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## APPLICABLE PRICING SUPPLEMENT

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### ACCELERATE PROPERTY FUND LIMITED

*(Incorporated in the Republic of South Africa with limited liability under registration number 2005/015057/06)*

**Issue of ZAR129,000,000 Senior Secured Floating Rate Notes due 30 June 2021**

**Under its ZAR5,000,000,000 Domestic Medium Term Note Programme**

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum, dated 9 September 2014, prepared by Accelerate Property Fund Limited (the **Issuer**) in connection with the Accelerate Property Fund Limited ZAR5,000,000,000 Domestic Medium Term Note Programme, as amended and/or supplemented from time to time (the **Programme Memorandum**).

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed "*Terms and Conditions of the Notes*" or in the Enforcement Rights Agreement entered into between *inter alia*, the Issuer, TMF Corporate Services (South Africa) Proprietary Limited (formerly GMG Trust Company (SA) Proprietary Limited), FirstRand Bank Limited (acting through its Rand Merchant Bank division) and Investec Bank Limited on or about 21 November 2013 (the **Enforcement Rights Agreement**), as the case may be.

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. The Notes described herein are issued on and subject to the Terms and Conditions as amended and/or supplemented by the Terms and Conditions contained in this Applicable Pricing Supplement. 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.

#### PARTIES

|    |                   |                                                                     |
|----|-------------------|---------------------------------------------------------------------|
| 1. | Issuer            | Accelerate Property Fund Limited                                    |
| 2. | Dealer            | Rand Merchant Bank, a division of FirstRand Bank Limited            |
| 3. | Manager           | Rand Merchant Bank, a division of FirstRand Bank Limited            |
| 4. | Debt Sponsor      | Rand Merchant Bank, a division of FirstRand Bank Limited            |
| 5. | Paying Agent      | Rand Merchant Bank, a division of FirstRand Bank Limited            |
|    | Specified Office  | 1 Merchant Place, cnr Fredman Drive and Rivonia Road, Sandton, 2196 |
| 6. | Calculation Agent | Rand Merchant Bank, a division of FirstRand Bank Limited            |
|    | Specified Office  | 1 Merchant Place, cnr Fredman Drive and Rivonia Road, Sandton, 2196 |

|    |                  |                                                                     |
|----|------------------|---------------------------------------------------------------------|
| 7. | Transfer Agent   | Rand Merchant Bank, a division of FirstRand Bank Limited            |
|    | Specified Office | 1 Merchant Place, cnr Fredman Drive and Rivonia Road, Sandton, 2196 |
| 8. | Settlement Agent | Rand Merchant Bank, a division of FirstRand Bank Limited            |
|    | Specified Office | 1 Merchant Place, cnr Fredman Drive and Rivonia Road, Sandton, 2196 |
| 9. | Issuer Agent     | Rand Merchant Bank, a division of FirstRand Bank Limited            |
|    | Specified Office | 1 Merchant Place, cnr Fredman Drive and Rivonia Road, Sandton, 2196 |

#### **PROVISIONS RELATING TO THE NOTES**

|     |                                                                                       |                                                                                                                                                      |
|-----|---------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| 10. | Status of Notes                                                                       | Senior Secured ( <i>See Appendix "A" for Description of Security Arrangements</i> )                                                                  |
| 11. | Form of Notes                                                                         | Listed Notes                                                                                                                                         |
| 12. | Series Number                                                                         | 13                                                                                                                                                   |
| 13. | Tranche Number                                                                        | 1                                                                                                                                                    |
| 14. | Aggregate Nominal Amount:                                                             |                                                                                                                                                      |
|     | (a) Series                                                                            | ZAR129,000,000                                                                                                                                       |
|     | (b) Tranche                                                                           | ZAR129,000,000                                                                                                                                       |
| 15. | Interest                                                                              | Interest-bearing                                                                                                                                     |
| 16. | Interest Payment Basis                                                                | Floating Rate                                                                                                                                        |
| 17. | Automatic/Optional Conversion from one Interest / Redemption/Payment Basis to another | N/A                                                                                                                                                  |
| 18. | Form of Notes                                                                         | The Notes in this Tranche are issued in uncertificated form and held by the CSD                                                                      |
| 19. | Issue Date                                                                            | 16 September 2020                                                                                                                                    |
| 20. | Nominal Amount per Note                                                               | ZAR1,000,000                                                                                                                                         |
| 21. | Specified Denomination                                                                | ZAR1,000,000                                                                                                                                         |
| 22. | Specified Currency                                                                    | ZAR                                                                                                                                                  |
| 23. | Issue Price                                                                           | 100 percent                                                                                                                                          |
| 24. | Interest Commencement Date                                                            | 16 September 2020                                                                                                                                    |
| 25. | Maturity Date                                                                         | 30 June 2021                                                                                                                                         |
| 26. | Applicable Business Day Convention                                                    | Following Business Day                                                                                                                               |
| 27. | Final Redemption Amount                                                               | 100 percent of Nominal Amount                                                                                                                        |
| 28. | Last Day to Register                                                                  | By 17h00 on 19 December 2020, 19 March 2021 and 19 June 2021, or if such day is not a Business Day, the Business Day before each Books Closed Period |

|                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|---------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 29. Books Closed Period(s)                                                                                                | The Register will be closed from<br>20 December 2020 to 29 December 2020,<br>20 March 2021 to 29 March 2021, and<br>20 June 2021 to 29 June 2021 (all dates<br>inclusive)                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 30. Default Rate                                                                                                          | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>FIXED RATE NOTES</b>                                                                                                   | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>FLOATING RATE NOTES</b>                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 31. (a) Floating Interest Payment<br>Date(s)                                                                              | 30 December 2020, 30 March 2021, and<br>30 June 2021 or, if such day is not a Business<br>Day, the Business Day on which interest will be<br>paid, as determined in accordance with the<br>Applicable Business Day Convention (as<br>specified in this Applicable Pricing<br>Supplement), with the first Floating Interest<br>Payment Date being 30 December 2020, or, if<br>such day is not a Business Day, the Business<br>Day on which interest will be paid, as<br>determined in accordance with the Applicable<br>Business Day Convention (as specified in this<br>Applicable Pricing Supplement) |
| (b) Interest Period(s)                                                                                                    | Each period from, and including, the applicable<br>Floating Interest Payment Date and ending on,<br>but excluding, the following Floating Interest<br>Payment Date, the first Interest Period<br>commences on (and includes) the Interest<br>Commencement Date and ends on (but<br>excludes) the first Floating Interest Payment<br>Date (each Floating Interest Payment Date as<br>adjusted in accordance with the Applicable<br>Business Day Convention)                                                                                                                                             |
| (c) Definition of Business Day (if<br>different from that set out in<br>Condition 1) ( <i>Interpretation</i> )            | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| (d) Minimum Rate of Interest                                                                                              | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| (e) Maximum Rate of Interest                                                                                              | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| (f) Other terms relating to the<br>method of calculating interest<br>(e.g.: Day Count Fraction,<br>rounding up provision) | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 32. Manner in which the Rate of<br>Interest is to be determined                                                           | Screen Rate Determination                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 33. Margin                                                                                                                | 300 basis points to be added to the Reference<br>Rate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 34. If ISDA Determination:                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| (a) Floating Rate                                                                                                         | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| (b) Floating Rate Option                                                                                                  | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| (c) Designated Maturity                                                                                                   | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

|                                                                                                                                                                                      |                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (d) Reset Date(s)                                                                                                                                                                    | N/A                                                                                                                                                                                 |
| (e) ISDA Definitions to apply                                                                                                                                                        | N/A                                                                                                                                                                                 |
| 35. If Screen Rate Determination:                                                                                                                                                    |                                                                                                                                                                                     |
| (a) Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated)                                                                        | 3 Month ZAR-JIBAR                                                                                                                                                                   |
| (b) Interest Rate Determination Date(s)                                                                                                                                              | 30 December 2020 and 30 March 2021 (as adjusted in accordance with the Applicable Business Day Convention), with the first Interest Rate Determination Date being 11 September 2020 |
| (c) Relevant Screen Page and Reference Code                                                                                                                                          | Reuters page SAFEY code 01209 or any successor page                                                                                                                                 |
| 36. If Rate of Interest to be calculated otherwise than by ISDA Determination or Screen Rate Determination, insert basis for determining Rate of Interest/Margin/Fallback provisions | N/A                                                                                                                                                                                 |
| 37. Calculation Agent responsible for calculating amount of principal and interest                                                                                                   | Rand Merchant Bank, a division of FirstRand Bank Limited                                                                                                                            |
| <b>ZERO COUPON NOTES</b>                                                                                                                                                             | N/A                                                                                                                                                                                 |
| <b>PARTLY PAID NOTES</b>                                                                                                                                                             | N/A                                                                                                                                                                                 |
| <b>INSTALMENT NOTES</b>                                                                                                                                                              | N/A                                                                                                                                                                                 |
| <b>MIXED RATE NOTES</b>                                                                                                                                                              | N/A                                                                                                                                                                                 |
| <b>INDEX-LINKED NOTES</b>                                                                                                                                                            | N/A                                                                                                                                                                                 |
| <b>DUAL CURRENCY NOTES</b>                                                                                                                                                           | N/A                                                                                                                                                                                 |
| <b>EXCHANGEABLE NOTES</b>                                                                                                                                                            | N/A                                                                                                                                                                                 |
| <b>OTHER NOTES</b>                                                                                                                                                                   | N/A                                                                                                                                                                                 |
| <b>PROVISIONS REGARDING REDEMPTION/MATURITY</b>                                                                                                                                      |                                                                                                                                                                                     |
| 38. Redemption at the option of the Noteholder:                                                                                                                                      | No                                                                                                                                                                                  |
| 39. Redemption at the Option of the Issuer:                                                                                                                                          | Yes                                                                                                                                                                                 |
| If yes:                                                                                                                                                                              |                                                                                                                                                                                     |
| (a) Optional Redemption Date(s)                                                                                                                                                      | Subject to item 39(c) below, any day after the Issue Date and up to (but excluding) the Maturity Date.                                                                              |

|                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s)                                                                                                                       | If the Redemption Date following the exercise by the Issuer of its option to redeem all or some of the Notes in accordance with Condition 8.3 ( <i>Redemption at the Option of the Issuer</i> ) occurs, the Optional Redemption Amount of the Notes will be 100% (one hundred percent) of their Nominal Amount together with any accrued interest up to but excluding the relevant Optional Redemption Date. |
| (c) Minimum period of notice (if different from Condition 8.3 ( <i>Redemption at the Option of the Issuer</i> ))                                                                                             | 20 (Business Days)                                                                                                                                                                                                                                                                                                                                                                                           |
| (d) If redeemable in part:                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                              |
| Minimum Redemption Amount(s)                                                                                                                                                                                 | ZAR1                                                                                                                                                                                                                                                                                                                                                                                                         |
| Higher Redemption Amount(s)                                                                                                                                                                                  | N/A                                                                                                                                                                                                                                                                                                                                                                                                          |
| (e) Other terms applicable on Redemption                                                                                                                                                                     | N/A                                                                                                                                                                                                                                                                                                                                                                                                          |
| 40. Redemption in the event of a breach of the Loan to Value at the election of Noteholders pursuant to Condition 8.5 (Redemption in the event of a breach of the Loan to Value Ratio):                      | No, however, see " <i>Redemption in the event of a breach of the Financial Covenants</i> " in Condition 2 Appendix "B" ( <i>Additional Terms and Conditions</i> )                                                                                                                                                                                                                                            |
| 41. Redemption in the event of a failure to maintain JSE listing or Rating at the election of Noteholders pursuant to Condition 8.6 (Redemption in the event of a failure to maintain JSE listing or Rating) | Yes                                                                                                                                                                                                                                                                                                                                                                                                          |
| 42. Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default (if required)                                                                                               | Yes                                                                                                                                                                                                                                                                                                                                                                                                          |
| If no:                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                              |
| (a) Amount payable; or                                                                                                                                                                                       | N/A                                                                                                                                                                                                                                                                                                                                                                                                          |
| (b) Method of calculation of amount payable                                                                                                                                                                  | N/A                                                                                                                                                                                                                                                                                                                                                                                                          |

