GMG Trust Company (SA) Proprietary Limited). The board of directors of the Guarantee SPV are independent of the Issuer and the Permitted Creditors.

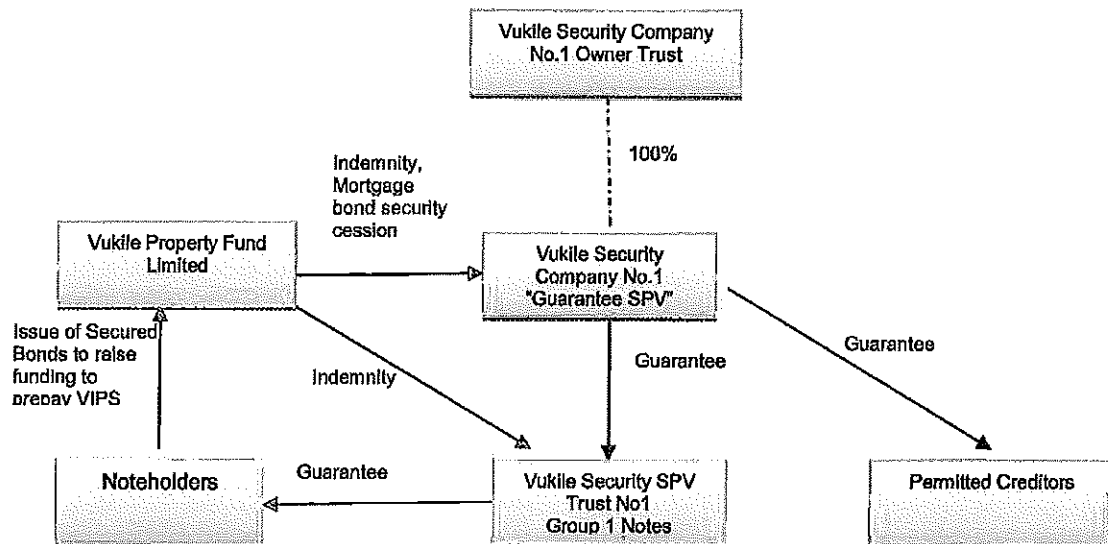
Each Guarantee SPV Guarantee furnished by the Guarantee SPV to each Permitted Creditor provides for the claims of that Permitted Creditor (as identified in a schedule to that Guarantee SPV Guarantee) to be satisfied out of the Specified Security only. Such Specified Security is listed in a schedule to each Guarantee SPV Guarantee, and is identified with reference to particular Properties only and the related rights in respect of those Properties only. When a claim is lodged under a Guarantee SPV Guarantee, the Guarantee SPV will be entitled and obliged to foreclose only on the Properties listed in the schedule to each Guarantee SPV Guarantee and not on any other Properties secured by the Mortgage Bonds. The rights under the Underlying Security Cession may similarly be exercised with reference to the rights in respect of particular Properties only. In terms of the Guarantee SPV Guarantee, the realisation proceeds from the Specified Security are required to be paid into a separate bank account in respect of each Guarantee SPV Guarantee.



In terms of the Recovery Agent Agreement, the Guarantee SPV has appointed the Guarantee SPV Recovery Agent to, among other things, administer the proceedings relating to the realisation of Properties and related security should a Permitted Creditor lodge a claim under a Guarantee SPV Guarantee.



