

**THE STANDARD BANK OF SOUTH AFRICA LIMITED**  
(Incorporated with limited liability in South Africa)  
(“the Issuer”)

**Issue of CLN000168 - ZAR6,000,000 CONSOL GLASS (PROPRIETARY) LIMITED Listed Notes**  
**due 15 April 2014**

**Under its ZAR40,000,000,000 Credit-Linked Note Programme**

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. The Notes described in this Pricing Supplement are subject to the terms and conditions set out in this Pricing Supplement read together with the General Terms and Conditions of the Notes set forth in the Programme Memorandum dated 30 November 2001 relating to the Issuer's Credit-linked Note Programme (the “Programme Memorandum”). On 15 August 2006 the aggregate nominal amount of the Programme was increased to ZAR20,000,000,000 and on 25 February 2008 the aggregate nominal amount of the Programme was increased to ZAR40,000,000,000. Unless inconsistent with the context, terms used but not defined in this Pricing Supplement shall have the meanings assigned to them in the Programme Memorandum. This Pricing Supplement must be read in conjunction with such Programme Memorandum. To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the Programme Memorandum, the provisions of this Pricing Supplement shall prevail.

This Pricing Supplement supersedes any previous Pricing Supplement confirmation or other communication with respect to the Tranche of Notes described below and evidences a complete and binding agreement between you and us as to the terms of such Tranche of Notes.

**1. DESCRIPTION OF THE NOTES**

CLN000168 – 1010508

1.1.	Issuer:	The Standard Bank of South Africa Limited
1.2.	Series Number:	24
1.3.	Tranche Number:	5
1.4.	Aggregate Principal Amount of this Tranche:	ZAR6,000,000
1.5.	Interest/Payment Basis:	Floating Rate Notes
1.6.	Automatic/Optional Conversion from one Interest/Payment Basis to another:	Not Applicable
1.7.	Issue Date:	30 September 2010
1.8.	Denomination:	ZAR1,000,000
1.9.	Issue Price/Yield:	100%
1.10.	Interest Commencement Date:	Issue Date
1.11.	Scheduled Redemption Date:	15 April 2014
1.12.	Scheduled Redemption Amount:	The Aggregate Principal Amount of this Tranche less any portion of the Aggregate Principal Amount of this Tranche that has been repaid by the Issuer prior to the Scheduled Redemption Date in accordance with paragraph 3.8.2 below.
1.13.	Currency of Issue:	ZAR
1.14.	Calculation Agent:	The Standard Bank of South Africa Limited

- 1.15. Transfer Secretary: The Standard Bank of South Africa Limited
- 1.16. Business Day: Johannesburg
- 1.17. Business Day Convention: Preceding
- 1.18. Day Count Fraction: Actual/365 (Fixed)
- 1.19. Books Closed Period(s): Each of 19 October 2010, 21 January 2011, 9 April 2011, 19 July 2011, 21 October 2011, 21 January 2012, 20 April 2012, 21 July 2012, 21 October 2012, 21 January 2013, 20 April 2013, 21 July 2013, 21 October 2013, 21 January 2014 and 5 April 2014 to the immediate following applicable Interest Payment Date thereafter
- 1.20. Last Day to Register: Each of 18 October 2010, 20 January 2011, 8 April 2011, 18 July 2011, 20 October 2011, 20 January 2012, 19 April 2012, 20 July 2012, 18 October 2012, 20 January 2013, 19 April 2013, 18 July 2013, 20 October 2013, 20 January 2014 and 4 April 2014
- 1.21. Payment Day (if not as specified in the General Terms and Conditions of the Notes): Not Applicable
- 1.22. Default Rate: Prime Rate on the Default Date
- 1.23. Rate of Interest and manner in which the Rate of Interest is to be determined: ISDA Determination.
- 1.24. Margin: + 7,25%, to be added to the relevant ISDA Rate; provided that if the "Spread" as defined in the Confirmation is increased the Margin under this Pricing Supplement shall be increased by a corresponding number of basis points
- 1.25. If ISDA Determination:  
Floating Rate Option: ZAR-JIBAR-SAFEX  
Designated Maturity: 3 (three) Months  
Reset Date(s): The first day of each Interest Period
- 1.26. If Screen Rate Determination: Not Applicable
- 1.27. If the Rate of Interest is to be calculated otherwise than indicated above, insert basis for determining the Rate of Interest: Not Applicable
- 1.28. If different from the Calculation Agent, agent responsible for calculating amount of principal and interest: Not Applicable
- 1.29. Interest Payment Date(s): 29 October 2010, 31 January 2011, 19 April 2011, 29 July 2011, 31 October 2011, 31 January 2012, 30 April 2012, 31 July 2012, 31 October 2012, 31 January 2013, 30 April 2013, 31 July 2013, 31 October 2013, 31 January 2014 and the Scheduled Redemption Date.
- 1.30. Interest Period(s): Each period from, and including, one Interest Payment Date to, but excluding, the next following Interest Payment Date; except that (a) the initial Interest Period will commence on,

and include, the Issue Date, and (b) the final Interest Period will end on, but exclude, the Scheduled Redemption Date.

- 1.31. Minimum Rate of Interest (if any):
- 1.32. Maximum Rate of Interest (if any):
- 1.33. ISDA Definitions:
- 1.34. Other terms relating to the method of calculating interest (if any):

Not Applicable

Not Applicable

2006 ISDA Definitions

Payments of Interest Amounts subject to receipt by Issuer of payment of Floating Amounts

- (a) Subject to paragraphs (b) and (c) below, the obligation of the Issuer to pay each Interest Amount payable by the Issuer under the Notes on each Interest Payment Date is subject to the Issuer actually receiving payment in full from the Reference Entity on the corresponding Floating Amount Payment Date of the Floating Amount due to be paid by the Reference Entity under the Confirmation on that corresponding Floating Amount Payment Date.
- (b) If the Reference Entity fails to pay the Floating Amount due and payable on any Floating Amount Payment Date in respect of the Period End Date corresponding with an Interest Payment Date (each, a "Relevant Floating Amount") in full on that Floating Amount Payment Date but pays such Floating Amount in part (each, a "Partial Floating Payment"), the Issuer shall pay to the Noteholders on the relevant Interest Payment Date such portion of the Interest Amount that would otherwise have been due and payable on that Interest Payment Date (the "Relevant Interest Amount") as is equal to the Partial Interest Percentage of the Interest Amount in partial payment of the Relevant Interest Amount (and any balance of the Relevant Interest Amount that remains unpaid after such partial payment is an "Unpaid Interest Amount").
- (c) In the event that any balance of a Relevant Floating Amount outstanding under the Reference Obligation is paid by the Reference Entity after the relevant Interest Payment Date, the Issuer shall pay to the Noteholders, within 2 (two) Business Days of receipt by the Issuer of any portion of such balance, such portion of the Unpaid Interest Amount as is equal to the Partial Interest Percentage of the Relevant Interest Amount in partial payment of such Unpaid Interest Amount, plus interest on such portion of the Unpaid Interest Amount so paid calculated at the Reference Obligation Default Rate from (and including) the relevant Interest Payment Date to (but excluding) the actual date of payment ("Arrear Reference Interest"); provided that the obligation of the Issuer to pay the Arrear Reference Interest or any portion thereof is subject to receipt by

the Issuer from the Reference Entity of payment of an equivalent amount under the Reference Obligation.

- (d) The provisions of this paragraph 1.34 apply only to partial interest payments prior to the occurrence of an Event Determination Date.

## 2. REDEMPTION:

### 2.1. Redemption at Maturity:

The Scheduled Redemption Amount.

### 2.2. Redemption following the occurrence of an Early Redemption Event:

#### 2.2.1. Reference Entity:

Consol Glass (Proprietary) Limited (Registration No. 2006/034503/07)

#### 2.2.2. Reference Obligation(s):

The obligation(s) identified as follows:

The obligations of the Reference Entity under the Transactions

#### 2.2.3. Reference Price:

The Scheduled Redemption Amount as it bears to the Notional Amount at any point in time, expressed as a percentage, being 0.43% as at the Issue Date.

#### 2.2.4. Conditions to Payment:

Credit Event Notice: Applicable

Notifying Party: Issuer

Notice of Publicly Available Information: Applicable  
Specified Number of Public Sources: 1,

provided that a certificate signed by a director, manager or other authorised officer of the Issuer stating that a Credit Event has occurred in relation to the Reference Entity will be adequate proof of the occurrence of a Credit Event, provided further that such certificate is accompanied by evidence that reasonably confirms that such Credit Event has occurred.