#### GENERAL

|                                          |                                 |
|------------------------------------------|---------------------------------|
| 43. Financial Exchange                   | Interest Rate Market of the JSE |
| 44. Additional selling restrictions      | N/A                             |
| 45. ISIN No.                             | ZAG000170853                    |
| 46. Stock Code                           | APF13                           |
| 47. Stabilising manager                  | N/A                             |
| 48. Provisions relating to stabilisation | N/A                             |
| 49. Method of distribution               | Private Placement               |

- |     |                                                                |                                                                                                                                                                                                                                                    |
|-----|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 50. | Credit Rating assigned to the Notes                            | A <sub>(ZA)</sub> (EL) on a long term scale and A3 <sub>(ZA)</sub> on short term scale as at August 2020                                                                                                                                           |
| 51. | Applicable Rating Agency                                       | Global Credit Ratings Co. Proprietary Limited                                                                                                                                                                                                      |
| 52. | Governing law (if the laws of South Africa are not applicable) | N/A                                                                                                                                                                                                                                                |
| 53. | Other provisions                                               | See Appendix "A" for " <i>Description of Security Arrangements</i> ", Appendix "B" for " <i>Additional Terms and Conditions</i> ", Appendix "C" for " <i>Debt Guarantee</i> " and Appendix "D" for " <i>Documents Incorporated by Reference</i> ." |

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

54. Paragraph 3(5)(a)  
The "ultimate borrower" (as defined in the Commercial Paper Regulations) is the Issuer.
55. 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.
56. Paragraph 3(5)(c)  
The auditor of the Issuer is Ernst & Young Incorporated.
57. Paragraph 3(5)(d)  
As at the date of this issue:
- (i) the Issuer has issued ZAR3,088,000,000 of Commercial Paper (as defined in the Commercial Paper Regulations) (which amount includes Notes issued under the Programme Memorandum but excludes this issue of Notes); and
  - (ii) the Issuer estimates that it may issue ZAR250,000,000 of Commercial Paper during the current financial year, ending 31 March 2021.
58. Paragraph 3(5)(e)  
All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in the Notes is contained in the Programme Memorandum and the Applicable Pricing Supplement.
59. 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.
60. Paragraph 3(5)(g)  
The Notes issued will be listed.
61. Paragraph 3(5)(h)  
The funds to be raised through the issue of the Notes are to be used by the Issuer for its general corporate purposes.
62. Paragraph 3(5)(i)  
The obligations of the Issuer in respect of the Notes are secured.

63. Paragraph 3(5)(j)

Ernst & Young Incorporated, the statutory auditors of the Issuer, have confirmed that nothing has come to their attention to indicate that this issue of Notes issued under the Programme does not comply in all material respects with the relevant provisions of the Commercial Paper Regulations.

**Responsibility:**

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from the Programme Memorandum or this Applicable Pricing Supplement 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 Programme Memorandum together with this Applicable Pricing Supplement contain 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 Programme Memorandum, this Applicable Pricing Supplement, and the annual financial statements and/or the annual report of the Issuer and all documents incorporated by reference (see the section of the Programme Memorandum headed "*Documents Incorporated by Reference*") and any amendments or supplements to the aforementioned documents, except as otherwise stated therein.

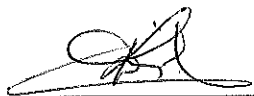
The JSE takes no responsibility for the contents of the Programme Memorandum, the annual financial statements, the annual reports and this Applicable Pricing Supplement of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the Programme Memorandum, the annual financial statements, the annual reports and this Applicable Pricing Supplement of the Issuer and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Programme Memorandum and listing of the Notes is not to be taken in any way as an indication of the merits of the Issuer or of the Notes and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

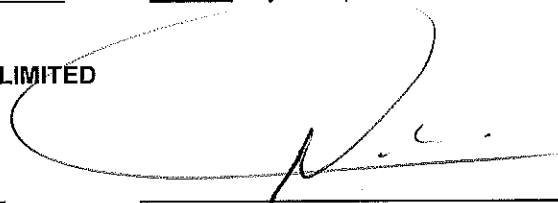
As at the date of this Applicable Pricing Supplement, the Issuer confirms that the authorised Programme Amount of ZAR5,000,000,000 has not been exceeded.

Application is hereby made to list this issue of Notes on 16 September 2020.

SIGNED at Tschannenburg on this 10th day of September 2020

For and on behalf of  
**ACCELERATE PROPERTY FUND LIMITED**

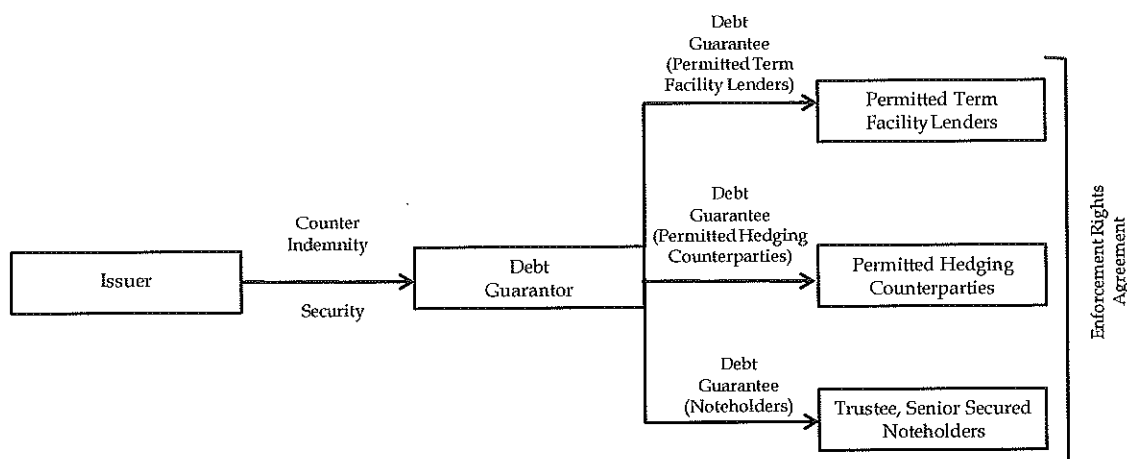
  
Name: D. KYRIAKIDES  
Capacity: Director  
Who warrants his/her authority hereto

  
Name: A. COSTA  
Capacity: Director  
Who warrants his/her authority hereto

## APPENDIX "A" DESCRIPTION OF SECURITY ARRANGEMENTS

The below is a brief description of the security arrangements in respect of the Senior Secured Notes contemplated in this Applicable Pricing Supplement (the **Senior Secured Notes**) and does not purport to form part of the Terms and Conditions.

### Security Structure Diagram



### 1 Interpretation

Terms used but not defined herein have the meanings set forth in the Terms and Conditions. In addition, for purposes of this Appendix "A" (*Description of Security Arrangements*), the following defined terms shall bear the following meanings:

- 1.1 **Cession in Security** means the cession in security dated 20 November 2013 concluded between the Issuer and the Debt Guarantor pursuant to which the Issuer cedes *in securitatem debiti* its rights in and to the Lease Agreements, Lease Payments, Insurance Policies and Insurance Proceeds (all as defined therein) in favour of the Debt Guarantor as security for the obligations of the Issuer under the Counter Indemnity Agreement;
- 1.2 **Counter Indemnity** means the counter indemnity agreement dated 20 November 2013 concluded between the Issuer and the Debt Guarantor pursuant to which the Issuer indemnifies the Debt Guarantor against any loss, costs or liability which the Debt Guarantor may incur as a result of or in connection with, *inter alia*, the Debt Guarantee;
- 1.3 **Debt Guarantee** means the written guarantee dated 25 September 2014 granted by the Debt Guarantor in favour of the Trustee, for the benefit of the Senior Secured Noteholders pursuant to which the Debt Guarantor irrevocably guarantees the obligations of the Issuer under the Senior Secured Notes;
- 1.4 **Debt Guarantor** means Accelerate Security SPV (RF) Proprietary Limited, a private company incorporated under the laws of South Africa with registration number 2011/100034/07 and wholly owned by an owner trust with its main business being that of a property security company;
- 1.5 **Debt Guarantor Security** means all the security interests conferred upon the Debt Guarantor pursuant to the Cession in Security and the Mortgage Bonds;



- 1.6 **Mortgage Bonds** means the first ranking continuing covering mortgage bonds registered or to be registered by the Issuer in favour of the Debt Guarantor over each of the Secured Properties. On the redemption or repayment of the Senior Secured Notes, or the disposal of a Secured Property in accordance with the Terms and Conditions of the Senior Secured Notes, the Mortgage Bonds (or any of them) will be cancelled;
- 1.7 **Senior Secured Noteholders** means the registered holders of the Senior Secured Notes as recorded in the Register and **Senior Secured Noteholder** means, as the context requires, any of them; and
- 1.8 **Trustee** means the Trustee for the time being of the Accelerate Senior Secured Notes Trust, being Maitland Group South Africa Limited.

## 2 Security Arrangements

- 2.1 The Senior Secured Notes constitute direct, senior, unconditional and secured indebtedness, but rank *pari passu* amongst themselves and *pari passu* with any indebtedness incurred to the Permitted Term Facility Lenders and the Permitted Hedging Counterparties.
- 2.2 The obligations of the Issuer under the Senior Secured Notes will be directly guaranteed and indirectly secured as set out below.

## 3 Direct Guarantee

The Debt Guarantor has irrevocably guaranteed, by way of first ranking guarantee, ranking *pari passu* with the Debt Guarantee (Permitted Hedging Counterparties) and the Debt Guarantee (Permitted Term Facility Lenders), all of the Issuer's obligations to the Trustee and the Senior Secured Noteholders under the Senior Secured Notes.

## 4 Counter Indemnity and Security

- 4.1 In terms of the Counter Indemnity, the Issuer has indemnified the Debt Guarantor against any loss, costs or liability which the Debt Guarantor may incur as a result of or in connection with the Debt Guarantor Guarantees (as defined in the Counter Indemnity).
- 4.2 The obligations of the Issuer under the Counter Indemnity are secured by:
- 4.2.1 the Cession in Security; and
- 4.2.2 the Mortgage Bonds (if any).

## 5 Risks relating to the Security Structure

- 5.1 As set out above, the Security will not be granted directly in favour of the Senior Secured Noteholders. Instead, the Security will be granted in favour of the Debt Guarantor.
- 5.2 The Security granted in favour of the Debt Guarantor is not subject to any conditions for it to be effective.

- 5.3 As a result, neither the Trustee (acting for the benefit of the Senior Secured Noteholders) nor the Senior Secured Noteholders will have the right to realise the Security directly. Instead, the Trustee (acting on the instructions of the Senior Secured Noteholders) must in accordance with Enforcement Rights Agreement, request that the Enforcement Agent take Enforcement Action. Notably, the Enforcement Agent may only act (or refrain from acting) on the instructions of Finance Providers whose Voting Entitlements are together not less than 50,1% (fifty comma one percent). This indirect claim in respect of the Security may result in a delay in realisation or could involve the Finance Providers voting against the realisation of the Security.