VUKILE SECURITY STRUCTURE DIAGRAM



Security Structure

- The Guarantee SPV (100% owned by the Vukile Security Company No.1 Owner Trust) is an existing security holding company, which holds multiple mortgage bonds and insurance cessions as security and guarantees the obligations of Vukile to the Permitted Creditors (including Vukile Security SPV Trust No.1 ("Security Trust") for the Group 1 Notes). The Security Trust provides a guarantee to the Secured Noteholders of Group 1.
- Each Guarantee furnished by the Guarantee SPV provides for the claims of the Permitted Creditors and Security Trust to be satisfied out of the security specifically identified in property schedules. Properties can be substituted or sold from the property portfolio at any time as long as the LTV covenant as defined in the Pricing Supplement is not breached. Should Vukile wish to sell or substitute a property:
 - Vukile will provide the Security Trust with 45 Business Days notice of the intention to sell/substitute the property and request the Security SPV's consent
 - Vukile will provide the LTV post the transaction and indicate that the LTV covenant will not be breached as a result of the transaction

- Vukile will undertake to amend the property schedule attached to the Guarantee from the Guarantee SPV to the Security Trust
 - Upon notification the Security Trust will accept the amendment as long as the LTV covenant is not breached
- In the event that an Acceleration Notice is delivered following an Event of Default under the Notes, the Security Trust will undertake to pay in full the amount owing to the Group 1 Noteholders by Vukile. In turn, Vukile indemnifies the Guarantee SPV and Security Trust against any loss suffered resulting from the provision of the Guarantees



THE SECURITY SPV

Introduction

The Security SPV is a trust that is established and registered in accordance with the laws of South Africa. The Security SPV has no subsidiaries.

Trustees

The current trustees of the Security SPV are TMF Corporate Services South Africa Proprietary Limited (previously GMG Trust Company (SA) Proprietary Limited).

Registered office

The registered office of the trustee of the Security SPV is situated at TMF Corporate Services South Africa Proprietary Limited (previously GMG Trust Company (SA) (Pty) Ltd), 3rd Floor, 200 on Main, Cnr Main and Bowwood Roads, Claremont, 7708.

Auditors

The current auditors of the Security SPV are Grant Thornton.

Activities

The activities of the Security SPV are to enter into, amend and perform the obligations and exercise the Security SPV's rights under the Security SPV Guarantee, the Issuer Indemnity, the Guarantee SPV Guarantee granted in favour of the Security SPV and the other Guarantee SPV Transaction Documents, and are restricted in terms of its trust deed.



APPENDIX "C"**ADDITIONAL/AMENDED TERMS AND CONDITIONS RELATING TO THE NOTES OF THE SERIES****EVENTS OF DEFAULT**

Condition 11.2 (Steps following an Event of Default relating to the Senior Notes) of the Terms and Conditions set out in the Programme Memorandum is amended in relation to the Notes of this Tranche by the deletion of Condition 11.2 and the replacement thereof of the following Condition 11.2:

11.2 Condition 11.2 - Steps following an Event of Default relating to the Senior Notes

- 11.2.1 If an Event of Default occurs in relation to the Notes of the Series:
- 11.2.1.1 the Calculation Agent and/or the Issuer will forthwith inform the Security SPV thereof; and
- 11.2.1.2 the Security SPV will, as soon as such Event of Default comes to its notice (whether as a result of having been informed by the Calculation Agent and/or the Issuer thereof pursuant to Condition 11.2.1.1 or otherwise), forthwith call a meeting of the Group 1 Noteholders.
- 11.2.2 If an Event of Default occurs in relation to the Notes of the Series, all the Group 1 Notes will become immediately due and payable if, at such meeting of the Group 1 Noteholders referred to in Condition 11.2.1.2, the Group 1 Noteholders so decide, by Extraordinary Resolution.
- 11.2.3 If the Group 1 Noteholders decide that the Group 1 Notes will become immediately due and payable as contemplated in Condition 11.2.2, the Group 1 Noteholders will notify the Issuer and the Security SPV accordingly.
- 11.2.4 If the Group 1 Noteholders decide that the Group 1 Notes will become immediately due and payable as contemplated in Condition 11.2.2, the Security SPV will, by written notice to the Issuer (an

"Acceleration Notice"), declare the Group 1 Notes to be immediately due and payable, and require the Outstanding Principal Amount of the Group 1 Notes, together with any accrued interest thereon, to be forthwith repaid. The Issuer shall forthwith do this, failing which the Security SPV shall take all necessary steps, including legal proceedings, to enforce the rights of the Group 1 Noteholders set out in, and the security given therefor in terms of, these Terms and Conditions and the Security Documents. Should the Security SPV fail to deliver the Acceleration Notice within 5 Business Days of the passing of the Extraordinary Resolution at the meeting of the Group 1 Noteholders referred to in Condition 11.2.1.2, the notice by the Group 1 Noteholders to the Issuer in accordance with Condition 11.2.3 shall constitute delivery of the Acceleration Notice.