#### 2.2.5. Credit Events:

The following Credit Events shall apply:

Bankruptcy

Failure to Pay

Grace Period Extension: Applicable

Grace Period: 1 Business Day

Payment Requirement: ZAR1.00 (One Rand)

Obligation Default

Obligation Acceleration

Repudiation/Moratorium

Restructuring: Applicable in respect of the Reference Obligation only

Default Requirement: ZAR1.00 (One Rand)

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a

# Default Event

2.2.6. Obligation(s):

<i>Obligation Category (Select only one)</i>	<i>Obligation Characteristics (Select all that apply)</i>
<input type="checkbox"/> Payment	<input type="checkbox"/> Pari Passu Ranking
<input type="checkbox"/> Borrowed money	<input type="checkbox"/> Specified Currency
<input checked="" type="checkbox"/> Reference Obligations Only	<input type="checkbox"/> Not Sovereign Lender
<input type="checkbox"/> Bond	<input type="checkbox"/> Not Domestic Currency
<input type="checkbox"/> Loan	<input type="checkbox"/> Not Domestic Law
<input type="checkbox"/> Bond or Loan	<input type="checkbox"/> Listed
	<input type="checkbox"/> Not Contingent
	<input type="checkbox"/> Not Domestic Issuance

2.2.7. Excluded Obligations (if any):

None

2.2.8. Settlement Method:

Cash Settlement

2.2.9. Terms Relating to Physical Settlement (if applicable):

Not Applicable

2.2.9 Terms Relating to Cash Settlement (if applicable):

Applicable

2.2.10.1 Settlement Currency:

ZAR

2.2.10.2 Cash Settlement Date:

5 (five) Business Days following the date on which the Issuer receives the Recovery Amount in respect of the Reference Obligation

2.2.10.3 Cash Settlement Amount:

The Cash Settlement Amount payable in respect of each Note shall be the Reference Price of each Recovery Amount (together with any amounts received in respect of interest thereon) as determined by the Calculation Agent (rounded down to the nearest cent), provided that the Cash Settlement Amount shall never be less than R0 (Zero Rand) and the aggregate of all Cash Settlement Amounts shall never exceed the Reference Price of the aggregate amount payable by the Reference Entity in respect of the Reference Obligation.

2.2.10 Terms relating to settlement following a Restructuring Credit Event:

Not Applicable

2.2.11 Other terms relating to Cash Settlement:

In the event that as at the Event Determination Date or at any time thereafter the Reference Entity is a party to any other Treasury Transaction(s) with the Issuer (each, an "Additional Treasury Transaction") under one or more master agreements between the Reference Entity and the Issuer; and  
(a) to the extent the provisions of section 35B of the

Insolvency Act are applied to the Reference Obligations;  
and

- (b) the Issuer's net claim against the Reference Entity and/or the Security SPV, as the case may be, as a consequence of such application of section 35B of the Insolvency Act is less than it would have been had the Issuer only entered into the Reference Obligation with the Reference Entity; and
- (c) the Issuer and the Noteholder have consulted with each other for a period of 14 (fourteen) days in order to reach agreement on the manner in which the Cash Settlement Amount should be determined (including the apportionment of any benefit obtained by the Issuer as a consequence of the netting arising pursuant to the operation of section 35B of the Insolvency Act, 1936 (and failing such agreement on such apportionment, the Noteholder's apportionment of such benefit shall be the proportion which the Scheduled Redemption Amount bears to the Notional Amount of 50% of such benefit)), and have failed to reach agreement as to such manner of application within such 14 (fourteen) day period;

then the Cash Settlement Amount shall be the Reference Price of the amount that would have been payable to the Issuer by the Reference Entity and/or the Security SPV, as the case may be, if (a) the sole claim of the Issuer against the Reference Entity was a claim in respect of the Reference Obligation which is guaranteed by the Security SPV, on a *pari passu* basis with the Euro Notes, in accordance with the terms of the Counter Indemnity Agreement and (b) an unrelated third party had entered into the Additional Treasury Transactions with the Reference Entity, together with, if applicable, the Noteholder's portion of any benefit determined in accordance with paragraph (c) above.

If this paragraph 2.2.12 applies, the Cash Settlement Date shall be

- (i) if the net amount owing between the Issuer and Reference Entity is an amount owing by the Reference Entity to the Issuer, 5 (five) Business Days after the date on which the Issuer receives the full Recovery Amount (from the Reference Entity, liquidator of the Reference Entity or the Security SPV); or
- (ii) if the net amount owing between the Issuer and the Reference Entity is zero or an amount owing by the Issuer to the Reference Entity, 5 (five) Business Days after any determination by the Calculation Agent pursuant to this paragraph 2.2.12.

2.3. Optional Early Redemption by the Issuer:

Not Applicable

2.4. Optional Early Redemption by the Noteholder:

Not Applicable

2.5. Tax Redemption Amount:

Scheduled Redemption Amount

2.6. Default Redemption Amount:

Reference Price of the amount determined under Section

6(e)(i) of the Master Agreement

**3. GENERAL PROVISIONS:**

- |   |                  |
|---|------------------|
| 3.1. Additional selling restrictions (if any):                                    | Not Applicable   |
| 3.2. Financial Exchange:  | Not Applicable   |
| ISIN No.:   | ZAG000081076     |
| Stock Code:   | CLN000168        |
| 3.3. If syndicated, names of Managers:  | Not Applicable   |
| 3.4. Credit Rating assigned to Notes (if any):                                    | Not Applicable   |
| 3.5. Use of proceeds, if different from that set out in the Programme Memorandum: | Not Applicable   |
| 3.6. Form of Notes:   | Order            |
| 3.7. Status of Notes:   | senior unsecured |
| 3.8. Other provisions:  |                  |

**3.8.1 Mandatory Early Redemption in full**

Within 2 Business Days of receipt of the Final Exchange Amount by the Issuer from the Reference Entity on any date prior to 15 April 2014, the Issuer shall redeem this Note in cash by making payment of the Reference Price of the Final Exchange Amount received by the Issuer in terms of the Reference Obligation.

**3.8.2 Mandatory Early Redemption in part**

In the event that any Redemption Exchange Amount is paid by the Reference Entity to the Issuer in accordance with the terms of the Reference Obligation on any day prior to the Scheduled Redemption Date (the "Early Payment Date"), then the Issuer shall, (a) in the case of a Redemption Exchange Amount to be paid pursuant to paragraph 3(c)(ii), 3(c)(iii) or 3(c)(iv) of the Confirmation, within 3 (three) Business Days of the date on which the Noteholder's portion of the Redemption Offer Amount (as defined in the Intercreditor Agreement), if any, is determined in accordance with the terms of the Intercreditor Agreement, or (b) in the case of a Redemption Exchange Amount to be paid pursuant to paragraph 3(c)(i) of the Confirmation, within 3 (three) Business Days of receipt of such Redemption Exchange Amount, pay to the Noteholder an amount equal to either in the case of (a) such portion of the Redemption Offer Amount or, in the case of (b), the Reference Price of such Redemption Exchange Amount (such portion of the Redemption Offer Amount or the Reference Price of such Redemption Exchange Amount, as the case may be, a "Prepayment Amount") in partial redemption of the Notes in this Tranche of Notes. The Prepayment Amount shall be allocated to the sums outstanding under the Notes as follows and in the following order of priority:

- (i) that portion of such Prepayment Amount in excess of the amounts thereof referred to in paragraphs (ii) and (iii) below, shall be paid to the Noteholder as an additional sum payable on early redemption of the Notes in accordance with paragraphs 3(c)(v), 3(c)(vi) and/or 3(c)(vii) of the Confirmation;
- (ii) that portion of such Prepayment Amount that represents a portion of the Floating Amount under the Confirmation calculated in accordance with paragraphs 3(c)(i), 3(c)(ii), 3(c)(iii) and/or 3(c)(iv) of the Confirmation, shall be applied towards payment of the Interest Amount accrued since (and including) the immediately preceding Interest Payment Date to (but excluding) the Early Payment Date; and

- (iii) that portion of such Prepayment Amount that represents any portion of such Redemption Exchange Amount paid in accordance with paragraphs 3(c)(i), 3(c)(ii), 3(c)(iii) and/or 3(c)(iv) of the Confirmation (but excluding, any portion of any such amount which represents a portion of the Floating Amount under the Confirmation calculated in accordance with such paragraphs), shall reduce the Scheduled Redemption Amount as at the day immediately preceding the Early Payment Date.

In addition to the Prepayment Amount, the Issuer shall pay to the Noteholder an additional amount of interest calculated on the Prepayment Amount at a rate equal to ZAR-DEPOSIT-SAFEX from (and including) the Early Payment Date to (but excluding) the date of actual payment in full of the Prepayment Amount to the Noteholder, which interest shall be due and payable by the Issuer on the date on which the Issuer is obliged to pay the Prepayment Amount to the Noteholder.

### 3.8.3 Additional Risk Factor

#### CREDIT EXPOSURE TO REFERENCE ENTITY FOR PAYMENT OF THE INTEREST

The payment of Interest due under this Note is dependent upon the payment of the corresponding amounts under the Reference Obligation by the Reference Entity. If the Reference Entity fails to pay the corresponding amounts owing under the Reference Obligation to the Issuer on the dates prescribed in the Reference Obligation, the payment of the Interest owing under the Note will be delayed and if the Reference Entity fails to pay the corresponding amounts owing under the Reference Obligation when due, the payment of the Interest under this Note will be proportionately reduced. The Issuer will not fund any payment of Interest owing to the Noteholders.