In terms of the Enforcement Rights Agreement, the enforcement agent (i.e. the agent appointed to take any enforcement action, which for the time being is TMF Corporate Services (South Africa) Proprietary Limited, under the Enforcement Rights Agreement) will only take enforcement action which includes the exercising, enforcement of, any right or remedy under any of the Counter Indemnity Agreement or each security documents in an instance of (i) a breach or default or event of default under the finance documents (including the Programme Memorandum) which has occurred and is continuing or (ii) a demand has been made on the Debt Guarantor in accordance with the provisions of the Debt Guarantee.

- 5.4 In terms of the Enforcement Rights Agreement, after any enforcement action has been taken or commenced or pursuant to any demand under any Debt Guarantee (including the Debt Guarantee (Noteholders)) being made, all monies received by any finance party (which includes the Noteholders) from any party pursuant to any payment or repayment by the Issuer under or in connection with any finance documents (including the Programme Memorandum) and from the realisation of the Security shall be regarded as forming part of the common proceeds pool (the **Pool**) and the relevant finance party receiving such proceeds shall, immediately upon receipt thereof, transfer such proceeds into the account notified to the Debt Guarantor and the finance parties. The proceeds comprising the Pool and available to be distributed amongst the finance parties (after paying all fees, costs, charges, expenses and disbursements incurred by and due to the enforcement agent, the Debt Guarantor or any other such finance party in the execution of any of the powers and provisions contained in the finance documents and in the realisation of the Security) (the **Distributable Amount**) shall be allocated to the finance parties by paying, *pari passu* and pro rata in payment to each of those finance parties in favour of whom a Debt Guarantee has been granted, the lesser of its outstandings as at such date and its proportionate share of the Distributable Amount.

**APPENDIX "B"**  
**ADDITIONAL TERMS AND CONDITIONS**

*The following are additional terms and conditions (the **Additional Terms and Conditions**) which apply to the Senior Secured Notes contemplated in this Applicable Pricing Supplement (the **Senior Secured Notes**) and which will be incorporated by reference into each Senior Secured Note.*

*In addition to the below, (i) all references to notice to the Noteholders and rights and/or discretions to be exercised by the Noteholders shall for the purposes of the Senior Secured Notes, be deemed to be references to notice to the Trustee and the Senior Secured Noteholders and rights and/or discretions to be exercised by the Trustee in accordance with the instructions of the relevant majority of Senior Secured Noteholders or such other person as prescribed in relation to any particular matter under the Notes Trust Deed, as the case may be, and (ii) all references in the Programme Memorandum to Senior Notes shall be deemed to be references to the Senior Secured Notes.*

**1 Guarantees**

1.1 The occurrence of one or more of the following events set out in this paragraph 1 (*Guarantees*) shall constitute an Event of Default as set out in Condition 14.1.10 (*Other*):

1.1.1 the Debt Guarantee (*Noteholders*) is not in full force and effect and such failure has continued for more than 30 (thirty) days following service on the Debt Guarantor of a written notice requiring that failure to be remedied; or

1.1.2 it is or becomes unlawful for the Debt Guarantor, to perform any of its obligations under the Debt Guarantee (*Noteholders*); or

1.1.3 the Debt Guarantor repudiates the Debt Guarantee (*Noteholders*) or evidences an intention to repudiate the Debt Guarantee (*Noteholders*).

1.2 The Debt Guarantee (*Noteholders*) shall not be amended, modified or varied, unless such amendments are of a technical nature, to correct a manifest error or to comply with mandatory provisions of law, without the prior approval of the Senior Secured Noteholders, holding not less than 66.67% (sixty-six point six-seven percent) in Nominal Amount of the Notes Outstanding from time to time or a specific Class of Notes, as the case may be, represented by the Trustee.

**2 Redemption in the event of a breach of the Financial Covenants**

2.1 The Issuer shall for so long as any Senior Secured Note remains Outstanding and during each Measurement Period, ensure that:

2.1.1 the Loan to Value Ratio for each Measurement Period specified in column 1 below does not exceed the ratio set out in column 2 below opposite that Measurement Period:

| <b>Column 1</b><br><b>Measurement Period</b>             | <b>Column 2</b><br><b>Loan to Value Ratio</b> |
|----------------------------------------------------------|-----------------------------------------------|
| Measurement Period ending on or before 30 September 2020 | 55% (fifty-five percent)                      |

| <b>Column 1</b><br><b>Measurement Period</b>                                    | <b>Column 2</b><br><b>Loan to Value Ratio</b> |
|---------------------------------------------------------------------------------|-----------------------------------------------|
| Measurement Period ending on or before 31 March 2021                            | 55% (fifty-five percent)                      |
| Measurement Period ending on or before 30 September 2021                        | 55% (fifty-five percent)                      |
| Measurement Period ending on each Measurement Date falling after 1 October 2021 | 50% (fifty percent)                           |

2.1.2 the Secured Properties Loan to Value Ratio for each Measurement Period specified in column 1 below does not exceed the ratio set out in column 2 below opposite that Measurement Period:

| <b>Column 1</b><br><b>Measurement Period*</b>                                   | <b>Column 2</b><br><b>Secured Properties Loan to Value Ratio</b> |
|---------------------------------------------------------------------------------|------------------------------------------------------------------|
| Measurement Period ending on or before 30 September 2020                        | 55% (fifty-five percent)                                         |
| Measurement Period ending on or before 31 March 2021                            | 55% (fifty-five percent)                                         |
| Measurement Period ending on or before 30 September 2021                        | 50% (fifty percent)                                              |
| Measurement Period ending on each Measurement Date falling after 1 October 2021 | 45% (forty-five percent)                                         |

- Should the Issuer pay distributions to its equity holders during any Measurement Period, the Secured Properties Loan to Value Ratio covenant as contemplated in this Condition 2.1.2 shall default to the lower of 50% (fifty percent) or the covenant in place for the applicable Measurement Period.

- 2.1.3 the Interest Cover Ratio for each Measurement Period specified in column 1 below shall be greater than the ratio set out in column 2 below opposite that Measurement Period:

| <b>Column 1</b><br><b>Measurement Period</b>                                    | <b>Column 2</b><br><b>Interest Cover Ratio</b> |
|---------------------------------------------------------------------------------|------------------------------------------------|
| Measurement Period ending on or before 30 September 2020                        | 1.8 (one point eight) times                    |
| Measurement Period ending on or before 31 March 2021                            | 1.8 (one point eight) times                    |
| Measurement Period ending on or before 30 September 2021                        | 1.8 (one point eight) times                    |
| Measurement Period ending on each Measurement Date falling after 1 October 2021 | 2.0 (two point zero) times                     |

- 2.1.4 the Secured Properties Interest Cover Ratio for each Measurement Period specified in column 1 below shall be greater than the ratio set out in column 2 below opposite that Measurement Period:

| <b>Column 1</b><br><b>Measurement Period</b>                                    | <b>Column 2</b><br><b>Secured Properties Interest Cover Ratio</b> |
|---------------------------------------------------------------------------------|-------------------------------------------------------------------|
| Measurement Period ending on or before 30 September 2020                        | 1.8 (one point eight) times                                       |
| Measurement Period ending on or before 31 March 2021                            | 1.8 (one point eight) times                                       |
| Measurement Period ending on or before 30 September 2021                        | 1.8 (one point eight) times                                       |
| Measurement Period ending on each Measurement Date falling after 1 October 2021 | 2.0 (two point zero) times                                        |

- 2.2 The Issuer shall within 90 (ninety) days after each Measurement Date, test the Financial Covenants as at each Measurement Date by reference to the audited consolidated annual financial statements of the Issuer on that date, or, if not available, then the unaudited consolidated annual financial statements of the Issuer on that date.

- 2.3 In the event of any dispute in respect of any calculation relating to the Financial Covenants or any other calculations required in respect of any Financial Covenant, such dispute shall be determined by independent auditors, appointed by the Trustee (which auditors must be one of PricewaterhouseCoopers Inc., Ernst & Young, Deloitte & Touche Inc. or KPMG Inc.), acting as experts and not as arbitrators (taking into account these Additional Terms and Conditions), whose determination will, in the absence of manifest error, be final and binding on the Issuer and the Noteholders.
- 2.4 The cost of such independent auditors resolving such dispute shall be paid by the party whose calculation is shown to be incorrect by the Auditors, provided that if the calculations of both the disputing parties and the Issuer are shown to be incorrect by the independent Auditors, the costs of such independent auditors shall be apportioned amongst the disputing parties and the Issuer by the independent Auditors and the disputing parties and the Issuer shall be liable for such costs in such proportion.
- 2.5 A compliance certificate in respect of (i) compliance with the Financial Covenants as at each Measurement Date and (ii) setting out in sufficient detail a description of the Secured Properties as at each Measurement Date, signed by 2 (two) directors of the Issuer, one of which shall be the Financial Director, will be available for inspection by the Noteholders, during normal office hours, at the registered office of the Issuer as set out at the end of the Programme Memorandum, within 90 (ninety days) of each Measurement Date.
- 2.6 The Issuer shall upon written request from the Trustee, provide the Trustee with a list of Secured Properties as at the date of the written request from the Trustee, within 10 (ten) Business Days of receipt of the written request from the Trustee.
- 2.7 A **Breach Event** shall occur if at any time while the Senior Secured Notes remain Outstanding, the Loan to Value Ratio, the Secured Properties Loan to Value Ratio, the Interest Cover Ratio or the Secured Properties Interest Cover Ratio does not satisfy the required thresholds contemplated in Condition 2.1 above and the Issuer fails to remedy such breach within a period of 30 (thirty) days of the occurrence of such breach, to the extent possible (the **Remedy Period**).
- 2.8 Promptly upon expiry of the Remedy Period, the Issuer shall give a notice to the Noteholders (**Breach Notice**) in accordance with Condition 16 (**Notices**) of such Breach Event and outline the procedure for exercising the option contained in Condition 2.9 below.
- 2.9 If a Breach Event occurs at any time while the Senior Secured Notes remain Outstanding and following receipt of a Breach Notice, then, provided the Noteholders have:
- 2.9.1 in terms of Condition 16 (*Notices*) issued a notice to convene a meeting of Noteholders within 15 (fifteen) days of the Breach Event; and
- 2.9.2 resolved in terms of Condition 18 (*Meetings of Noteholders*) by way of Extraordinary Resolution to redeem the Senior Secured Notes,

the Issuer shall redeem all the Senior Secured Notes held by the Noteholders at the Early Redemption Amount calculated in accordance with Condition 8.7 (*Early Redemption Amounts*), together with accrued interest (if any) within 15 (fifteen) days of having received a written notice from the Noteholders to redeem such Senior Secured Notes.

2.10 the option in Condition 2.9 above shall be exercisable by the Noteholders by the delivery of a written notice (a **Breach of Financial Covenant Redemption Notice**) to the Issuer at its registered office within 30 (thirty) days after the occurrence of the Breach Event, unless prior to the delivery by that Noteholder of its Breach of Financial Covenant Redemption Notice the Issuer gives notice to redeem the Notes.

## 2.11 Negative Undertakings

2.11.1 Subject to Condition 2.11.2, the Issuer shall not dispose of any Immovable Property owned by it and which constitutes a Secured Property, unless the Issuer has delivered a certificate to the Trustee at least 10 (ten) Business Days prior to the registration of transfer of the relevant Secured Property confirming that, immediately after the disposal of the relevant Secured Property, the Issuer will comply with the Financial Covenants (taking into account the disposal of the relevant Secured Property and calculated by reference to the latest audited consolidated annual financial statements of the Issuer on that date, or, the unaudited interim consolidated financial statements of the Issuer on that date, as the case may be) and specifying in a separate annexure to the certificate, the Secured Properties over which Mortgage Bonds have been registered (the Disposal Compliance Certificate).