11.2.5

The Security SPV will not be required to take any steps to ascertain whether any Event of Default has occurred or to monitor or supervise the observance and performance by the Issuer of its obligations under these Terms and Conditions or the other Transaction Documents and until the Security SPV has actual knowledge or has been served with express notice thereof it will be entitled to assume that no such Event of Default has taken place.



SECURITY SPV GUARANTEE

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

25. Condition 25 - Security SPV Guarantee

- 25.1 Each Noteholder of the Notes of the Series, upon its subscription for Notes of the Series and the issue of the Notes of the Series to it, or upon the transfer of the Notes of the Series to it, as the case may be, shall be bound by those provisions of the Security SPV Guarantee which confer rights and/or impose obligations on the Notes of the Series and by the terms of the Common Provisions.
- 25.2 It is recorded that in terms of the Security SPV Guarantee, the Security SPV, upon signing the Security SPV Guarantee, is deemed to have notice of the Terms and Conditions of the Notes of the Series, and the Security SPV shall be bound by those provisions of the Terms and Conditions of the Notes of the Series which confer rights and/or impose obligations on the Security SPV.
- 25.3 The Issuer undertakes that for so long as the Notes of the Series are in issue, the Terms and Conditions of any other Series of Senior Notes in issue under the Programme that will participate in the same security as that granted in favour of the holders of the Notes of the Series, will be amended to incorporate the Common Provisions, such that each Noteholder of such other Series of Senior Notes will, upon its subscription for such Notes and the issue of such Notes to it, or upon the transfer of such Notes to it, as the case may be, be bound by the Common Provisions.



MATTERS FOR DECISION BY THE GROUP 1 NOTEHOLDERS

The Terms and Conditions set out in the Programme Memorandum are amended in relation to the Notes of this Tranche by the insertion of the following additional Condition 26 (Matters for Decision by the Group 1 Noteholders):

26. Condition 26 – Matters for Decision by the Group 1 Noteholders

Any decision in relation to the following matters shall only be taken by Extraordinary Resolution of the Group 1 Noteholders or with the prior written consent of Group 1 Noteholders holding not less than 66,67% of the aggregate Outstanding Principal Amount of the Group 1 Notes:

- 26.1 making a demand against the Security SPV under the Security SPV Guarantee or delivering an Acceleration Notice;
- 26.2 giving instructions to the Security SPV in relation to exercising or enforcing any right or remedy under any of the Security Documents against the Issuer or any Security Provider, including whether or not to do so and the manner of doing so (including commencing, pursuing, concluding or settling any legal proceedings under any of the Security Documents);
- 26.3 commencing any legal proceedings for the winding-up of the Issuer or any Security Provider or making application for the commencement of business rescue proceedings;
- 26.4 any proposed amendment, modification or variation of, supplement to, cancellation, extension, renewal or replacement of, waiver in respect of, or discharge or release from, the Security Documents; provided that the Security SPV may agree to any addition to, substitution of, or sale of, Properties in the Group 1 Property Portfolio if such changes in the Group 1 Property Portfolio are made in accordance with the provisions of Condition 27;
- 26.5 any proposed amendment to those Terms and Conditions which confer rights and/or impose obligations on the Security SPV; or
- 26.6 any proposed amendment to the Common Provisions.