### 3.8.4 General:

- (A) Holders of the Notes described in this Pricing Supplement are deemed to be "Noteholders" of Notes as contemplated in the General Terms and Conditions of the Notes.
- (B) The Issuer will issue the Certificates, deliver the Certificates to the Noteholders and make and receive payments on behalf of the Issuer.

Contact details of the Issuer and Paying Agent are:

The Standard Bank of South Africa Limited  
tel no. 011 378 7826  
fax no. 011 378 7840

- (C) For the avoidance of doubt, certificates issued by the Issuer and Paying Agent in respect of this issue of Notes are deemed to be "Certificates" as contemplated in the General Terms and Conditions of the Notes.
- (D) Upon full payment of the Issue Price, the Noteholder shall become entitled to the payment of the Interest on the relevant Interest Payment Dates.
- (E) The Issuer shall not sell or pledge or otherwise transfer such proportion of the Reference Obligation equal to the Reference Price unless in accordance with the provisions of the Intercreditor Agreement.

### 3.8.5 Certificates:

It is essential to the validity of the Certificate issued in respect of the Notes that the date of issue, rate of interest and the due date upon which the deposit becomes repayable appear on its face and that it is signed on behalf of the Issuer.



### 3.8.6 Payments:

- (A) The deposit covered by this Certificate is repayable on or after due date on presentation of the Certificate at Standard Bank of South Africa Limited, Treasury Division, 3<sup>rd</sup> floor, Standard Bank Centre, 3 Simmonds Street, Johannesburg.
- (B) Possession of the Certificate, if it is expressed to be payable to bearer or if the only or last endorsement on it is an endorsement in blank, shall be the only evidence of the right to payment under the Note and payment to bearer upon presentment shall discharge the Issuer from all liability to the original depositor and all subsequent holders.
- (C) If the Certificate either originally or by endorsement is expressed to be payable to the order of a specified person, payment under the Note to the person who from the face of the Certificate or the endorsement thereon appears to be the person entitled thereto and who, or whose duly authorised agent, presents the Certificate, shall discharge the Issuer from all liability to the original depositor and all subsequent holders.
- (D) If the Issuer pays any amount due under the Note in good faith and in the ordinary course of business, it shall not be encumbant on the Issuer to show that the signature or endorsement of the depositor or any subsequent signature or endorsement was made by or under the authority of the person whose signature or endorsement it purports to be, and the Issuer shall be discharged from all liability to the depositor and all subsequent holders of the Certificate, even if such signature or endorsement has been forged or made without authority.
- (E) All payments in respect of the Notes to Noteholders shall be made by electronic funds transfer in ZAR to such accounts as may be designated for that purpose by the Noteholders to the Issuer and Paying Agent at least two Business Days prior to the relevant payment date.
- (F) Upon written request by a Noteholder to the Issuer and Paying Agent, to be received by such agent not later than ten days prior to the relevant payment date, payment of interest or principal will be made by cheque, made payable to that Noteholder. Cheques may be collected against presentment of the Certificate by the Noteholder or its authorised representative. Payment by cheque as contemplated above shall discharge the Issuer of its relevant payment obligations under the Notes. Cheque payment shall be in terms of any applicable laws.
- (G) Payment of principal and interest shall only be made upon presentment of the Notes for payment (by presenting the relevant Certificate to the Issuer and Paying Agent on the payment date during normal business hours, at the address specified in 3.8.6(A) above).
- (H) Upon payment of the Scheduled Redemption Amount, Optional Early Redemption Amount, Tax Redemption Amount or Default Redemption Amount, the Certificate shall be surrendered to the Issuer and Paying Agent.
- (I) Payment will be subject to any fiscal or other laws and regulations applicable thereto. All payments in respect of the Notes shall be made without set-off, counterclaim, deductions for fees or similar deductions save as set out in Condition 9 (*Taxation*).
- (J) Unless otherwise provided in this Pricing Supplement, the Noteholder will under no circumstance be able to redeem, unwind and/or mature the Notes prior to the Scheduled Redemption Date.

### 3.8.7 Transfer:

- (A) The Noteholder shall be entitled to cede its rights and delegate its obligations under this Note to any person (each, a "Transferee") in whole or in part without the consent of the Issuer; provided that the Noteholder shall give written notice to the Issuer of any such cession and delegation and until such written notice is given the Issuer shall be entitled to discharge its obligations under this Note by rendering performance to the Noteholder and (a) to the extent that any cession and/or delegation contemplated in this paragraph results in a splitting of claims against the Issuer, the Issuer hereby consents to such splitting of claims, and (b) the Transferee shall be substituted for the Noteholder as the holder of this Note in respect of the rights so ceded and obligations so delegated and the Transferee shall be deemed to be the Noteholder to a separate and divisible Note issued on the same terms as this Note. No such transfer shall be effective unless such Transferee shall simultaneously with such cession and delegation, accede to the Intercreditor Agreement in accordance with the terms set out therein. The Noteholder shall bear the costs of drafting, negotiation, preparation and implementation of any cession, assignment, transfer and/or delegation pursuant to the provisions of this paragraph.
- (B) The Notes are transferable free from any equity or set-off between the Issuer and the original depositor or any subsequent holder.
- (C) If the Certificate is issued to bearer it is transferable by delivery alone. If the Certificate is issued to the depositor or to order, then it is transferable by endorsement and delivery.

### 3.8.8 Costs:

The Noteholder indemnifies and holds the Issuer harmless against the costs reasonably incurred by the Issuer in recovering any amount from the Reference Entity and/or the Security SPV following the occurrence of a Credit Event in accordance with the provisions of the Intercreditor Agreement. The provisions of this paragraph 3.8.8 shall survive any termination of the Issuer's obligations under this Note.

### 3.8.9 Non-Reliance:

In connection with this Note both the Issuer and the Noteholder hereby make the following reciprocal representations -

- (A) it is acting for its own account, and has made its own independent decision to enter into this transaction and as to whether the transaction is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) from the other party or any of its affiliates in regard to accounting, tax, legal or investment advice or as a recommendation to enter into the transaction; it being understood that information and explanations relating to the terms and conditions of this transaction will not be considered accounting, tax, legal or investment advice or a recommendation to enter into this transaction. No communication (written or oral) received from either party shall be deemed to be an assurance or guarantee as to the expected results of this transaction;
- (B) it is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and does understand and accept the terms, conditions and risks of the transaction. In particular, but without limitation, it has understood, evaluated and is willing to accept (i) credit risk of the other party and (ii) regulatory treatment of the transaction contained in this Note; and
- (C) unless the Noteholder advises the Issuer otherwise in writing it is entering into the Note evidenced hereby as principal (and not as agent or in any other capacity).

**3.8.10 Acknowledgements by the Noteholder:**

The Noteholder hereby acknowledges and agrees that -

- (A) other than as specifically provided for in this Note, the Issuer does not transfer all or any of its rights or obligations under the Reference Obligation and the Relevant Documents and the Noteholder shall have no proprietary interest in the benefit of the Reference Obligation and any Relevant Document, or in any monies received by the Issuer in connection with or in relation to the Reference Obligation or any Relevant Document;
- (B) the relationship between the Issuer and the Noteholder is that of debtor and creditor with the right of the Noteholder to receive monies from the Issuer restricted as set out in this Note;
- (C) the Noteholder shall not be subrogated to or substituted in respect of the Issuer's claims by virtue of any payment made by the Noteholder under this Note and the Noteholder shall have no direct contractual relationship with or rights against the Reference Entity, the Security SPV or any other obligor under the Reference Obligation by virtue only of its holding of the Notes;
- (D) nothing in this Note shall constitute the Issuer as agent, fiduciary or trustee for the Noteholder, shall place the Issuer under an obligation to enquire as to the occurrence or otherwise of any Credit Event or Default Event or shall place the Issuer under an obligation to exercise any rights of set-off it may have against the Reference Entity or any other obligor under or in connection with the Reference Obligation;
- (E) the Issuer's obligations under this Note shall be subject to its obligations under the Reference Obligation;
- (F) as against the Issuer only, it assumes the risk that the Reference Obligation is not a "*Hedging Facility Document*" for the purposes of the Counter Indemnity Agreement or a "*Hedging Agreement*" for the purposes of the Indenture, without conceding to the Issuer or any other person that the Reference Obligation is not a "*Hedging Facility Document*" for the purposes of the Counter Indemnity Agreement or a "*Hedging Agreement*" for the purposes of the Indenture;
- (G) it has expressly requested that the Issuer amend the Reference Obligation so that it includes the provisions set out in paragraphs 3(a) to 3(g) thereof. The Noteholder acknowledges and agrees that the addition of these paragraphs in the Reference Obligation was on the basis of legal, accounting and other advice it independently obtained and that the Issuer has made no representations, undertakings or assurances, and has provided no legal or other advice, regarding the application or operation of these paragraphs under the ISDA Master Agreement or under the provisions of the Enforcement Rights Agreement, the Counter Indemnity Agreement, the Indenture, the Guarantee and the Security Documents.