2.11.2 If the Issuer wishes to dispose of any (or any portion) of the following Immovable Properties which form part of the Secured Properties:

2.11.2.1 Fourways Mall Shopping Center: Erven 1698, 1699, 1700, 1701, 1714 and 1715 Fourways Extension 14 Township, Registration Division IQ, Gauteng Province;

2.11.2.2 Cedar Square: Erven 862, 863 and 864 Witkoppen Extension 58 Township and Erven 918 and 919 Witkoppen Extension 8 Township, Gauteng Province;

2.11.2.3 Fourways View: Erf 867 and 868 Witkoppen Extension 27 Township, Registration Division IQ, Gauteng Province;

2.11.2.4 Fourways Game: Erven 1071 and 1072 Witkoppen Extension 12 Township, Registration Division IQ, Gauteng Province; and

2.11.2.5 BMW Fourways Building: Erf 2209 Witkoppen Extension 57 Township, Gauteng Province,

then, in addition to delivery of the Disposal Compliance Certificate to the Trustee in terms of Condition 2.11.1 above, the consent of the Trustee (acting on the instructions of Noteholders holding not less than 90% of the Notes then Outstanding) is required for such disposal.

2.11.3 The intended:

2.11.3.1 transfer of an undivided share of the:

2.11.3.1.1 Immovable Properties listed in Conditions 2.11.2.1; 2.11.2.3; and/or 2.11.2.4; and/or

2.11.3.1.2 Erf 1008 Witkoppen Extension 26 Township, Registration Division IQ, Gauteng Province (known as the Sasol Delta Building); and/or

- 2.11.3.1.3 Remaining Extent of Erf 779 Witkoppen Extension 26 Township, Registration Division IQ, Gauteng Province (known as Exact Mobile);

(the properties referred to as the **Fourways Development Properties**), to Fourways Precinct Proprietary Limited (**Fourways Precinct**) and/or any party to whom Fourways Precinct assigns (the **Acquirer**) the development rights which it holds over, and the right to acquire an undivided ownership interest in, the Fourways Development Properties; and

- 2.11.3.2 the repurchase of a portion of such undivided share by the Issuer;

such that the Issuer and the Acquirer thereafter will each hold an undivided 50% share in the Fourways Development Properties (the **Issuer's Interest in Fourways**), will not require the consent of the Trustee (or any Noteholders), provided that the Issuer registers a mortgage bond over the Issuer's Interest in Fourways, simultaneously with the release of the mortgage bonds over the Fourways Development Properties. The Trustee shall instruct the Debt Guarantor to do all such things as are necessary to release and cancel any Mortgage Bond over the relevant Fourways Development Properties, provided that the Issuer has taken all steps necessary to ensure that a new Mortgage Bond is registered over the Issuer's Interest in Fourways in favour of the Debt Guarantor simultaneously with the release of the Mortgage Bonds.

- 2.11.4 Subject to compliance with this Condition 2.11, the Trustee shall instruct the Debt Guarantor to do all such things as are necessary to release and cancel any Mortgage Bond over any Immovable Property which the Issuer is permitted to dispose of in terms of this Condition 2.11.

- 2.12 For the purposes of these Additional Terms and Conditions:

- 2.12.1 **Accounting Principles** means the generally accepted accounting principles in South Africa, including IFRS;

- 2.12.2 **Annual Valuations Report** means an annual valuations report in respect of all of the Immovable Properties owned by the Issuer, consisting of:

- 2.12.2.1 annual valuations of the directors of the Issuer of at least two thirds (by number) of all Immovable Properties owned by the Issuer; and

- 2.12.2.2 an Independent Valuation of at least one third (by number) of all Immovable Properties owned by the Issuer;

- 2.12.3 **Auditors** means the auditors of the Issuer being Ernst & Young Incorporated.

- 2.12.4 **Borrowings** means, on each Measurement Date, the aggregate Financial Indebtedness of the Issuer;

- 2.12.5 **Capital Expenditure** means any expenditure or obligation in respect of expenditure which, in accordance with Accounting Principles, is treated as capital expenditure (and including the capital element of any expenditure or obligation incurred in connection with a Finance Lease) in respect of the Secured Properties;



- 2.12.6 **Finance Lease** means any lease or hire purchase contract which would, in accordance with the Accounting Principles, be treated as a finance or capital lease;
- 2.12.7 **Financial Covenant** means collectively the Loan to Value Ratio, the Secured Properties Loan to Value Ratio, the Interest Cover Ratio and the Secured Properties Interest Cover Ratio;
- 2.12.8 **Financial Half Year Date** means the financial half year end of the Issuer which, as at the Issue Date, is 30 September of each calendar year;
- 2.12.9 **Financial Indebtedness** means any indebtedness for or in respect of:
- 2.12.9.1 moneys borrowed and debit balances at banks or other financial institutions;
  - 2.12.9.2 any acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);
  - 2.12.9.3 any note purchase facility or the issue of bonds, Notes, debentures, loan stock or any similar instrument;
  - 2.12.9.4 the amount of any liability in respect of Finance Leases;
  - 2.12.9.5 receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis and meet any requirement for de-recognition under the Accounting Principles);
  - 2.12.9.6 any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account);
  - 2.12.9.7 any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of (a) an underlying liability of the Issuer which liability would fall within one of the other paragraphs of this definition, or (b) any liabilities of the Issuer relating to any post-retirement benefit scheme;
  - 2.12.9.8 any amount raised by the issue of redeemable shares which are redeemable or are otherwise classified as borrowings under the Accounting Principles;
  - 2.12.9.9 any amount of any liability under an advance or deferred purchase agreement if (a) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question, or (b) the agreement is in respect of the supply of assets or services and payment is due more than 90 (ninety) days after the date of supply;

- 2.12.9.10 any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the Accounting Principles; and
- 2.12.9.11 the amount of any liability in respect of any guarantee for any of the items referred to in Conditions 2.12.9.1 to 2.12.9.10 above;
- 2.12.10 **Financial Year End** means the financial year end of the Issuer which is 31 March of each calendar year;
- 2.12.11 **Immovable Property** means any land and any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of that land;
- 2.12.12 **Independent Valuation** means a valuation report of any Secured Property by the Valuer and **Independent Valuations** means, as the context requires, all of them;
- 2.12.13 **Interest Cover Ratio** means, on each Measurement Date, the ratio of (a) EBITDA to (b) Net Interest Charged in respect of the Measurement Period ending on that Measurement Date;
- 2.12.14 **Interest Payable** means in respect of the relevant Measurement Period ending on any Measurement Date, the aggregate of:
- 2.12.14.1 all interest accrued by the Issuer in terms of any Borrowings; plus
  - 2.12.14.2 any amounts payable by the Issuer in terms of any Treasury Transaction (as such relates to the hedging by the Issuer of its interest rate risk); plus
  - 2.12.14.3 all accrued interest, acceptance commission, premiums, discounts, prepayment fees, and any other continuing, regular or periodic costs and expenses in the nature of interest including finance lease costs and redeemable preference shares dividends whether paid, payable or capitalised by the Issuer during such period (but excluding any interest paid and/or payable in respect of any subordinated shareholder loans in the Issuer),
- all as reflected in, and/or ascertained from the Financial Statements for that Measurement Period;
- 2.12.15 **Interest Receivable** means, in respect of the relevant Measurement Period ending on any Measurement Date, all interest received by or accrued to the Issuer during such period, including any amounts received by the Issuer in terms of any Treasury Transaction (as such relates to the hedging by the Issuer of its interest rate risk) (other than interest which is not received or receivable in funds that are freely remittable to South Africa), all as reflected in, and/or ascertained from, the Financial Statements for that Measurement Period;
- 2.12.16 **Issuer Assets Valuation Amount** means, on each Measurement Date, the value of the Issuer's Immovable Property (as set out in the latest Annual Valuations Report or, where the value of any Immovable Property is not contained in such Annual Valuations Report, the Issuer's desktop valuation in respect thereof);

- 2.12.17 **Lease Agreement** means the signed lease of property agreements or heads of agreement in respect of all or a portion of the Secured Properties and **Lease Agreement** means, as the context required, all of them;
- 2.12.18 **Lease Payments** means the periodic and other payments payable by any lessee in respect of a Secured Property to or for the account of the Issuer under any applicable Lease Agreement or any other arrangements, including, without limitation, rentals, insurance premiums and operating expenses in respect of the applicable Lease Agreement;
- 2.12.19 **Loan** means a loan made or to be made under the loan facilities provided pursuant to the Common Terms Agreement entered into on or about 20 November 2013 between inter alia, the Issuer, FirstRand Bank Limited and Investec Bank Limited, and a reference to **Loans** shall be construed as a reference to the aggregate principal amount outstanding for the time being of all loans made under such loan facilities;
- 2.12.20 **Loan to Value Ratio** means, on each Measurement Date:
- 2.12.20.1 the Borrowings;
- 2.12.20.2 divided by the Issuer Assets Valuation Amount,
- expressed as a percentage, in each case on such date;
- 2.12.21 **Measurement Date** means each Financial Half Year Date and Financial Year End;
- 2.12.22 **Measurement Period** means each period of 6 (six) months ending on a Measurement Date;
- 2.12.23 **Net Interest Charged** means, in respect of any relevant Measurement Period ending on any Measurement Date, Interest Payable less any Interest Receivable;
- 2.12.24 **Notes Trust Deed** means the written agreement entitled "*The Accelerate Senior Secured Notes Trust*" dated 11 September 2014 concluded between the initial trustee, the Issuer, the Debt Guarantor;
- 2.12.25 **Secured Properties** means, as at any date, each of the Immovable Properties owned by the Issuer over which a Mortgage Bond is registered in favour of the Debt Guarantor for the Issuer's obligations to the Debt Guarantor in connection with, *inter alia*, the Senior Secured Notes and **Secured Property** shall mean any one of them;
- 2.12.26 **Secured Properties Interest Cover Ratio** means, on each Measurement Date, the ratio of (a) Secured Properties Net Income to (b) Secured Properties Interest Payable in respect of that Measurement Period;
- 2.12.27 **Secured Properties Interest Payable** means, in respect of the relevant Measurement Period ending on a Measurement Date, the aggregate of all interest accrued by the Issuer under or in connection with the Finance Documents and the Senior Secured Notes (plus or minus, as applicable, any amounts payable by the Issuer under any arrangements entered into by the Issuer to hedge these obligations);

- 2.12.28 **Secured Properties Loan to Value Ratio** means, on each Measurement Date:
- 2.12.28.1 the Total Loan plus the principal amount outstanding under the Senior Secured Notes;
- 2.12.28.2 divided by the Secured Property Valuation Amount,
- expressed as a percentage, in each case on such date;
- 2.12.29 **Secured Properties Net Income** means, in respect of the relevant Measurement Period ending on a Measurement Date:
- 2.12.29.1 the aggregate amount of all Lease Payments; minus
- 2.12.29.2 all operating costs in respect of the Secured Properties; minus
- 2.12.29.3 any Capital Expenditure in respect of the Secured Properties; plus
- 2.12.29.4 a pro rata portion of interest received by the Issuer in respect of the Secured Properties, calculated as follows:
- $$PP = \frac{SPVA}{TPV} \times AIR$$
- Where:
- PP = the pro rata portion of interest received by the Issuer in respect of the Secured Properties;
- SPVA = Secured Properties Valuation Amount;
- TPV = the Issuer Assets Valuation Amount;
- AIR = the aggregate amount of interest received by the Issuer during the relevant Measurement Period;
- 2.12.30 **Secured Property Valuation Amount** means the value of the Secured Properties expressed in Rand (as set out in the latest Annual Valuations Report or, where the value of any Secured Property is not contained in such Annual Valuations Report, the Issuer's desktop valuation in respect thereof);
- 2.12.31 **Total Loan** means the aggregate of the Loans from time to time;
- 2.12.32 **Treasury Transaction** means any currency or interest purchase, cap or collar agreement, forward rate agreements, interest rates or currency future or option contracts, foreign exchange or currency purchase or sale agreement, interest rate swap, currency swap or combined interest rate and currency swap agreement or any derivative transaction and any other similar agreement entered into in connection with the protection against or benefit from fluctuation in any rate or price;
- 2.12.33 **Valuer** means:
- 2.12.33.1 Mills Fitchet;
- 2.12.33.2 David Hoffman Valuers CC; or

- 2.12.33.3 any other independent immovable property valuer appointed by the Issuer, which complies, in all respects, with the following requirements:
  - 2.12.33.3.1 the Valuer and its relevant representative must be registered with the South African Council for the Property Valuers Profession; and
  - 2.12.33.3.2 the Valuer or its relevant representative must have at least 5 (five) years' experience in the valuation of commercial properties in South Africa.