COVENANTS

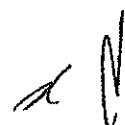
The Terms and Conditions set out in the Programme Memorandum are amended in relation to the Notes of this Tranche by the insertion of the following additional Condition 27 (Covenants):

27. Condition 27 – Covenants

- 27.1 The Issuer must ensure that the Loan to Valuation Ratio (Group 1) of the Group 1 Property Portfolio does not exceed 40% at any time, based on the most recent Open Market Valuation.
- 27.2 The Issuer must deliver a compliance certificate to the Security SPV in respect of the covenants:
 - 27.2.1 within 90 days of the last day of each financial year and half financial year of the Issuer;
 - 27.2.2 at least 2 Business Days prior to the issue of further Group 1 Notes, taking account of the pro forma effect of the issue of such Notes; and
 - 27.2.3 at least 2 Business Days prior to the disposal of, addition to, or substitution of, Properties from the Group 1 Property Portfolio, taking account of the pro forma effect of the disposal of, addition to, or substitution of, such Properties.
- 27.3 A compliance certificate must be signed by 2 duly authorised directors of the Issuer.
- 27.4 The covenants shall be tested on:
 - 27.4.1 the last day of each financial year and half financial year of the Issuer;
 - 27.4.2 the date of issue of any further Group 1 Notes; or
 - 27.4.3 date of disposal of, addition to, or substitution of, Properties from the Group 1 Property Portfolio,



as the case may be, in relation to each 12 month period ending on that date, by reference to the audited consolidated financial statements of the Issuer on that date, or, if not available, then the unaudited consolidated financial statements of the Issuer on that date.



ADDITIONAL DEFINITIONS IN RESPECT OF THE GROUP 1 NOTES

The Terms and Conditions set out in the Programme Memorandum are amended in relation to the Notes of this Tranche by the insertion of the following additional Condition 28 (Additional Definitions in respect of the Group 1 Notes):

28. Condition 28 – Additional Definitions in respect of the Group 1 Notes

Terms and expressions set out below will have the meanings set out below in the Terms and Conditions of the Notes of this Tranche:

- 28.1 **Common Provisions** means Condition 11.2 (Steps following an Event of Default relating to the Senior Notes), Condition 19 (Meetings of Noteholders) insofar as it relates to meetings of the Group 1 Noteholders, Condition 25 (Security SPV Guarantee), Condition 26 (Matters for Decision by the Group 1 Noteholders), Condition 27 (Covenants) and Condition 28 (the Additional Definitions in respect of the Group 1 Notes);
- 28.2 **Common Terms Agreement** means the agreement between the Issuer and the Security SPV, setting out common terms in respect of the Security Documents, as amended, novated and/or substituted from time to time in accordance with its terms;
- 28.3 **Group 1 Notes** means each Tranche of Notes sharing in the same Security as the Notes of this Tranche of Notes, and designated as a Note of Group 1 in its Applicable Pricing Supplement;
- 28.4 **Group 1 Noteholders** means the Noteholders of the Group 1 Notes;
- 28.5 **Group 1 Property Portfolio** means those Properties in the Property Portfolio which provide Security in respect of the Group 1 Notes, and are listed in a schedule to the Guarantee SPV Guarantee granted by the Guarantee SPV in favour of the Security SPV, as each such schedule may be updated from time to time, including following any disposal of, addition to, or substitution of, the Properties in accordance with the provisions of the Group 1 Notes;
- 28.6 **Guarantee SPV** means Vukile Security Company No. 1 (RF) Proprietary Limited, a private company incorporated in accordance with the laws of



South Africa, registration number 2004/000850/07 and its successors in title and assigns;