**3.8.11 Confirmations and Undertakings by the Issuer:**

The Issuer:

- (A) confirms that, to the best of its knowledge after due and reasonable enquiry, as at the Issue Date it is not in breach of any of its obligations under the Relevant Documents to which it is a party;
- (B) confirms that, to the best of its knowledge after due and reasonable enquiry, as at the Issue Date it is not aware that any Credit Event or Default Event is continuing; and
- (C) undertakes that, at all times prior to the Scheduled Redemption Date and the discharge of its obligations under this Note in full, it will comply with, and duly perform, its obligations and exercise its rights under the Relevant Documents (insofar as such obligations and/or rights relate to

the Reference Obligation) to which it is a party in accordance with the provisions of the Intercreditor Agreement and will not breach any such obligations or the provisions of the Intercreditor Agreement.

### 3.8.12 Information Undertakings:

The Issuer shall deliver to the Noteholders all information of whatever nature, including, without limitation, any financial statements of whatever nature delivered to the Issuer in accordance with and pursuant to the Reference Entity's obligations under the Reference Obligation as soon as reasonably possible after receipt thereof by the Issuer but in any event within 2 (two) Business Days after receipt thereof by the Issuer.

### 3.8.13 Additional Definitions:

"Confirmation" means the written trade confirmation in respect of certain cross currency swap transactions dated 22 September 2010 between the Issuer and the Reference Entity with Reference Numbers FXFWD1010458 and FXFWD1010480, annexed hereto as Schedule 1, as amended or deemed to be amended or supplemented in accordance with its terms from time to time;

"Counter Indemnity Agreement" means the Counter Indemnity and Guarantee Agreement entered into on 30 November 2006, as amended and restated on or about 4 April 2007 and again on 22 September 2010 (as same may be supplemented and amended from time to time) between amongst others Consol Holdings Limited, the Reference Entity, the Security SPV and the Issuer;

"Credit Derivative Definitions" means the 2003 ISDA Credit Derivative Definitions published by the International Swaps and Derivatives Association, Inc.;

"Default Event" means the occurrence of any "*Event of Default*", "*Termination Event*" or "*Additional Termination Event*" as defined in and for purposes of the Reference Obligation;

"Enforcement Rights Agreement" means the Enforcement of Rights Agreement entered into on 30 November 2006, as amended and restated on or about 4 April 2007 and again on 22 September 2010 (as same may be supplemented and amended from time to time) between amongst others Consol Holdings Limited, the Reference Entity, the Security SPV and the Issuer;

"Euro Note" means the "*Notes*" as defined in and for purposes of the Indenture;

"Euro Note Redemption Date" means the date on which all of the Euro Notes are redeemed;

"Final Exchange Amount" shall bear the meaning defined in the Confirmation;

"Floating Amount Payment Date" means the "*Payment Date*" (as defined in the Confirmation) on which a Floating Amount is due and payable under the Confirmation;

"Floating Amount" shall bear the meaning defined in the Confirmation (and for the avoidance of doubt are the amounts determined in accordance with Schedule "C" to the Confirmation);

"Guarantee" means the "*Guarantee*" entered into on or about the Issue Date (as same may be supplemented and amended from time to time) between Consol Holdings Limited, Consol Limited and the Issuer in respect of the Reference Entity's obligations under the Transactions;

"Hedging Facility Documents" means the "*Hedging Facility Documents*" as defined in and for purposes of the Counter Indemnity Agreement;

"Indenture" shall bear the meaning defined in the Confirmation;

"Intercreditor Agreement" means the Intercreditor Agreement entered or to be entered into on or about the Issue Date (as same may be supplemented and amended from time to time) between the Issuer and the holders of the CLNs listed in Schedule 1 thereto and their respective successors-in-title;

"Master Agreement" means the 2002 ISDA Master Agreement incorporated by reference into the Confirmation;

"Notional Amount" shall bear the meaning defined in the Confirmation provided that, for the avoidance of doubt, "*Notional Amount*" shall be reduced accordingly by any partial novation;

"Partial Interest Percentage" means, in relation to the determination of the amount of any partial payment of interest under this Note to be made as a consequence of a failure by the Reference Entity to effect a payment of the Floating Amount due and payable under the Confirmation in full on its due date for payment, a percentage determined in accordance with the following formula:

$$PIP = (A \div B) \times 100\%$$

where:

"PIP" is the "*Partial Interest Percentage*" to be determined (before deducting the payment referred to in "A");

"A" is the actual amount of the Relevant Floating Amount paid to the Issuer on any relevant date;

"B" is (a) in the case of any calculation to be done on an Interest Payment Date, the total amount of the Relevant Floating Amount due to be paid by the Reference Entity under the Confirmation on the corresponding Floating Amount Payment Date, and (b) in the case of any calculation to be done on any other date, the total amount of Relevant Floating Amount that remains unpaid by the Reference Entity;

"Period End Date" shall bear the meaning defined in the Confirmation;

"Recovery Amounts" mean the amounts, including Default Interest, actually recovered by the Issuer under the Reference Obligation following the occurrence of a Credit Event, less all costs of recovery and collection to the extent the Counterparty is obliged to indemnify the Issuer for such costs pursuant to paragraph 3.8.8 above;

"Redemption Exchange Amount" shall bear the meaning defined in the Confirmation;

"Reference Obligation Default Rate" means the "*Default Rate*" as defined in the Reference Obligation;

"Relevant Documents" means collectively, the Enforcement Rights Agreement, the Counter Indemnity Agreement, the Confirmation, the Guarantee and the Security Documents;

"Security Documents" means the "*Security Documents*" as defined in and for purposes of the Counter Indemnity Agreement;

"Security SPV" means MRX 82 Security Holdings (Proprietary) Limited (Registration No. 2006/035673/07) a private company incorporated and registered in accordance with the company laws of South Africa;

"Treasury Transaction" means "*Treasury Transaction*" as defined in and for purposes of the Indenture.

"Transactions" means the Currency Swap Transactions between the Issuer and the Reference Entity evidenced by the Confirmation.

Application is hereby made to list this issue of Notes on the JSE as from 30 September 2010