**APPENDIX “C”  
DEBT GUARANTEE**

EXECUTION

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DEBT GUARANTEE (NOTEHOLDERS)

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between

ACCELERATE SECURITY SPV (RF) PROPRIETARY LIMITED

and

THE TRUSTEES FOR THE TIME BEING OF THE ACCELERATE SENIOR SECURED NOTES  
TRUST, FOR THE BENEFIT OF THE SENIOR SECURED NOTEHOLDERS

**BG** Bowman Gilfillan

Member of Bowman Gilfillan Africa Group

CAPE TOWN DARES SALAAM JOHANNESBURG KAMPALA NAIROBI

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**PARTIES:**

This Guarantee is made between:

- (1) ACCELERATE SECURITY SPV (RF) PROPRIETARY LIMITED; and
- (2) THE TRUSTEES FOR THE TIME BEING OF THE ACCELERATE SENIOR SECURED NOTES TRUST, for the benefit of the Senior Secured Noteholders.

**IT IS AGREED AS FOLLOWS:**

**1. DEFINITIONS AND INTERPRETATION**

**1.1. Definitions**

Unless the context dictates otherwise, the words and expressions set forth below shall bear the following meanings and cognate expressions shall bear corresponding meanings:

- 1.1.1. Accelerate means Accelerate Property Fund Limited, a public company incorporated under the laws of South Africa with registration number 2005/015057/06;
- 1.1.2. Accession Undertaking means an accession undertaking substantially in the relevant form provided for in terms of the Enforcement Rights Agreement;
- 1.1.3. Agreement and Guarantee means this Debt Guarantee (Noteholders);
- 1.1.4. Arrear Interest Rate means the Prime Rate plus 2% (two percent);
- 1.1.5. Business Day means a day (other than a Saturday or Sunday or an official public holiday in South Africa within the meaning of the Public Holidays Act, 1994) on which banks generally are open for business in Johannesburg;
- 1.1.6. Cession in Security means the Cession in Security Agreement concluded on or about 20 November 2013 between the Debt Guarantor and Accelerate pursuant to which Accelerate cedes in *securitatem debiti* its rights in and to the Lease Agreements, the Lease Payments, the Insurance Policies and the Insurance Proceeds (all as defined therein) to the Debt Guarantor as security for the obligations of Accelerate under the Counter Indemnity Agreement;
- 1.1.7. Companies Act means the Companies Act, 2008;
- 1.1.8. Common Terms Agreement means the written agreement entitled "*Common Terms Agreement*" concluded on or about 20 November 2013 amongst, *inter alia*, Accelerate (as borrower), RMB (as mandated lead arranger, facility agent, lender and hedge provider), the Debt Guarantor, and Investec (as lender) on or about the Signature Date, pursuant to which the parties to the agreement agree the terms and conditions upon which certain facilities are made available by the lenders thereunder to Accelerate;
- 1.1.9. Constitutional Documents means in respect of any Party and as at any time, the then current and up to date memorandum and articles of association and certificate of incorporation of that Party, or the memorandum of incorporation of that Party within the

meaning of the Companies Act or the equivalent thereof in respect of any person not being a person registered under the Companies Act, 1973 or the Companies Act, as applicable;

- 1.1.10. **Counter Indemnity Agreement** means the counter indemnity agreement concluded on or about 20 November 2013 between Accelerate and the Debt Guarantor pursuant to which the Obligors indemnify the Debt Guarantor against any loss, costs or liability which the Debt Guarantor may incur as a result of or in connection with the Debt Guarantor Guarantees and to which the Guarantors will accede;
- 1.1.11. **Debt Guarantee (Permitted Hedging Counterparties)** means the written guarantee dated on or about 20 November 2013 in favour of the Permitted Hedging Counterparties, under which the Debt Guarantor, by way of a first ranking guarantee, ranking *pari passu* with the Debt Guarantee (Permitted Term Facility Lenders) and this Guarantee irrevocably guarantees obligations of the Obligors to the Permitted Hedging Counterparties under the Finance Documents;
- 1.1.12. **Debt Guarantee (Permitted Term Facility Lenders)** means the written guarantee dated on or about 20 November 2013 in favour of the Permitted Term Facility Lenders, under which the Debt Guarantor, by way of a first ranking guarantee, ranking *pari passu* with the Debt Guarantee (Permitted Hedging Counterparties) and this Guarantee, irrevocably guarantees the obligations of the Obligors to the Permitted Term Facility Lenders under the Finance Documents;
- 1.1.13. **Debt Guarantor** means Accelerate Security SPV (RF) Proprietary Limited, a private company incorporated under the laws of South Africa with registration number 2011/100034/07;
- 1.1.14. **Debt Guarantor Guarantees** means:
- 1.1.14.1. the Debt Guarantee (Permitted Term Facility Lenders);
- 1.1.14.2. the Debt Guarantee (Permitted Hedging Counterparties);
- 1.1.14.3. this Guarantee; and
- 1.1.14.4. any other debt guarantee issued by the Debt Guarantor in favour of a Finance Provider in accordance with and subject to this Agreement,
- and Debt Guarantor Guarantee means, as the context requires, any of them;
- 1.1.15. **Discharge Date** means the date on which all the Guaranteed Obligations have been fully paid and discharged to the satisfaction of the Trustee, whether or not as a result of enforcement;
- 1.1.16. **Effective Date** means the 'Effective Date' as defined in the Common Terms Agreement;
- 1.1.17. **Enforcement Agent** means CMG;
- 1.1.18. **Enforcement Rights Agreement** means the enforcement rights agreement concluded on or about 21 November 2013 between *inter alia*, Accelerate, the Finance Providers, the

Trustee and the Enforcement Agent pursuant to which the parties regulate *inter alia* the enforcement of Transaction Security under the Security Documents;

1.1.19. **Facility Agent** means RMB or any replacement Facility Agent which has become a party to the Common Terms Agreement, the Intercreditor Agreement and the Enforcement Rights Agreement as the Facility Agent in accordance with the terms of the Intercreditor Agreement;

1.1.20. **Finance Documents** means:

1.1.20.1. the Programme Memorandum;

1.1.20.2. the Enforcement Rights Agreement;

1.1.20.3. the Trust Deed;

1.1.20.4. the Terms and Conditions;

1.1.20.5. the Permitted Term Documents;

1.1.20.6. the Permitted Hedging Documents;

1.1.20.7. the Counter Indemnity Agreement;

1.1.20.8. the Guarantees;

1.1.20.9. each Security Document;

1.1.20.10. any other agreement and/or document designated as a "*Finance Document*" by Accelerate and the Debt Guarantor (acting on the instructions of the Finance Providers),

and a Finance Document means, as the context requires, any of them;

1.1.21. **Finance Providers** means:

1.1.21.1. the Permitted Term Facility Lenders;

1.1.21.2. the Trustee, acting for the benefit of the Senior Secured Noteholders;

1.1.21.3. the Permitted Hedging Counterparties; and

1.1.21.4. any other bank, financial institution, trust, fund or other entity which has acceded and becomes a party to the Enforcement Rights Agreement as a Finance Provider in accordance with Clause 21 (*Transfer, Cession and Assignment*) or Clause 22 (*New Finance Providers*) of the Enforcement Rights Agreement, each in their capacity as such and which in each case has not ceased to be such in accordance with the terms of Clause 21 (*Transfer, Cession and Assignment*) of the Enforcement Rights Agreement and Finance Provider means, as the context requires, any of them;

1.1.22. **FRB** means FirstRand Bank Limited, a registered bank and public company duly incorporated according to the banking and company laws of South Africa with registration number 1929/001225/06;

- 1.1.23. GMG means GMG Trust Company (SA) Proprietary Limited, a company duly incorporated according to the company laws of South Africa, with registration number 2006/013631/07;
- 1.1.24. Guarantees means:
  - 1.1.24.1. the Debt Guarantor Guarantees; and
  - 1.1.24.2. any Subsidiary Guarantees (if any),
 and Guarantee means, as the context requires, any of them;
- 1.1.25. Guaranteed Obligations means all present and future liabilities and obligations at any time which any Obligor owes to the Senior Secured Noteholders under the Finance Documents to which such Obligor is a party, both actual and contingent and whether incurred solely or jointly or in any other capacity and any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings;
- 1.1.26. Guarantor means any person that has:
  - 1.1.26.1. delivered a duly executed Accession Undertaking in its capacity as "Guarantor" as contemplated in Clause 23 (*Guarantor Accession*) of the Enforcement Rights Agreement;
  - 1.1.26.2. if applicable, delivered a duly executed accession undertaking (as defined in the Trust Deed) to the Trust Deed;
  - 1.1.26.3. if applicable, has issued a Subsidiary Guarantee in favour of the Trustee; and
  - 1.1.26.4. has delivered a duly executed accession undertaking (as defined in the Common Terms Agreement) to the Common Terms Agreement;
- 1.1.27. Intercreditor Agreement the intercreditor agreement concluded on or about 21 November 2013 between *inter alia*, the Facility Agent, the Debt Guarantor, the Term Facility Lenders and the Permitted Hedging Counterparties pursuant to which the parties regulate *inter alia* their relationship as creditors of the Obligors;
- 1.1.28. Investec means Investec Bank Limited, a public company and registered bank duly incorporated under the laws of South Africa with registration number 1969/004763/06;
- 1.1.29. Maitland means Maitland Group South Africa Limited, a public company duly incorporated according to the company laws of South Africa, with registration number 1981/009543/06;
- 1.1.30. Mortgage Bonds means each continuing covering mortgage bond in the agreed form registered or to be registered in favour of the Debt Guarantor over any immoveable property owned by an Obligor as required by the Finance Providers from time to time and forming part of the Transaction Security;