- 28.7 **Guarantee SPV Common Terms Agreement** means the agreement entered into between the Issuer, the Guarantee SPV and Permitted Creditors, and their respective successors-in-title and assigns, relating to the enforcement of rights (including in respect of any security) against the Issuer and the Guarantee SPV, as amended, novated and/or substituted from time to time;
- 28.8 **Guarantee SPV Guarantee** means the guarantee (or guarantees, as the case may be) given or to be given by the Guarantee SPV in favour of any one or more of the Permitted Creditors in respect of the obligations of the Issuer to the Permitted Creditor(s) under loan agreements and/or indemnities, as amended, novated and/or substituted from time to time;
- 28.9 **Guarantee SPV Recovery Agent** means Absa Bank Limited, its successors-in-title and assigns, in its capacity as recovery agent under the Recovery Agent Agreement, or such other person as may be appointed as recovery agent under the terms of the Recovery Agent Agreement;
- 28.10 **Guarantee SPV Transaction Documents** means the Guarantee SPV Common Terms Agreement, the Loan Agreements, the Hedge Documents, the Indemnities, the Guarantee SPV Guarantees, the Underlying Indemnity, the Underlying Security Cession, the Mortgage Bonds, the Guarantee SPV Recovery Agent Agreement, the trust deed of the Guarantee SPV Owner Trust and any other document which is from time to time designated by the Group 1 Noteholders as a Transaction Document;
- 28.11 **Hedge Counterparty** bears the meaning assigned to such term in the definition of "Permitted Creditor";
- 28.12 **Hedge Documents** means any derivative transaction in connection with protection against or to benefit from fluctuations in any rate, price, index or credit rating, entered into between the Issuer and any of the Permitted Creditors for the purposes of the Issuer hedging its interest rate risk (or any part thereof) under or in relation to either (i) any Loan Agreement,



from time to time, or (ii) any other indebtedness of the Issuer from time to time;

- 28.13 **Hedge Event of Default** means in relation to any Hedge Document, any failure to pay an amount on its due date (or, if applicable, within any remedy period provided for in such Hedge Document), or any "Termination Event" specified in such Hedge Document occurs;
- 28.14 **Indemnity(ies)** means the Issuer Indemnity and each other written indemnity (or indemnities, as the case may be) given or to be given by the Issuer indemnifying any Permitted Creditor, which is a Security Entity established to hold security for Noteholders or other Lenders to the Issuer, against claims by such Noteholders or lenders in terms of a guarantee granted or to be granted to them by such Security Entity, as amended, substituted and/or novated, from time to time;
- 28.15 **Institute of Valuers** means The South African Institute of Valuers, founded in 1909, the national society of professional real estate valuers, or its successor;
- 28.16 **Insurance Policies** means any insurance policies taken out or to be taken out in relation to a Property, including in respect of a public liability, business interruption, loss of profits, SASRIA and building insurance;
- 28.17 **Insurance Proceeds** means the proceeds of any claim under any of the Insurance Policies;
- 28.18 **Issuer Indemnity** means the indemnity agreement between the Issuer and the Security SPV, to be dated on or about 2 May 2012, pursuant to which the Issuer indemnifies the Security SPV against claims by Group 1 Noteholders in terms of the Security SPV Guarantee, as amended, novated and/or substituted from time to time in accordance with its terms;
- 28.19 **Lease Agreement** means each lease agreement in respect of a Property, as amended, novated and/or substituted from time to time;
- 28.20 **Lease Payments** means the periodic and other payments payable by a Tenant to or for the account of the Issuer under a Lease Agreement, including, rentals, insurance premiums and operating expenses;