Signed at JOHANNESBURG on this 28th day of September 2010

For and on behalf of  
**THE STANDARD BANK OF SOUTH AFRICA LIMITED**

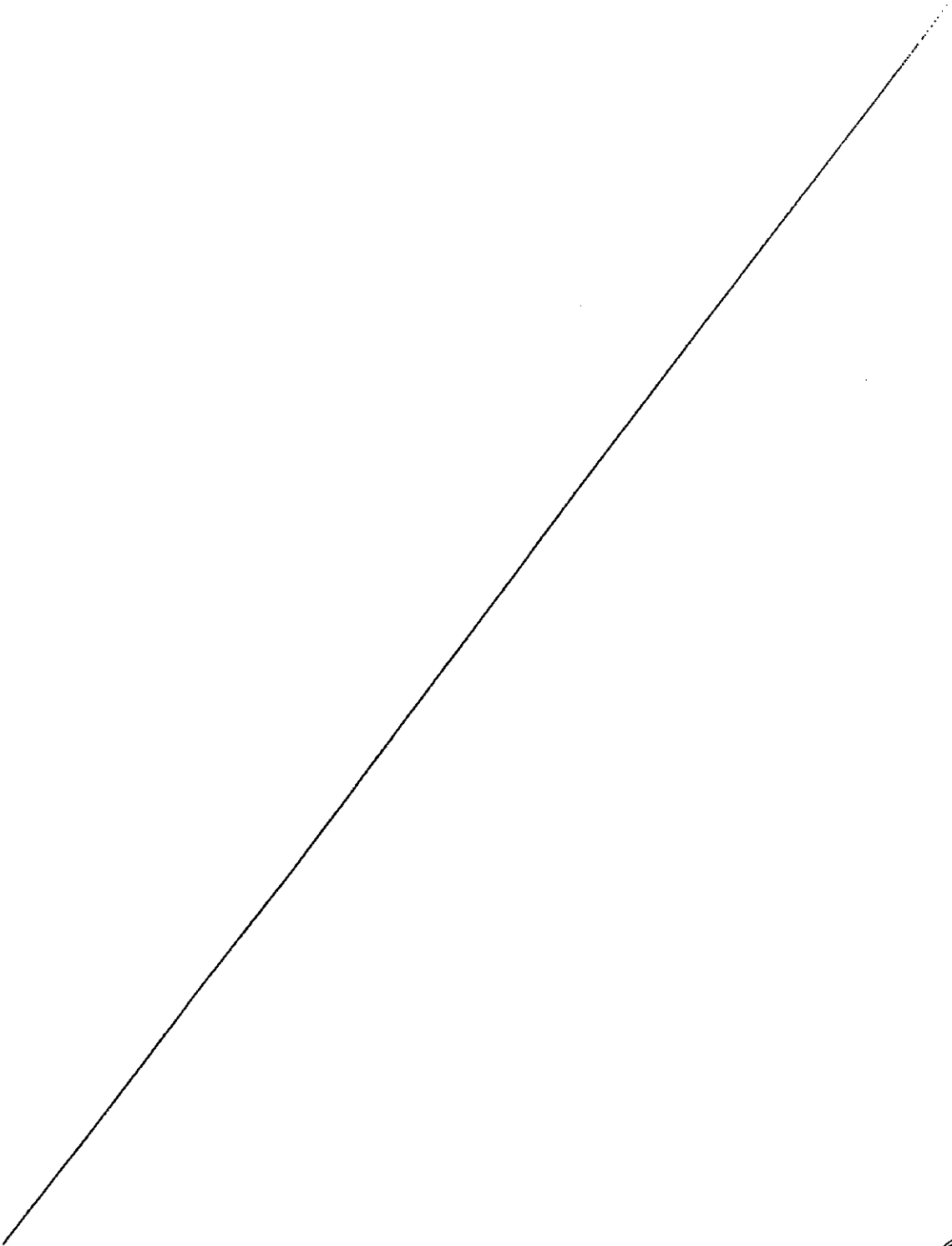


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Name: C HONEY  
Capacity: GLOBAL MARKETS LEGAL  
Who warrants his/her authority hereto.

SCHEDULE 1

CONFIRMATION



15  
6



Date:	23 September 2010	From:	The Standard Bank of South Africa Limited
To:	Consol Glass (Proprietary) Limited, hereafter referred to as "Counterparty"		"Standard Bank"
Attention:	Nicholas Mechanicos	Attention:	Mapule Khazamula
Fax No:	011 827 0213	Fax No:	011 631 0685
Phone No:	011 874 2235	Phone No:	011 636 7769

Dear Sirs

#### Currency Swap Transactions — Our References FXFWD1010458 and FXFWD1010480

1. The purpose of this communication (a "Confirmation") is to confirm and (where applicable, as specified below) restate the terms and conditions of the above-referenced Transactions entered into on the Trade Date specified below (each, a "Transaction" and collectively, the "Transactions") between The Standard Bank of South Africa Limited ("Standard Bank") and Consol Glass (Proprietary) Limited (the "Counterparty"). This Confirmation shall supersede and replace any standard short form confirmation or electronic confirmation message that previously has been sent to you in connection with the Transactions.

This Confirmation is subject to, and incorporates, the definitions and provisions contained in the 2006 ISDA Definitions (the "Definitions"), as published by the International Swaps and Derivatives Association, Inc. ("ISDA"). In the event of any inconsistency between this Confirmation and the Definitions, this Confirmation will govern.

This Confirmation shall supplement, form part of, and be subject to, the provisions of the 2002 ISDA Master Agreement (the "Agreement") as if the parties had executed such Agreement (but without any Schedule) on the Trade Date of the Transactions between Standard Bank and the Counterparty, governed by South African law, with the Termination Currency being ZAR and on the basis that Section 6(f) (*Set-Off*) of the Agreement shall not apply to these Transactions and that only the Transactions recorded herein shall constitute Transactions for the purposes of this Agreement and shall be governed by this Agreement. In the event of any inconsistency between this Confirmation and the Agreement, this Confirmation will govern. For the avoidance of doubt references to "*this Agreement*" shall mean the Agreement as supplemented and amended by this Confirmation.

This Confirmation records the details of two transactions between Standard Bank and Counterparty, being

- (i) a transaction originally entered into on 15 April 2008 between Counterparty and JP Morgan Chase Bank, N.A. ("JPM"), under reference 312053 which will be novated (effective on 22 September 2010) from JPM to Standard Bank in terms of an agreement between JPM, Standard Bank and Counterparty dated 22 September 2010, and which transaction is amended and restated as set out herein and referred to as "Transaction A"; and
- (ii) a transaction entered into on 22 September 2010 between Counterparty and Standard Bank, under reference FXFWD1010480, and which transaction is set out herein and referred to as "Transaction B".

#### 2. General Terms

Trade Date:



Transaction A:	22 September 2010
Transaction B:	22 September 2010
Effective Date:	
Transaction A:	22 September 2010
Transaction B:	22 September 2010
Termination Date:	
Transaction A:	15 April 2011, subject to adjustment in accordance with the Preceding Business Day Convention
Transaction B:	15 April 2014, subject to adjustment in accordance with the Preceding Business Day Convention
Business Days:	Johannesburg
Payment Netting:	For the purposes of Section 2(c) ( <i>Netting of Payments</i> ) of the Agreement, " <i>Multiple Transaction Payment Netting</i> " will apply to Transactions A and B and Schedule "C" sets out the payments due after effect has been given to such netting of payments between Transactions A and B. For the avoidance of doubt the Redemption Exchange Amounts remain payable by the Counterparty even though they do not appear in Schedule "C".
Calculation Agent:	Standard Bank
<u>Fixed I Amounts (Transaction A and B):</u>	
Fixed I Amount Payer:	
Transaction A:	Standard Bank
Transaction B:	Counterparty
Fixed I Amount Payer Payment Dates:	
Transaction A:	Each date stipulated in Schedule "A", subject to adjustment in accordance with the Preceding Business Day Convention
Transaction B:	Each date stipulated in Schedule "B", subject to adjustment in accordance with the Preceding Business Day Convention
Fixed I Amount Payer Payment Amounts:	
Transaction A:	As per Schedule "A"
Transaction B:	As per Schedule "B"
<u>Fixed II Amounts (Transaction A and B):</u>	

**Fixed II Amount Payer:**

Transaction A:	Counterparty
Transaction B:	Standard Bank

**Fixed II Amount Payer Payment Dates:**

Transaction A:	Each date stipulated in Schedule "A", subject to adjustment in accordance with the Preceding Business Day Convention
Transaction B:	Each date stipulated in Schedule "B", subject to adjustment in accordance with the Preceding Business Day Convention

**Fixed II Amount Payer Payment Amounts:**

Transaction A:	As per Schedule "A"
Transaction B:	As per Schedule "B"

**Floating Amounts (Transaction B only):**

Floating Amount Payer:	Counterparty
Period End Dates:	Each date stipulated in Schedule "B"
Early Payment:	2 Business Days
Floating Rate Option:	ZAR-JIBAR-SAFEX
Designated Maturity:	3 Months
Spread:	7.25%
Floating Rate Day Count Fraction:	Actual/365(Fixed)
Reset Dates:	The first Business Day of each Calculation Period
Notional Amount:	ZAR1,386,617,500.00 less any Redemption Exchange Amounts actually paid by the Counterparty prior to the Final Exchange Date in accordance with paragraphs 3(c)(i), 3(c)(ii), 3(c)(iii) and 3(c)(iv) but excluding any portion of any such amount which represents a portion of the Floating Amount calculated in accordance with any such paragraphs. For the avoidance of doubt, the Notional Amount is the present value of the difference between the Fixed II Amount Payer Payment Amount under Transaction A and the Fixed II Amount Payer Payment Amount under Transaction B as at the Trade Date discounted at the prevailing credit risk rate as finally determined by the Calculation Agent.
Other Terms:	Standard Bank and the Counterparty agree that, in respect of the Floating Amount payable on the Floating Amount Payment Date immediately preceding the Period End Date falling on 19 April 2011, the amount of ZAR 1,461,680,556.35 shall be

deducted from such Floating Amount.

Redemption Exchange (Transaction B only):

Redemption Exchange Payer: Counterparty

Redemption Exchange Dates: Each of the dates determined in accordance with paragraph 3(c) being any Redemption Date contemplated by paragraphs 3(c)(i) and 3(c)(ii), any Specified Date contemplated by paragraph 3(c)(ii), any Change of Control Purchase Date contemplated by paragraph 3(c)(iii) and any Consensual Early Termination Date contemplated by paragraph 3(c)(iv).

Redemption Exchange Amounts: Each amount determined in accordance with paragraph 3(c) payable by the Counterparty to Standard Bank on a Redemption Exchange Date.

Final Exchange (Transaction B only):

Final Exchange Amount Payer: Counterparty

Final Exchange Amount: Either:

- (i) an amount equal to the Notional Amount on the Final Exchange Date; or
- (ii) if the Issuer announces any intention to give or gives a notice of redemption pursuant to Section 3.04 (*Notice of Redemption*) of the Indenture prior to the Termination Date of Transaction B in respect of an early redemption in full of the Notes outstanding under the Indenture, an amount equal to the aggregate of:

(A) the Notional Amount at that time;

(B) the Floating Amount determined in respect of the period from (and including) the immediately preceding Period End Date to (but excluding) the Final Exchange Date; and

(C) an additional amount equal to the percentage (set out below) of the Notional Amount at that time if the Final Exchange Date occurs during the 12-month period commencing on 15 April of the years set forth below.