- 1.1.31. **Obligors** means Accelerate and each Guarantor, and **Obligor** means, as the context requires, any of them;
- 1.1.32. **Parties** means:
- 1.1.32.1. the Debt Guarantor;
- 1.1.32.2. the Trustee,
- and **Party** means, as the context requires, any one of them;
- 1.1.33. **Permitted Hedging Counterparties** means:
- 1.1.33.1. as at the Signature Date, RMB in its capacity as hedge provider; and
- 1.1.33.2. any other Person which has concluded or will conclude a Permitted Treasury Transaction with an Obligor pursuant to a Permitted Hedging Document and which becomes a party to the Enforcement Rights Agreement as a "*Permitted Hedging Counterparty*" in accordance with the terms of Clause 21 (*Transfer, Cession and Assignment*) or Clause 22 (*New Finance Providers*) of the Enforcement Rights Agreement, as applicable, which in each case has not ceased to be a party to the Enforcement Rights Agreement in accordance with the provisions of the Enforcement Rights Agreement,
- and **Permitted Hedging Counterparty** means as the context requires, any of them;
- 1.1.34. **Permitted Hedging Documents** means definitive hedging documentation (including any master agreement, confirmation, schedule or other agreement in agreed form) which is based on the 1992 or 2002 ISDA Master Agreement and Schedule and the 1995 Credit Support Annex (in each case published by the International Swaps and Derivatives Association, Inc.) and prohibits or excludes the netting-off or set-off provisions thereof, entered into or to be entered into by an Obligor and a Permitted Hedging Counterparty for the purpose of hedging the types of liabilities and/or risks in relation to the facilities provided under the Permitted Term Documents in accordance with the Hedging Policy (as defined in the Permitted Term Documents);
- 1.1.35. **Permitted Term Documents** means:
- 1.1.35.1. the Common Terms Agreement; and
- 1.1.35.2. the Finance Documents (as defined in the Common Terms Agreement);
- 1.1.36. **Permitted Term Facility Lenders** means the Lenders (as defined in the Common Terms Agreement);
- 1.1.37. **Person** shall be construed as a reference to any person, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing;
- 1.1.38. **Programme** means the Accelerate Property Fund Limited ZAR5,000,000,000 Domestic Medium Term Note Programme;

- 1.1.39. **Programme Memorandum** means the document so entitled in respect of the Programme pursuant to the which Accelerate (in its capacity as '*Issuer*') lists the Programme on the Interest Rate Market of the JSE Limited, provided that if Accelerate publishes a new Programme Memorandum or a supplement to the Programme Memorandum, as the case may be (as contemplated in the section of the Programme Memorandum headed "*Documents Incorporated by Reference*"), references to Programme Memorandum shall be construed as references to the new Programme Memorandum or the Programme Memorandum as supplemented, as the case may be;
- 1.1.40. **RMB** means FRB, acting through its Rand Merchant Bank division;
- 1.1.41. **Prime Rate** means the publicly quoted basic rate of interest (expressed as a nominal annual compounded monthly in arrear rate) levied by FRB from time to time, calculated daily on a 365 day year irrespective of whether the applicable year is a leap year, and proved, prima facie, in the event of dispute and in the absence of manifest error, by certificate under the hand of an employee of FRB, whose appointment and authority need not be proved;
- 1.1.42. **Security Documents** means:
- 1.1.42.1. the Cession in Security;
- 1.1.42.2. the Mortgage Bonds; and
- 1.1.42.3. any other agreement and/or document at any time designated as a "*Security Document*" by written agreement between Accelerate and the Debt Guarantor to that effect and which forms part of the Transaction Security,
- and Security Document shall mean, as the context requires, any of them;
- 1.1.43. **Senior Secured Noteholders** means the registered holders of the Senior Secured Notes as recorded in the Register (as such term is defined in the Programme Memorandum) and Senior Secured Noteholder means, as the context requires, any of them;
- 1.1.44. **Senior Secured Notes** means any senior secured registered notes issued by Accelerate from time to time in accordance with the terms and conditions set out in the Programme Memorandum and the Applicable Pricing Supplement (as defined in the Programme Memorandum) relating to those notes which benefit from the Debt Guarantee (Noteholders) and in respect of which the Trustee has become a party to the Enforcement Rights Agreement;
- 1.1.45. **Signature Date** means the date of the signature of the Party last signing this Agreement in time;
- 1.1.46. **South Africa** means the Republic of South Africa;
- 1.1.47. **Subsidiary Guarantees** means the guarantees issued or to be issued by a Guarantor in favour of the Trustee, in form and substance satisfactory to the Trustee and the Permitted Term Facility Lenders, for the benefit of the Senior Secured Noteholders, pursuant to

- which the Guarantor irrevocably guarantees the due and punctual payment by the Obligor of the Obligor's payment obligations in respect of the Senior Secured Notes;
- 1.1.48. Tax means any tax, levy, impost, duty or other charge or withholding of a similar nature (including, without limitation, any penalty or interest payable in connection with any failure to pay or delay in paying any of the same);
- 1.1.49. Terms and Conditions or Condition means the respective terms and conditions of the Senior Secured Notes;
- 1.1.50. Transaction Security means all rights, claims, indemnities and security interests conferred upon the Finance Providers (whether directly or indirectly through the Debt Guarantor) pursuant to the Security Documents;
- 1.1.51. Trust Deed means the trust deed concluded amongst the Trustee, Accelerate, the Guarantors and the Debt Guarantor and establishing the "*The Accelerate Senior Secured Notes Trust*";
- 1.1.52. Trustee means Maitland, in its capacity as initial trustee under the Trust Deed;
- 1.1.53. Unpaid Sum means any sum due and payable but unpaid by the Debt Guarantor under this Agreement;
- 1.1.54. VAT means value added tax levied in terms of the Value Added Tax Act, 1991; and
- 1.1.55. ZAR or Rand means the lawful currency of South Africa, being South African Rand, or any successor currency.
- 1.2. Interpretation
- 1.2.1. Any reference in this Agreement to:
- 1.2.1.1. an amendment includes a supplement, novation or re-enactment and amended is to be construed accordingly;
- 1.2.1.2. assets includes properties, revenues and rights of every description;
- 1.2.1.3. authority means any government or governmental, administrative, fiscal or judicial authority, body, court, department, commission, tribunal, registry or any stated owned or controlled authority which principally performs governmental functions;
- 1.2.1.4. a Clause shall, subject to any contrary indication, be construed as a reference to a clause hereof;
- 1.2.1.5. control means, in relation to any company or similar organisation or Person, the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
- 1.2.1.5.1. cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a general meeting of that Person;

- 1.2.1.5.2. appoint or remove all, or the majority, of the directors or other equivalent officers of that Person; or
- 1.2.1.5.3. give directions with respect to the operating and financial policies of that Person which the directors or other equivalent officers of that Person are obliged to comply with;
- 1.2.1.6. the words including and in particular are used by way of illustration or emphasis only and shall not be construed as, nor shall they take effect as, limiting the generality of any of the preceding words;
- 1.2.1.7. indebtedness shall be construed so as to include any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- 1.2.1.8. law shall be construed as any law (including statutory, common or customary law), statute, constitution, decree, judgment, treaty, regulation, directive, by-law, order, other legislative measure, directive, requirement of any government, supranational, local government, statutory or regulatory or self-regulatory or similar body or authority or court and the common law, as amended, replaced, re-enacted, restated or reinterpreted from time to time;
- 1.2.1.9. a month means a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day but one in the next calendar month, except that:
- 1.2.1.9.1. if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the directly preceding Business Day; and
- 1.2.1.9.2. if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month;
- 1.2.1.10. the words other and otherwise shall not be construed *eiusdem generis* with any foregoing words where a wider construction is possible;
- 1.2.1.11. a regulation means any regulation, rule, official directive of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- 1.2.1.12. security interest means any mortgage, pledge, lien, charge, assignment, cession, hypothecation or security interest or any other agreement or arrangement having the effect of conferring security; and
- 1.2.1.13. a Schedule shall, subject to any contrary indication, be construed as a reference to a Schedule hereof.



- 1.2.2. Unless inconsistent with the context or save where the contrary is expressly indicated in this Agreement:
- 1.2.2.1. if any provision in a definition is a substantive provision conferring rights or imposing obligations on any Party, notwithstanding that it appears only in an interpretation clause, effect shall be given to it as if it were a substantive provision of this Agreement;
- 1.2.2.2. when any number of days is prescribed in this Agreement, same shall be reckoned inclusively of the first and exclusively of the last day unless the last day falls on a day which is not a Business Day, in which case the last day shall be the next succeeding Business Day;
- 1.2.2.3. any reference in this Agreement to an enactment is to that enactment as at the Signature Date and as amended or re-enacted from time to time;
- 1.2.2.4. any reference in this Agreement or any other agreement or document shall be construed as a reference to this Agreement or, as the case may be, such other agreement or document as same may have been, or may from time to time be, amended, varied, novated or supplemented;
- 1.2.2.5. except as expressly provided for in this Agreement, no provision of this Agreement constitutes a stipulation for the benefit of any Person who is not a Party to this Agreement;
- 1.2.2.6. a reference to a Party includes that Party's lawful successors-in-title and permitted assigns; and
- 1.2.2.7. where any Party is required to provide any consent or approval or agree to the actions of any other Party, the request for such consent or approval or agreement shall be in writing and such consent or approval or agreement shall be in writing and shall not be unreasonably withheld or delayed.
- 1.2.3. The headings to the Clauses and Schedules of this Agreement are for reference purposes only and shall in no way govern nor affect the interpretation of nor modify nor amplify the terms of this Agreement nor any clause or Schedule thereof.
- 1.2.4. Unless inconsistent with the context, an expression in this Agreement which denotes:
- 1.2.4.1. any one gender includes the other genders;
- 1.2.4.2. a natural person includes an juristic person and *vice versa*; and
- 1.2.4.3. the singular includes the plural and *vice versa*.
- 1.2.5. The Schedules to this Agreement form an integral part thereof and words and expressions defined in this Agreement shall bear, unless the context otherwise requires, the same meaning in such Schedules. To the extent that there is any conflict between the Schedules to this Agreement and the provisions of this Agreement, the provisions of this Agreement shall prevail.

- 1.2.6. Where any term is defined within the context of any particular clause in this Agreement, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the same meaning as ascribed to it for all purposes in terms of this Agreement, notwithstanding that that term has not been defined in any interpretation clause.
- 1.2.7. The rule of construction, in the event of ambiguity, that the contract shall be interpreted against the Party responsible for the drafting thereof, shall not apply in the interpretation of this Agreement.
- 1.2.8. This Agreement shall to the extent permitted by applicable law be binding on and enforceable by the administrators, trustees, permitted assigns or liquidators of the Parties as fully and effectually as if they had signed this Agreement in the first instance and reference to any Party shall be deemed to include such Party's administrators, trustees, permitted assigns or liquidators, as the case may be.
- 1.2.9. The use of any expression in this Agreement covering a process available under South African law such as winding-up (without limitation *eiusdem generis*) shall, if any of the Parties to this Agreement is subject to the law of any other jurisdiction, be construed as including any equivalent or analogous proceedings under the law of such other jurisdiction.
- 1.2.10. Where figures are referred to in numerals and in words in this Agreement, if there is any conflict between the two, the words shall prevail.

## 2. INTRODUCTION

- 2.1. The Debt Guarantor has agreed to guarantee to the Trustee, for the benefit of the Senior Secured Noteholders, the due and full performance by the Obligors of the Guaranteed Obligations on the terms and conditions set out in this Agreement.
- 2.2. The Obligors have entered into the Counter Indemnity Agreement in favour of the Debt Guarantor and to provide or procure the provision of the Transaction Security as security for their obligations under and in terms of the Finance Documents to which they are a party.
- 2.3. The Debt Guarantor warrants that it knows and understands the terms and conditions of the Transaction Security and the Guaranteed Obligations and agrees to be bound by such terms and conditions.

## 3. GUARANTEE

### 3.1. Guarantee and Indemnity

With effect from the Signature Date, the Debt Guarantor hereby irrevocably and unconditionally:

- 3.1.1. guarantees to the Trustee the due and punctual performance by the Obligors of the Guaranteed Obligations;
- 3.1.2. undertakes with the Trustee that whenever any Obligor does not pay any amount or perform any obligation, as the case may be, when due and payable under or in

connection with the Guaranteed Obligations, the Debt Guarantor shall immediately on demand pay that amount or perform that obligation, as the case may be, as if it was the principal obligor; and

- 3.1.3. agrees with the Trustee that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify the Trustee immediately on demand against any cost, loss or liability it incurs as a result of any Obligor not paying any amount or performing any obligation, as the case may be, which would, but for such unenforceability, invalidity or illegality, have been payable by or due for performance by, as the case may be, it under the Guaranteed Obligations on the date when it would have been due for payment or performance, as the case may be. The amount payable by the Debt Guarantor under this indemnity will not exceed the amount it would have had to pay under this Agreement if the amount claimed had been recoverable on the basis of a guarantee.