- 28.21 **"Lender"** bears the meaning assigned to such term in the definition of Permitted Creditor;
- 28.22 **Loan Agreement** means each written loan agreement or other debt instrument entered into or to be entered into between one or more of the Permitted Creditors and the Issuer in terms of which the Permitted Creditor undertakes or will undertake or the Permitted Creditors undertake or will undertake, as the case may be, to grant a loan to the Issuer on the terms and conditions set out in such agreement or other debt instrument, as amended, novated and/or substituted from time to time;
- 28.23 **Loan to Valuation Ratio (Group 1)** means at any time, in respect of the Group 1 Notes, the ratio as expressed as follows:
- 28.19.1 $\text{Loan to Valuation Ratio (Group 1)} = L \text{ divided by } V$
- Where:
- 28.19.2 L = the Outstanding Principal Amount of the Group 1 Notes; and
- 28.19.3 V = the amount of the most recent Open Market Valuation of all the Properties in the Group 1 Property Portfolio;
- 28.24 **Mortgage Bond** means in respect of each Property, a first-ranking continuing covering mortgage bond (whether a principal bond or collateral bond)(or such lower ranking continuing covering mortgage bond provided that all higher ranking mortgage bonds are or will be registered in favour of the Guarantee SPV) to be registered in favour of the Guarantee SPV over such Property (or the long term lease or sub-lease in respect of such Property, as the case may be), securing the Issuer's obligations to the Guarantee SPV under the Underlying Indemnity, on such basis and in such amount as may be acceptable to the Guarantee SPV and the Permitted Creditors, from time to time;
- 28.25 **Open Market Valuation** means in respect of the Properties in the Group 1 Property Portfolio, the annual property valuation undertaken and prepared at the instance of the Issuer in regard to all the Properties in the Group 1 Property Portfolio, which in relation to a minimum of 1/3 of the Properties in the Group 1 Property Portfolio, shall be undertaken by a

Valuer or Valuers appointed by the Issuer and conducted in accordance with the valuation methodology approved by the Institute of Valuers from time to time; provided that in respect of any 3 year period all of the Properties in the Group 1 Property Portfolio will have been valued, in accordance with the valuation methodology approved by the Institute of Valuers from time to time or such other methodology approved in writing by the Security SPV, by Valuers approved by the Issuer;

28.26 Permitted Creditors means:

- 28.26.1 any persons that lend and advance or agree to lend and advance money to the Issuer (each a "**Lender**"); or
- 28.26.2 any persons (acting in their capacity as hedge provider) that enter into any Hedge Document with the Issuer (each a "**Hedge Counterparty**"); or
- 28.26.3 any special purpose companies or trusts established to hold security for such Lenders (each a "**Security Entity**"),

and which Lenders, Hedge Counterparties or Security Entities have entered into the Guarantee SPV Common Terms Agreement, whether originally or by signing a deed of adherence and delivering such deed of adherence to the other parties to the Guarantee SPV Common Terms Agreement, its successors-in-title and assigns;

28.27 PropCo means a wholly-owned subsidiary of the Issuer;

28.28 Property means a property in the Property Portfolio;

28.29 Property Portfolio means the fixed, immovable properties registered in the name of the Issuer or a PropCo (in each case, as sole owner or co-owner, as the case may be) or in respect of which the Issuer or PropCo, as the case may be, has registered leasehold rights, from time to time, listed in schedules to the Underlying Indemnity, as such schedule(s) may be updated from time to time, including following any disposal of, addition to or substitution of, the Properties in accordance with the provisions of each relevant Loan Agreement or the Terms and Conditions of each relevant Group of Notes, as the case may be;

- 28.30 **Recovery Agent Agreement** means the agreement concluded between the Guarantee SPV, the Issuer and the Guarantee SPV Recovery Agent in terms of which the Guarantee SPV Recovery Agent is appointed to provide management services to the Guarantee SPV, including in relation to the foreclosing on Mortgage Bonds following a claim under the Guarantee SPV Guarantees, as amended, novated and/or substituted from time to time;
- 28.31 **Secured Creditors** means the Group 1 Noteholders;
- 28.32 **Security** means the security created pursuant to the Underlying Security Agreements;
- 28.33 **Security Documents** means:
- 28.33.1 the Security SPV Guarantee;
 - 28.33.2 the Issuer Indemnity;
 - 28.33.3 the Guarantee SPV Guarantee granted in favour of the Security SPV;
 - 28.33.4 the Guarantee SPV Common Terms Agreement, the Underlying Indemnity, the Underlying Security Cession, the Mortgage Bonds granted in favour of the Guarantee SPV in respect of the Properties in the Group 1 Property Portfolio, the Guarantee SPV Recovery Agent Agreement and the trust deed of the Guarantee SPV Owner Trust; and
- 28.29.5 any other document which is from time to time designated by the Group 1 Noteholders as a Security Document;
- 28.34 **"Security Entity"** bears the meaning assigned to such term in the definition of Permitted Creditor;
- 28.35 **Security Provider** means the Security SPV and the Guarantee SPV;
- 28.36 **Security SPV** means Vukile Security SPV 1 Trust, a trust established and registered in accordance with the laws of South Africa under Master's reference number IT 1225/2012;