<u>Year</u>	<u>Percentage</u>
2010	5.719%
2011	3.813%
2012	1.906%
2013 and thereafter	0%

Final Exchange Date: The earlier of 2 Business Days prior to 15 April 2014 or the Redemption Date of the Notes in accordance with Section 3.04

(*Notice of Redemption*) of the Indenture.

3 **Additional Terms:**

(a) **Additional Termination Events:**

The following event(s) shall constitute Additional Termination Event(s) pursuant to Section 5(b)(vi) (*Additional Termination Event*) of the Agreement:

- (i) *Event of Default of the Notes.* If at any time a Notes Event of Default occurs and is continuing; provided that no waiver of a Notes Default under Section 6.04 (*Waiver of Past Defaults*) of the Indenture shall be an effective waiver for the purposes of this paragraph (i) unless that Notes Default is waived by both (1) the Holders of not less than the percentage in aggregate principal amount of Notes then outstanding required by Section 6.04 of the Indenture; and (2) Relevant Debt Holders of not less than the same percentage in aggregate principal amount required by Section 6.04 of the Indenture, of the Aggregate Relevant Debt then outstanding, and accordingly unless both the requirements in (1) and (2) are satisfied the Notes Event of Default will be considered to be continuing for the purposes of this Confirmation.
- (ii) *Failure to obtain consent for Amendment and Waivers under the Indenture*
  - (A) Any written consent of the Holders of not less than the percentage in aggregate principal amounts of the Notes required by and given in accordance with Section 9.02(a) of the Indenture is not, in addition, consented to by Relevant Debt Holders of not less than a majority in aggregate principal amount of the Aggregate Relevant Debt then outstanding within the time period open for consents to be given by Holders; or
  - (B) any written consent of the Holders of not less than the percentage in aggregate principal amount of the Notes required by and given in accordance with Section 9.02(b) of the Indenture is not, in addition, consented to by Relevant Debt Holders of at least 90% of the aggregate principal amount of the Aggregate Relevant Debt then outstanding within the time period open for consents to be given by Holders.

For the purposes of the Additional Termination Events, the Counterparty shall be the sole Affected Party and the Transactions shall be the Affected Transactions.

(b) **Cross Default:**

Cross Default shall be an applicable Event of Default with respect to both parties, provided that the words "or becoming capable at such time of being declared" in line 7 of clause 1 of

Section 5(a)(vi) (*Cross Default*) of the Agreement shall be deleted, and Threshold shall mean:

- (i) for Counterparty, EUR20,000,000 or its equivalent in any currency, currency unit or any combination thereof;
- (ii) for Standard Bank, USD50,000,000 or its equivalent in any currency, currency unit or any combination thereof.

The following proviso shall be inserted at the end of Section 5(a)(vi) of this Agreement: "Provided however, that notwithstanding the foregoing, an Event of Default will not occur under either (1) or (2) above if (a) the event or condition referred to in (1) or the failure to pay referred to in (2) is caused by an error or omission of an administrative or operational nature; and (b) funds were available to such party to enable it to make the relevant payment when due, and (c) such relevant payment is made within three Local Business Days after notice of such failure is given by the other party."

(c) **Redemption Exchange Amounts:**

- (i) *Notice of Redemption of Notes in Part.* If the Issuer gives notice of a redemption pursuant to Section 3.04 (*Notice of Redemption*) of the Indenture in respect of an early redemption in part of the Notes outstanding under the Indenture prior to the Termination Date of Transaction B, Counterparty shall pay at the time of such Notes being so redeemed an amount to Standard Bank equal to a *pro rata* amount of the Notional Amount at that time together with that portion of the Floating Amount determined in respect of the period from (and including) the immediately preceding Period End Date to (but excluding) the Redemption Date and calculated on the aforesaid amount equal to such *pro rata* amount of the Notional Amount.
- (ii) *Excess Proceeds Offer.* The debt of Counterparty outstanding under the Transactions is *Pari Passu* Debt. Accordingly, if the Issuer is required pursuant to Section 4.11 (*Limitation of Sale of Certain Assets*) of the Indenture to make an Excess Proceeds Offer, the Counterparty shall make an offer to Standard Bank to pay an amount to Standard Bank equal to the Notional Amount at that time, on a *pro rata* basis with the Excess Proceeds Offer made with respect to the Notes, together with that portion of the Floating Amount determined in respect of the period from (and including) the immediately preceding Period End Date to (but excluding) the Redemption Date of the Notes being redeemed pursuant to such Excess Proceeds Offer or, if no offer of redemption of any Notes is accepted pursuant to such Excess Proceeds Offer, on the date specified by Standard Bank in its written acceptance of such offer (which date shall not be earlier than 15 Business Days after the date of such notice) (the "**Specified Date**"),

*mutatis mutandis* in accordance with the provisions of Section 4.11 (*Limitation of Sale of Certain Assets*) of the Indenture. Standard Bank shall be entitled to accept such offer in whole or in part. Counterparty shall pay to Standard Bank the amount accepted pursuant to such offer on such Redemption Date or the Specified Date, as the case may be.

(iii) ***Change of Control.***

- (A) If the Issuer is obliged to make a Change of Control Offer pursuant to Section 4.15 (*Change of Control*) of the Indenture, as a consequence of the occurrence of a Change of Control, then the Counterparty shall offer to pay to Standard Bank an amount equal to the Notional Amount at that time, together with that portion of the Floating Amount determined in respect of the period from (and including) the immediately preceding Period End Date to (but excluding) the Change of Control Purchase Date, on the Change of Control Purchase Date. Standard Bank shall be entitled to accept such offer in whole or in part.
- (B) Within 30 days following any Change of Control, Counterparty shall:
  - (1) deliver a written notice of the Change of Control Offer to Standard Bank;
  - (2) such written notice shall state:
    - (aa) that a Change of Control has occurred and the date it occurred;
    - (bb) the circumstances and relevant facts regarding such Change of Control (including, but not limited to, applicable information with respect to *pro forma* historical income, cash flow and capitalisation after giving effect to the Change of Control);
    - (cc) the Change of Control Purchase Date, which shall be the same date as notified to the Holders (or the Trustee on behalf of the Holders) under Section 4.15(b)(ii)(C) of the Indenture; and
    - (dd) any procedures Standard Bank must follow to accept the offer of payment of the Notional Amount.
- (C) On the Change of Control Purchase Date (and notwithstanding that no offer of purchase of any

Notes is accepted by the Holders pursuant to the Change of Control Offer), the Counterparty shall pay the amount that has been accepted for payment by Standard Bank pursuant to the offer made by the Counterparty under paragraph (A) above.

- (iv) ***Consensual Early Termination.*** To the extent that the Counterparty makes an offer to Standard Bank and Standard Bank and the Counterparty agree, prior to the Termination Date of Transaction B, to terminate all or any part of the Transactions on any date other than the Termination Date of Transaction B (the "**Consensual Early Termination Date**"), Counterparty shall pay to Standard Bank on the Consensual Early Termination Date the amount so agreed ("**Termination Amount**") together with that portion of the Floating Amount determined in respect of the period from (and including) the immediately preceding Period End Date to (but excluding) the Consensual Early Termination Date and calculated on the Termination Amount on such Consensual Early Termination Date. For the avoidance of doubt any consensual early termination will be in respect of the net payments due in respect of Transactions "A" and "B" as reflected in Schedule "C".

- (v) ***Additional Amount payable by the Counterparty as a consequence of the Redemption of Notes.*** If Counterparty becomes obliged to make any payment pursuant to paragraph 3(c)(i) above, then, on the Redemption Exchange Date on which the Counterparty is obliged to make such payment, the Counterparty shall pay to Standard Bank (in addition to the Redemption Exchange Amount payable pursuant to paragraph 3(c)(i) above) an additional amount equal to the percentage (set out below) of the Redemption Exchange Amount to be paid pursuant to paragraph 3(c)(i) above, if such Redemption Exchange Date occurs during the 12-month period commencing on 15 April of the years set forth below.

<u>Year</u>	<u>Percentage</u>
2010	5.719%
2011	3.813%
2012	1.906%
2013 and thereafter	0%

- (vi) ***Additional Amount payable by the Counterparty as a consequence of a Change of Control.*** If Counterparty becomes obliged to make any payment pursuant to paragraph 3(c)(iii) above, then, on the Redemption Exchange Date on which the Counterparty is obliged to make such payment, the Counterparty shall pay to Standard Bank (in addition to the Redemption Exchange Amount payable pursuant to paragraph 3(c)(iii) above) an

additional amount equal to 1% of the Redemption Exchange Amount to be paid pursuant to paragraph 3(c)(iii) above as an additional Redemption Exchange Amount.