**3.2. Ultimate Balance**

This Guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by the Obligors under the Guaranteed Obligations, regardless of any intermediate payment or discharge in whole or in part of the Guaranteed Obligations.

**3.3. Reinstatement**

- 3.3.1. If any payment by the Obligors or any discharge, release or arrangement given by the Trustee (whether in respect of the obligations of the Obligors or any security for those obligations or otherwise) is avoided or reduced for any reason (including, without limitation, as a result of insolvency, business rescue proceedings, liquidation, winding-up or otherwise):

- 3.3.1.1. the liability of the Obligors shall continue as if the payment, discharge, avoidance or reduction had not occurred;

- 3.3.1.2. the Trustee shall be entitled to recover the value or amount of that security or payment from the Obligors, as if the payment, discharge, avoidance or reduction had not occurred; and

- 3.3.1.3. the Trustee shall be entitled to concede or compromise any claim that any such payment, security or other disposition is liable to avoidance or repayment.

**3.4. Waiver of Defences**

The obligations of the Debt Guarantor under this Agreement in respect of the Guaranteed Obligations will not be affected by an act, omission, matter or thing which, but for this Clause 3.4, would reduce, release or prejudice any of its obligations under this Agreement (without limitation and whether or not known to it or the Trustee) including, without limitation:

- 3.4.1. any time, waiver or consent granted to, or composition with, the Obligors or any other person;

- 3.4.2. the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor of such Obligor or such other person;
- 3.4.3. the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, execute, take up or enforce, any rights against, or security over assets of, any Obligor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 3.4.4. any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- 3.4.5. any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of the Finance Documents or any other document or security;
- 3.4.6. any unenforceability, illegality, invalidity, suspension or cancellation of any obligation of any person under this Agreement or any other Finance Document or any other document or security;
- 3.4.7. any insolvency, liquidation, winding-up, business rescue or similar proceedings; or
- 3.4.8. this Agreement or any other Finance Document not being executed by or binding against any other guarantor or any other party.

**3.5. Immediate Recourse**

The Debt Guarantor waives any right it may have of first requiring the Trustee to proceed against or enforce any other rights or security or claim payment from any Person before claiming from the Debt Guarantor under this Agreement. This waiver applies irrespective of any law or any provision of the Agreement or the Finance Documents to the contrary.

**3.6. Appropriations**

Until all amounts which may be or become payable by the Obligors under or in connection with the Guaranteed Obligations have been irrevocably paid in full, the Trustee (or the Enforcement Agent or any other trustee or agent on their behalf) may:

- 3.6.1. refrain from applying or enforcing any other moneys, security or rights held or received by the Trustee (or the Enforcement Agent or any other trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as they see fit (whether against those amounts or otherwise) and the Debt Guarantor shall not be entitled to the benefit of the same; and
- 3.6.2. hold in an interest-bearing suspense account any moneys received from the Debt Guarantor (in its capacity as such) or on account of the Debt Guarantor's liability under this Agreement.

**3.7. Additional Security**

This Guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by the Trustee. The rights of the Trustee hereunder are in addition to and not exclusive of those provided by law.

**3.8. Maximum Liability**

Notwithstanding anything to the contrary contained herein or in any other Finance Document, the maximum amount receivable from the Debt Guarantor hereunder shall be limited to the net proceeds of recovery on enforcement by the Debt Guarantor of its rights and remedies against each of the Obligors, jointly and severally, under the Counter Indemnity Agreement and the Transaction Security, save that the Debt Guarantor's liability hereunder shall never exceed the Guaranteed Obligations.

**4. PAYMENT MECHANICS**

4.1. All payments to be made by the Debt Guarantor in terms of this Agreement shall be in accordance with the provisions of the Enforcement Rights Agreement and shall be:

4.1.1. made in Rand at or before 12h00 on the due date for payment in immediately available funds free of set-off, taxes, exchange, costs, charges, expenses or any other deductions;

4.1.2. in the event of any payment not being made in full on its due date, such payment shall be appropriated in such manner as the Trustee deems fit in its sole discretion, which appropriation will override any appropriation made by the Debt Guarantor.

4.2. The Debt Guarantor shall not have the right to defer, adjust or withhold any payment due to the Trustee in terms of or arising out of this Agreement or to obtain deferment of judgement for such amount or any execution of such judgement by reason of any set-off or counterclaim due to any other contractual or delictual claims or causes of whatsoever nature or howsoever arising.

4.3. Any payment which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not). In the event that the day for performance of any obligation to be performed in terms of this Agreement (other than a payment obligation) should fall on a day which is not a Business Day, the relevant day for performance shall be the succeeding Business Day.

**5. REPRESENTATIONS AND WARRANTIES**

The Debt Guarantor makes the representations and warranties set out in this Clause 5 to the Trustee.

**5.1. Matters Represented**

5.1.1. The Debt Guarantor is a limited liability company, duly incorporated in accordance with the laws of South Africa.

- 5.1.2. The Debt Guarantor has the corporate power to enter into and perform this Agreement and the transactions contemplated hereby and has taken all necessary corporate action to authorise the entry into and performance of this Agreement and the transactions contemplated hereby in accordance with its terms.
- 5.1.3. This Agreement constitutes legal, valid and binding obligations on it in accordance with its terms.
- 5.1.4. The entry into and performance by the Debt Guarantor of this Agreement and the transactions contemplated hereby do not:
  - 5.1.4.1. conflict with any law or regulation or any official or judicial order;
  - 5.1.4.2. conflict with its Constitutional Documents;
  - 5.1.4.3. conflict with any agreement or document to which it is a party or which is binding upon it or any of its assets; or
  - 5.1.4.4. result in the creation or imposition of (or enforceability of) any encumbrance on any of its assets or the provisions of any agreement or document.
- 5.1.5. All authorisations, approvals, consents, licences, exemptions, filings, regulations, notarisations and other matters, official or otherwise, required in connection with the entry into and performance by the Debt Guarantor and the validity and enforceability against it of this Agreement have been obtained or effected (or, in the case of registrations, will be so effected within any applicable required period) and, if obtained and effected, are in full force and effect and all fees (if any) payable in connection therewith, if due, have been paid and there has been no default in the performance of any of the terms or conditions thereof which is material to the effectiveness of any of the foregoing.

## 5.2. Repetition

The representations and warranties set out in Clause 5.1 (*Matters Represented*) shall survive the execution of this Agreement and shall be deemed to be repeated by the Debt Guarantor in favour of the Trustee on each day prior to the Discharge Date in full, in each case with reference to the facts and circumstances then subsisting as if made at each such time.

## 6. DURATION

The representations and warranties in Clause 5 (*Representations and Warranties*) and the undertakings in Clause 7 (*Undertakings by the Debt Guarantor*) shall come into force on the Signature Date and shall continue in force until the Discharge Date.

7. UNDERTAKINGS BY THE DEBT GUARANTOR

- 7.1. The Debt Guarantor will from time to time during the currency of this Agreement promptly furnish the Trustee with such information concerning the financial affairs of the Debt Guarantor as the Trustee may reasonably require.
- 7.2. The Debt Guarantor will obtain and promptly renew from time to time, and will promptly furnish certified copies to the Trustee of all such authorisations, approvals, consents, licences and exemptions as may be required under any applicable law or regulation to enable it to perform its obligations under this Agreement or required for the validity or enforceability thereof and the Debt Guarantor shall comply with the terms of the same.

8. RENUNCIATION OF BENEFITS

The Debt Guarantor renounces, to the extent permitted under applicable law, the benefits of each of the legal exceptions of excussion, division, revision of accounts, no value received, *errore calculi, non causa debiti, non numeratae pecuniae* and cession of actions, and declares that it understands the meaning of each such legal exception and the effect of such renunciation.

9. CERTIFICATES

A certificate signed by any director or manager of the Trustee (whose appointment need not be proved) as to the existence of and the amount of indebtedness by the Debt Guarantor or any Obligor, as the case may be, to the Trustee, that such amount is due and payable, the amount of interest accrued thereon and as to any other fact, matter or thing related to the Debt Guarantor's or that Obligor's, as the case may be, indebtedness to the Trustee under this Agreement or the Guaranteed Obligations, as the case may be, shall be *prima facie* proof of the contents and correctness thereof for the purposes of provisional sentence, summary judgment or any other proceedings, shall be valid as a liquid document for such purpose and shall, in addition, be *prima facie* proof for purposes of pleading or trial in any action instituted by the Debt Guarantor arising herefrom.

10. SPLITTING OF CLAIMS

To the extent that a splitting of claims arises as a result of the provisions of this Guarantee, the Debt Guarantor hereby consents to such splitting of claims.

11. REMEDIES CUMULATIVE

- 11.1. The rights of the Trustee under this Agreement:
- 11.1.1. may be exercised as often as necessary;
- 11.1.2. are cumulative and not exclusive of their rights under general law, and
- 11.1.3. may be waived only in writing and specifically.
- 11.2. Delay in exercising or non-exercise of any such rights is not a waiver of those rights.

**12. CONFIRMATION AND UNDERTAKING**

- 12.1. This Guarantee will be deposited with, and be held by, the Trustee until the date on which all of the obligations of the Issuer and the Debt Guarantor under or in respect of the Senior Secured Notes have been discharged in full.
- 12.2. The Debt Guarantor acknowledges and agrees that each Senior Secured Noteholder shall be entitled to require the Trustee to produce the original of this Guarantee on request and further shall be entitled to require the Trustee, which shall be obliged, to provide a copy of this Guarantee to that Senior Secured Noteholder on request. In holding the Guarantee, the Trustee shall not act in any fiduciary or similar capacity for the Senior Secured Noteholders and shall not accept any liability, duty or responsibility to Senior Secured Noteholders in this regard.

**13. NOTICES AND DOMICILIA**

**13.1. Communications in Writing**

Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by fax, email or letter.

**13.2. Addresses**

The address, email address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Agreement is:

**13.2.1. in the case of the Debt Guarantor:**

1<sup>st</sup> Floor  
32 Fricker Road  
Illovo  
2196

Email: david.towers@maitlandgroup.com  
Telefax No.: (011) 530 8410  
Attention: David Towers

**13.2.2. in the case of the Trustee:**

1<sup>st</sup> Floor  
32 Fricker Road  
Illovo  
2196

Email: david.towers@maitlandgroup.com  
Telefax No.: (011) 530 8410  
Attention: David Towers

or any substitute address or fax number or department or officer as a Party may notify to the other Parties by not less than 5 (five) Business Days' written notice.



13.3. **Domicilia**

- 13.3.1. Each of the Parties chooses its physical address provided under or in connection with Clause 13.2 (*Addresses*) as its *domicilium citandi et executandi* at which documents in legal proceedings in connection with this Agreement may be served.
- 13.3.2. Any Party may by written notice to the other Parties change its *domicilium* from time to time to another address, not being a post office box or a *poste restante*, in South Africa, provided that any such change shall only be effective on the 14<sup>th</sup> (fourteenth) day after deemed receipt of the notice by the other Parties pursuant to Clause 13.4 (*Delivery*).