- 28.37 **Security SPV Guarantee** means the guarantee issued by the Security SPV in favour of the Group 1 Noteholders, as security for the obligations of the Issuer under the Group 1 Notes, as amended, novated and/or substituted from time to time in accordance with its terms;
- 28.38 **Specified Loan Agreement(s)/Indemnities** means in respect of the relevant Guarantee SPV Guarantee, the Loan Agreements or Indemnities identified in Schedule 1 to such Guarantee SPV Guarantee;
- 28.39 **Specified Permitted Creditor(s)** means in respect of the relevant Guarantee SPV Guarantee, the specific Permitted Creditor(s) in whose favour such Guarantee SPV Guarantee is given by the Guarantee SPV, as identified in Schedule 1 to such Guarantee SPV Guarantee;
- 28.40 **Specified Security** means in respect of the relevant Guarantee SPV Guarantee, the specific Security in respect of which the Guarantee SPV is entitled and obliged to exercise its rights under the Underlying Indemnity in order to meet the Guarantee SPV's obligations to the Specified Permitted Creditors under such Guarantee SPV Guarantee, as identified in Schedule 1 to such Guarantee SPV Guarantee (such identification being made with reference to particular Properties only and related rights in respect of those Properties only);
- 28.41 **Specified Underlying Security Agreements** means in respect of the relevant Guarantee SPV Guarantee, the Underlying Security Agreements (or the relevant parts thereof) in respect of the Specified Security, as identified in Schedule 1 to such Guarantee SPV Guarantee;
- 28.42 **Tenants** means persons with whom the Issuer enters into Lease Agreements in respect of the Properties;
- 28.43 **Transaction Documents** means:
- 28.43.1 the Common Terms Agreement;
- 28.43.2 the Security Documents; and
- 28.38.3 any other document which is from time to time designated by the Noteholders of the Series of Notes as a Transaction Document.



- 28.44 **Underlying Indemnity** means the written indemnity (or indemnities, as the case may be) given or to be given by the Issuer indemnifying the Guarantee SPV against claims by the Permitted Creditors in terms of the Guarantee SPV Guarantees, as amended, substituted and/or novated, from time to time;
- 28.45 **Underlying Security Agreements** means in respect of the Guarantee SPV Guarantees, the Underlying Indemnity, the Mortgage Bonds, the Underlying Security Cession and any additional document creating or evidencing security for the obligations of the Issuer to the Guarantee SPV in respect of the Guarantee SPV Guarantees;
- 28.46 **Underlying Security Cession** means the cessions by the Issuer in favour of the Guarantee SPV, as security for the Issuer's obligations to the Guarantee SPV under the Underlying Indemnity from time to time, of all the Issuer's right, title and interest in and to:
- 28.46.1 the Lease Agreements, including the Lease Payments and all other claims against the Tenants in terms of such Lease Agreements, and any collateral security given for the obligations of the Tenants in respect of such Lease Agreements; and
- 28.41.2 the Insurance Policies and the Insurance Proceeds; and
- 28.47 **Valuer** means an accredited property valuer registered as such in terms of the Valuer's Act, 1982, who is independent of the Issuer and any Property Manager.
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