- (vii) *Additional Amount payable by the Counterparty as a consequence of Consensual Early Termination.* If Counterparty becomes obliged to make any payment pursuant to paragraph 3(c)(iv) above then, on the Redemption Exchange Date on which the Counterparty is obliged to make such payment, the Counterparty shall pay to Standard Bank (in addition to the Redemption Exchange Amount payable pursuant to paragraph 3(c)(iv) above) an additional amount equal to 3% per annum on the Termination Amount, calculated from the Consensual Early Termination Date until 15 April 2014, as an additional Redemption Exchange Amount.
- (viii) *Offers of payment following Novation in Part.* In the event that the Transactions set out in this Confirmation (the "Initial Confirmation") are novated in part to any permitted transferee with the effect that new transactions for the novated portion are created under a new confirmation or confirmations on terms substantially similar to the terms of the Initial Confirmation (the "New Confirmation/s") then to the extent that offers of payment are made under paragraphs 3(c)(ii), 3(c)(iii) and 3(c)(iv) and under the corresponding provisions of the New Confirmation/s and are not accepted then the amounts not so accepted under the New Confirmation/s, shall be offered for acceptance under the Initial Confirmation as determined in accordance with the terms of the Intercreditor Agreement and as notified to the Counterparty by Standard Bank *mutatis mutandis* in accordance with paragraphs 3(c)(ii), 3(c)(iii), 3(c)(iv), 3(c)(vi) and 3(c)(vii). The Counterparty shall effect such payments in accordance with the terms of the Initial Confirmation upon being notified by Standard Bank of the allocation of payments as determined in accordance with the Intercreditor Agreement.

(d) **Credit Support Provider:**

For the purposes of the Agreement the following persons shall be "Credit Support Providers":

- (i) any person who grants "Security" (as defined in the Counter Indemnity and Guarantee Agreement) in favour of the Security SPV; provided that, in respect of any such "Security" granted after the Trade Date, Counterparty has consented in writing to such person being a Credit Support Provider for the purposes of the Agreement;
- (ii) Consol Holdings Limited; and
- (iii) Consol Limited.



(e) **Credit Support Documents:**

For the purposes of the Agreement the following documents shall be a "Credit Support Document":

- (i) each "Security Document" (as defined in the Counter Indemnity and Guarantee Agreement);
- (ii) the Guarantee given by Consol Holdings Limited and Consol Limited in favour of Standard Bank on or about the Trade Date guaranteeing the obligations of the Counterparty under the Transactions;
- (iii) the Counter Indemnity and Guarantee Agreement; and
- (iv) the Enforcement Rights Agreement.

(f) **Specified Entity:**

In relation to the Counterparty, each "Significant Subsidiary" (as defined in the Indenture) shall be a Specified Entity for the purposes of the Transactions provided that any "Unrestricted Subsidiary" designated as such in accordance with Section 4.17 of the Indenture shall not be regarded as a Specified Entity.

(g) **Additional Definitions:**

"Aggregate Relevant Debt" means, at any relevant time, the aggregate of the principal amount of Notes outstanding at any time and the Notional Amount at that time; provided that for the purposes of determining the Aggregate Relevant Debt the principal amount of Notes outstanding at that time shall be converted to ZAR at an exchange rate of EUR/ZAR 9.3873.

"Change of Control" means "Change of Control" as defined in Section 1.01 (*Definitions*) of the Indenture.

"Change of Control Purchase Date" means the "Change of Control Purchase Date" as defined in Section 4.15(a) (*Change of Control*) of the Indenture.

"Change of Control Offer" means a "Change of Control Offer" as defined in Section 4.15(a) (*Change of Control*) of the Indenture.

"Counter Indemnity and Guarantee Agreement" means the counter indemnity and guarantee agreement entered into on 30 November 2006 and amended and restated on or about 4 April 2007 and further amended on or about 22 September 2010 (as same may be supplemented and amended from time to time) between, amongst others, Standard Bank as Hedging Lender, the Counterparty and the Security SPV.

"Enforcement Rights Agreement" means the enforcement rights agreement entered into on 30 November 2006 and amended and restated on or about 4 April 2007 and further amended on or about 22 September 2010 (as same may be supplemented and amended from time to time) between, amongst others, Standard Bank as Hedging Lender, the Counterparty and the Security SPV which agreement provides for the appointment of the Security SPV to hold security and governs the enforcement of security.

**"Excess Proceeds Offer"** means an *"Excess Proceeds Offer"* as defined in Section 4.11(c) (*Limitation on Sale of Certain Assets*) of the Indenture.

**"Holder"** means a *"Holder"* as defined in Section 1.01 (*Definitions*) of the Indenture.

**"Notes Default"** means a *"Default"* as defined in Section 1.01 (*Definitions*) of the Indenture.

**"Notes Event of Default"** means an *"Event of Default"* as defined in Section 6.01 (*Events of Default*) of the Indenture.

**"Notes"** means the senior secured notes issued on or about 4 April 2007 by the Counterparty under the terms of Indenture.

**"Indenture"** means the indenture in respect of the Notes dated as of 4 April 2007 between, amongst others, Consol Glass (Proprietary) Limited, Consol Holdings Limited, The Bank of New York, BNY Corporate Trustee Services Limited and the Security SPV (as the same may be supplemented or amended from time to time).

**"Intercreditor Agreement"** means the Intercreditor Agreement entered into or to be entered into between, amongst others, Standard Bank and the parties listed in Schedule "D" hereto.

**"Issuer"** means Consol Glass (Proprietary) Limited.

**"Pari Passu Debt"** means *"Pari Passu Debt"* as defined in Section 1.01 (*Definitions*) of the Indenture.

**"Redemption Date"** means, in relation to any redemption of Notes pursuant to the Indenture, the *"Redemption Date"* as defined in Section 1.01 (*Definitions*) of the Indenture.

**"Relevant Debt Holders"** means (i) in relation to the Notes, the Holders; and (ii) in relation to the Notional Amount, Standard Bank or any person from whom Standard Bank has acquired credit protection in respect of the Notional Amount to the extent of the credit protection acquired without double counting.

**"Relevant Documents"** means the Counter Indemnity and Guarantee Agreement, and the Enforcement Rights Agreement.

**"Security SPV"** means MRX 82 Security Holdings (Proprietary) Limited (Registration No. 2006/035673/07).

**"Trustee"** means BNY Corporate Trustee Services Limited or its successor as provided under the provisions of the Indenture.

(h) **Application of the Enforcement Rights and Counter Indemnity and Guarantee Agreements:**

The parties acknowledge that their rights and obligations under the Transactions are subject to the terms of the Enforcement Rights Agreement and Counter Indemnity and Guarantee Agreement. If there is any conflict between the terms of the

Enforcement Rights Agreement and/or the Counter Indemnity and Guarantee Agreement and the Transactions, the terms of the Enforcement Rights Agreement or Counter Indemnity and Guarantee Agreement (as appropriate) shall prevail.

(i) **Consent to Disclosure of Information:**

The parties hereby give their respective consent for the disclosure on any future date by (i) either party to any third party ("**Third Party**") and (ii) by any such Third Party to any other party, of information relating to the occurrence of a Termination Event, an Event of Default or the designation of an Early Termination Date under the Transactions.

(j) **Consent to Transfer:**

For the purposes of Section 7 (*Transfer*) of the Agreement, only in the case where a Termination Event or an Event of Default shall have occurred and be continuing, the Counterparty hereby irrevocably consents to the transfer by Standard Bank of its rights and obligations, in terms of the Transactions described in this Confirmation, in whole or in part to the third party or third parties (as appropriate) specified on Schedule "D" hereof (each, an "**Assignee**"). Such transfer shall be effective on the date (the "**Transfer Date**") on which delivery is made to the Counterparty of an executed acceptance and assumption by the Assignee (an "**Acceptance**") of the transferred rights and obligations arising under these Transactions (the "**Transferred Rights and Obligations**"). On the Transfer Date, (a) Standard Bank shall be released from all obligations and liabilities arising under the Transferred Rights and Obligations; and (b) the Transferred Rights and Obligations shall cease to be Transactions under the Agreement and shall be deemed to be Transactions under the Master Agreement between Assignee and the Counterparty, provided that, if at such time Assignee and the Counterparty have not entered into a Master Agreement, Assignee and Counterparty shall be deemed to have entered into a 2002 ISDA Master Agreement (without any Schedule) on the Trade Date of the Transactions, governed by South African law, with the Termination Currency being ZAR and on the basis that Section 6(f) (*Set-Off*) of that Agreement shall not apply to these Transactions and that only the Transactions recorded therein shall constitute Transactions for the purposes of that Agreement and shall be governed by that Agreement.

(k) **Conditionality of Payments:**

The parties agree that any obligation of Standard Bank to pay Counterparty any amount on any Payment Date (as specified in Schedule A or Schedule B) is conditional on the performance by Counterparty of its obligation to pay Standard Bank the corresponding amounts, on the corresponding Payment Date.

(l) **Set-Off:**

Without prejudice to the application of Section 2(c) (*Netting of Payments*) of the Agreement to the Transactions, the non application of Section 6(f) (*Set-Off*) of the Agreement includes without limitation the non application of the common law right of set-off.

(m) **Specified Indebtedness:**

Will have the meaning specified in Section 14 of the

Agreement except that such term shall not include obligations in respect of deposits received in the ordinary course of Standard Bank's banking business.