13.4. **Delivery**

- 13.4.1. Any communication or document made or delivered by one person to another under or in connection with this Agreement will:
- 13.4.1.1. if by way of fax, be deemed to have been received on the 1<sup>st</sup> (first) Business Day following the date of transmission provided that the fax is received in legible form;
- 13.4.1.2. if delivered by email, be deemed to have been received at the time of receiving a delivery notice;
- 13.4.1.3. if delivered by hand, be deemed to have been received at the time of delivery; and
- 13.4.1.4. if by way of courier service, be deemed to have been received on the 7<sup>th</sup> (seventh) Business Day following the date of such sending,

and provided, if a particular department or officer is specified as part of its address details provided under Clause 13.2 (*Addresses*), if such communication or document is addressed to that department or officer, unless the contrary is proved.

- 13.4.2. Any communication or document to be made or delivered to the Trustee will be effective only when actually received by the Trustee and then only if it is expressly marked for the attention of the department or officer specified as part of its address details provided under Clause 13.2 (*Addresses*) (or any substitute department or officer as the Trustee shall specify for this purpose).
- 13.4.3. Notwithstanding anything to the contrary herein contained, a written notice or communication actually received by a Party shall be an adequate written notice or communication to it, notwithstanding that it was not sent to or delivered at its chosen address, email address and/or telefax number.

13.5. **English Language**

Any notice or other document given under or in connection with this Agreement must be in English.

14. **SOLE AGREEMENT**

The Agreement constitutes the sole record of the agreement between the Parties in regard to the subject matter thereof.

15. NO IMPLIED TERMS

No Party shall be bound by any express or implied term, representation, warranty, promise or the like, not recorded in this Agreement.

16. AMENDMENTS AND WAIVERS

16.1. No variation, amendment or consensual cancellation of this Agreement and no extension of time, waiver or relaxation or suspension of any of the provisions or terms of this Agreement shall be of any force or effect unless effected in accordance with the provisions of this Clause 16 (*Amendments and Waivers*).

16.2. Any term of this Agreement may be varied or amended and any extension of time, waiver or relaxation or suspension of any of the provisions or terms of this Agreement may be granted, in each case, only with the consent of all the Parties and any such variation, amendment, waiver, extension of time, relaxation or suspension will be binding on all Parties.

16.3. No variation, amendment or consensual cancellation of this Agreement contemplated by this Clause 16 (*Amendments and Waivers*) shall be of any force or effect unless in writing and signed by or on behalf of the relevant Parties.

16.4. No oral *pactum de non petendo* shall be of any force or effect.

17. EXTENSIONS AND WAIVERS

No latitude, extension of time or other indulgence which may be given or allowed by any Party to any other Party in respect of the performance of any obligation hereunder or enforcement of any right arising from this Agreement and no single or partial exercise of any right by any Party shall under any circumstances be construed to be an implied consent by such Party or operate as a waiver or a novation of, or otherwise affect any of that Party's rights in terms of or arising from this Agreement or estop such Party from enforcing, at any time and without notice, strict and punctual compliance with each and every provision or term of this Agreement.

18. FURTHER ASSURANCES

The Parties undertake at all times to do all such things, to perform all such acts and to take all such steps and to procure the doing of all such things, the performance of all such actions and the taking of all such steps as may be open to them and necessary for the putting into effect or maintenance of the terms, conditions and import of this Agreement.

19. INDEPENDENT ADVICE

Each of the Parties acknowledges that they have been free to secure independent legal and other advice as to the nature and effect of all of the provisions of this Agreement and that they have either taken such independent legal and other advice or dispensed with the necessity of doing so. Further, each of the Parties acknowledges that all of the provisions of this Agreement and the restrictions therein contained are fair and reasonable in all the circumstances and are part of the overall intention of the Parties in connection with this Agreement.

20. COUNTERPARTS

This Agreement may be executed in any number of counterparts and by different parties thereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same Agreement.

21. WAIVER OF IMMUNITY

The Debt Guarantor irrevocably and unconditionally waives any right it may have to claim for itself or any of its assets immunity from suit, execution, attachment or other legal process.

22. GOVERNING LAW

This Agreement and any non-contractual obligations arising out of or in connection with it is governed by South African law.

23. JURISDICTION

23.1. The Debt Guarantor hereby irrevocably and unconditionally consents and submits to the jurisdiction of the Gauteng Local Division, Johannesburg, South Africa (or any successor to that division) in regard to all matters arising from this Agreement (including a dispute relating to the existence, validity or termination of this Agreement, any Guaranteed Obligation or any non-contractual obligation arising out of or in connection with this Agreement or any Guaranteed Obligation) (a Dispute).

23.2. The Debt Guarantor agrees that the Gauteng Local Division, Johannesburg, South Africa (or any successor to that division) is the most appropriate and convenient court to settle Disputes and accordingly:

23.2.1. it will not argue to the contrary;

23.2.2. it hereby waives any objection to the jurisdiction of that court on the grounds of venue or *forum non conveniens* or any similar grounds; and

23.2.3. it consents to service of process in any manner permitted by applicable law.

23.3. This Clause 22 is for the benefit of the Trustee only. As a result, the Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction as they see fit. To the extent allowed by law, the Trustee may take concurrent proceedings in any number of jurisdictions.

24. SEVERABILITY

Each provision in this Agreement is severable from all others, notwithstanding the manner in which they may be linked together or grouped grammatically, and if in terms of any judgment or order, any provision, phrase, sentence, paragraph or clause is found to be defective or unenforceable for any reason, the remaining provisions, phrases, sentences, paragraphs and clauses shall nevertheless continue to be of full force. In particular, and without limiting the generality of the foregoing, the Parties acknowledge their intention to continue to be bound by this Agreement notwithstanding that any provision may be found to be unenforceable or void

or voidable, in which event the provision concerned shall be severed from the other provisions, each of which shall continue to be of full force.

25. COSTS

The Debt Guarantor shall on demand pay to, or at the direction of, the Permitted Trustee all costs and expenses (including legal and out-of-pocket expenses on the attorney and own client scale), charges and disbursements and fees of a like nature, including all Taxes, incurred by the Trustee (whether before or after judgement) in preserving, enforcing or defending, or attempting to preserve, enforce or defend, any of its rights under this Agreement or the Security Documents or any related documents.

- SIGNATURE PAGES FOLLOW -

SIGNED at Filavo on this the 25 day of September 2014.

For and on behalf of  
ACCELERATE SECURITY SPV (RF)  
PROPRIETARY LIMITED)

bvs

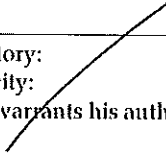
  
Signatory: Ew van Staden  
Capacity: Director  
Who warrants his authority hereto

We, the undersigned, Maitland Group South Africa Limited, in our capacity as Trustee for the time being of the Accelerate Senior Secured Notes Trust, hereby accept all benefits conferred on the Trustee for the time being of the Accelerate Senior Secured Notes Trust the under this Agreement.

SIGNED at Flovo on this the 25 day of September 2014

For and on behalf of  
MAITLAND GROUP SOUTH AFRICA  
LIMITED (in our capacity as TRUSTEE FOR  
THE TIME BEING OF THE ACCELERATE  
SENIOR SECURED NOTES TRUST)

DT   
Signatory: DP Towers  
Capacity: Authorised signatory  
Who warrants his authority hereto

  
Signatory:  
Capacity:  
Who warrants his authority hereto

**APPENDIX "D"**  
**ADDITIONAL DOCUMENTS INCORPORATED BY REFERENCE**

*Capitalised terms used in this section headed "Additional Documents Incorporated by Reference" shall bear the same meanings as used in the Terms and Conditions and this Applicable Pricing Supplement, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.*

- 1 In addition to the documents incorporated by reference into the Programme Memorandum (see section of the Programme Memorandum headed "*Documents Incorporated by Reference*"):
  - 1.1 the Debt Guarantee dated 25 September 2014 executed by the Debt Guarantor in favour of the Trustee for the benefit of the Senior Secured Noteholders,
  - 1.2 the Cession in Security Agreement dated 20 November 2013 concluded between the Issuer and the Debt Guarantor,
  - 1.3 the Counter Indemnity Agreement dated 20 November 2013 concluded between the Issuer and the Debt Guarantor,
  - 1.4 the Notes Trust Deed of the Accelerate Senior Secured Notes Trust dated 11 September 2014, and
  - 1.5 the Enforcement Rights Agreement dated 20 November 2013 concluded between permitted term facility lender, facility agent, permitted hedging counterparty, enforcement agent, Issuer and Debt Guarantor,

shall be deemed to be incorporated in, and form part of, this Applicable Pricing Supplement. A copy of the Debt Guarantee will also be available on the Issuer's website at <http://acceleratepf.co.za/investor-centre/capital-markets/>.

- 2 The Issuer will, for as long as any of the Senior Secured Notes remains outstanding, provide at the registered office of the Issuer as set out at the end of the Programme Memorandum, without charge, to any person, upon request of such person, a copy of all of the documents referred to in paragraph 1 above, which are incorporated herein by reference, unless such documents have been modified or superseded, in which case the modified or superseding documentation will be provided. Requests for such documents should be directed to the chief financial officer of the Issuer in writing at the Issuer's registered office as set out at the end of the Programme Memorandum. In addition, the constitutive documents of the Debt Guarantor will be available at the registered office of the Issuer as set out at the end of the Programme Memorandum upon written request addressed to the company secretary of the Issuer.

**APPENDIX "E"**  
**DESCRIPTION OF GURANTORS AND THE TRUSTEE**

**Under Noteholder Debt Guarantee**

**1 Accelerate Security SPV (RF) Proprietary Limited**

- 1.1 Registration Number: 2011/100034/07
- 1.2 Registered Address: 18 Fricker Road, Illovo, Gauteng, 2196
- 1.3 Director(s): Jesse Martin Leon Carberry  
Brendan Harmse (Alternate Director)
- 1.4 Business Description: Issues guarantees to certain creditors of Accelerate Property Fund Limited, guaranteeing payment to such creditors in respect of their claims against Accelerate Property Fund Limited.

**2 Litigation Statement**

The Debt Guarantor has not been involved in any legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Debt Guarantor is aware), within at least the previous 12 months, the results of which might have or have had a material effect on the financial position of the Debt Guarantor.

**The Trustee**

**1 The Accelerate Senior Secured Notes Trust**

- 1.1 Trust Number: IT 21900/2014
- 1.2 Trustee: Maitland Group South Africa Limited, with Registration Number: 1981/009543/06, represented by David Peter Towers
- 1.3 Registered Address of Trustee: 1st Floor, 32 Fricker Road, Illovo, Gauteng, 2196
- 1.4 Main responsibilities of Trustee: (i) The trustee shall have the power to appoint as custodian, on any terms, any bank or entity whose business includes the safe custody of documents or any lawyer or firm of lawyers believed by it to be of good repute; (ii) the Trustee may appoint any person to act as its nominee on any terms, subject to prior written notification thereof to the Issuer; and (iii) the Trustee shall have the power to demand, claim, sue for and recover from the Issuer any moneys, costs, charges or expenses paid or incurred by it in the execution of any of the trusts, powers and provisions of the deed.



- 1.5 Cessation of office of the Trustee: any trustee shall cease to hold office if: (i) it shall have resigned by at least 3 (three) months' written notice to the Issuer; or (ii) he, being an attorney or an auditor, shall cease to be entitled to carry on practice as such; or (iii) he, being a natural person, shall cease for any reason to be qualified for appointment as a director of a company; or (iv) it, being a corporation, shall be placed in liquidation or under business rescue, whether provisionally or finally; or (v) it becomes disentitled in law to hold the office of Trustee (including, but not limited to, failing to satisfy the requirements of section 43(5) of the Companies Act, 2008); or (vi) it shall be removed from office by an Extraordinary Resolution of the Secured Noteholders.