(n) **Consent to Transfer  
Relevant Documents:**

Only in the case where a Termination Event or an Event of Default shall have occurred and be continuing and where there has been a transfer of the Transferred Rights and Obligations to an Assignee in accordance with the provisions of paragraph 3(j) above, the Counterparty hereby irrevocably consents to the transfer by Standard Bank of its rights and obligations under the Relevant Documents to such Assignee.

4 **Additional Provisions:**

Additional Representations

In addition to the representations made in Section 3 (*Representations*) of the Agreement, Counterparty hereby represents and warrants to Standard Bank as of the date hereof that:

- (a) it understands and accepts the terms, conditions and risks relating to the Transactions. Counterparty acknowledges that it has received all information that it has requested and deems necessary in order to understand and assess the Transactions and determine whether the Transactions are suitable and appropriate for it;
- (b) it has the power to enter into the Transactions and has taken all necessary action to authorize such execution, delivery and performance, including but not limited to obtaining the approval of the Board of Executive Officers of Counterparty and any other relevant internal approvals, and that any such approvals are and will be in full force and effect and that all conditions of any such approvals have been and will be fully complied with; provided that, for the avoidance of doubt it is recorded that, the Counterparty does not make any representation or warranty in connection with the manner in which Standard Bank hedges or proposes to hedge its exposure under the Transactions;
- (c) it has made its own independent decision to enter into the Transactions with the advice of such legal, accounting, financial and tax advisors as it has deemed necessary, and neither Standard Bank nor any of its affiliates have acted as its legal or other advisor, or in a fiduciary capacity. Counterparty further acknowledges and agrees that it has fully evaluated and understands the accounting, tax, financial reporting, regulatory and legal consequences of the Transactions;
- (d) as a result of the entry into the Transactions, it will not violate any relevant insider trading or market abuse legislation;
- (e) it will make its independent external auditors aware of the Transactions in due course following signature of this Confirmation;
- (f)
  - (i) the Transactions form part of a group of transactions entered into by the Counterparty which, taken together, are and will at all times until the termination of the Transactions be required to hedge a firm and ascertainable exchange commitment of the Counterparty for the duration of the Transactions;
  - (ii) the payment obligations of the Counterparty under such firm and ascertainable exchange commitment are authorised by The South African Reserve Bank in terms of exchange control approval number 2123 dated 23 February 2007; and
  - (iii) other than as set out in paragraph (f) (i) above, the Counterparty has not obtained and will not obtain foreign exchange facilities from another authorised dealer or any other person in relation to such firm and ascertainable exchange commitment;

- (g) it has complied with and will continue to comply with all relevant governmental, regulatory and internal policy requirements in respect of the Transactions; and
- (h) it is not unable (nor has it admitted its inability) to pay its debts generally as they fall due nor (save for a Technical Insolvency) is it (nor has it admitted to being) otherwise insolvent. For this purpose "Technical Insolvency" means, with respect to a person, a circumstance where the liabilities of that person exceed its assets, notwithstanding which (i) that person is able to pay that person's debts as they become due in the ordinary course of business, and (ii) that person's audited financial statements (consolidated or otherwise) are not, or would not be, subject to a going concern qualification by the auditors of that person in accordance with the generally accepted accounting principles applicable to the preparation of such audited financial statements

#### Additional Covenants

- (i) In connection with the Transactions, the parties hereto agree and acknowledge that it shall be the responsibility of each party to ensure that its own accounting, regulatory and all other treatments of the transactions are consistent with the nature of its entitlement to receive any payment or delivery under the Transactions.
- (j) For the purposes of Section 4(a) (*Furnish Specified Information*) of the Agreement:
  - (i) whenever Counterparty requests any consent or waiver from the Holders under the Indenture, Counterparty will notify Standard Bank in writing simultaneously and shall provide Standard Bank with all such information and documents which Counterparty provides to the Holders and/or the Trustee for and on behalf of the Holders;
  - (ii) whenever the Counterparty delivers or is obliged to deliver financial information or any other information of whatsoever nature to the Holders (or the Trustee for and on behalf of the Holders) in terms of the Indenture (including, without limitation, any information furnished pursuant to Section 4.19 (*Reports to Holders*) of the Indenture), the Counterparty must, in addition, provide, and is obliged to provide, all such financial information or any other type of information provided to the Holders to Standard Bank simultaneously with delivery of such financial information or any other type of information to the Holders or the Trustee, as the case may be;
  - (iii) whenever Counterparty delivers any notice, communiqué or request of whatever nature to the Holders or to the Trustee for and on behalf of the Holders, as the case may be, in terms of the Indenture (including, without limitation, any notice pursuant to Section 3.04 (*Notice of Redemption*), Section 4.11 (*Excess Proceeds Offer*) or Section 4.15 (*Change of Control*) of the Indenture) the Counterparty shall simultaneously deliver such notice, communiqué or request of whatever nature to Standard Bank; and
  - (iv) the Counterparty shall notify Standard Bank of the relevant percentage of Holders who have provided any consent under Section 9.02(a) or 9.02(b) of the Indenture, as the case may be. In addition, Standard Bank shall be entitled to request the Trustee to provide such information to Standard Bank and the Counterparty accordingly consents to the Trustee disclosing such information to Standard Bank for the purposes of the Transactions.
- (k) The Counterparty hereby irrevocably consents to Standard Bank disclosing details of the Transactions and all information provided to or delivered to Standard Bank by the Counterparty (or any person on behalf of the Counterparty) pursuant to the Agreement to the Relevant Debt Holders providing credit protection to Standard Bank in respect of the Notional Amount.

### Acknowledgements

The Counterparty acknowledges and agrees that Standard Bank will act in accordance with the provisions of the Intercreditor Agreement to seek any consent, decision or waiver required of the Relevant Debt Holders providing credit protection to Standard Bank in respect of the Notional Amount in respect of the Additional Termination Events set out in paragraph 3(a) above and for the purpose of paragraph (ii) of the definition of Relevant Debt Holders, Standard Bank shall be entitled, and obliged in accordance with the terms of the Intercreditor Agreement, to follow the instructions of each such Relevant Debt Holder providing credit protection in respect of the Notional Amount to the extent of the credit protection acquired in respect of any consent, decision or waiver to be provided under the terms of the Transactions and to split the manner in which the Notional Amount is voted for the purposes of determining whether any threshold for the granting of such consent, decision or waiver has been achieved.

### Amendment to the Agreement

In respect of the Counterparty only (i.e. if the Counterparty is in default of making any payment which is due to Standard Bank), the definition of Default Rate in the Agreement is amended to be a rate equal to the ZAR-DEPOSIT-SAFEX rate plus the Spread plus 3%.

### 5 **Governing Law:**

The governing law in terms of Section 13(a) (*Governing Law*) of the Agreement is South African law and for the purposes of Section 13(b) (*Jurisdiction*) of the Agreement, each party submits to the non-exclusive jurisdiction of the High Court of South Africa (South Gauteng High Court, Johannesburg) or any successor thereto to settle any dispute arising out of or in connection with the Transactions (including a dispute relating to any non-contractual obligation arising out of or in connection with either the Transactions or the negotiation of the Transactions contemplated by this Confirmation).

### 6 **Offices:**

- (a) The Office of Standard Bank for the Transaction is Standard Bank Centre, Entrance 1, 4<sup>th</sup> Floor, 3 Simmonds Street, Johannesburg, 2001
- (b) The Office of Counterparty for the Transaction is Consol House, Osborn Road, Wadeville, 1407

### 7 **Account Details:**

Account for payments to Standard Bank:	CIB Exotics Disbursement Account Account Number: 00 986 588 8 Branch Code: 00 06 53
Account for payments to Counterparty:	Consol Glass -- Treasury Account Standard Bank Germiston Branch Branch code: 011 642 Account number: 090 307 585 Swift: SBZAJJICM

### 8 **Addresses for Notices:**

- (i) (1) Address for notices or communications to Standard Bank under Sections 5 or 6 of this Agreement and for the purpose of Section 12(a) other than Confirmation and Confirmation related matters:
  - Address: Standard Bank Centre  
3 Simmonds Street

Johannesburg, 2001

Attention: Head of Sales and Structuring: Interest Rate Derivatives

Facsimile No: +27(0)11 378 7920  
Telephone No: +27(0)11 378 7231

- (2) Address for notices or communications to Counterparty under Sections 5 or 6 of this Agreement and for the purpose of Section 12(a) other than Confirmation and Confirmation related matters:

Address: Consol House  
Osborn Road  
Wadeville  
1407

Attention: Mr Karuna Nayager (Group Financial Director)

Telephone No: +27(0)11 874 2272  
Facsimile No: +27(0)11 824 3897

- (ii) (1) In respect of Confirmations and Confirmation related matters to Standard Bank for the purpose of Section 12(a) of this Agreement:

Address: Standard Bank Centre  
3 Simmonds Street  
Johannesburg, 2001

Attention: The Manager, Structured Products, Global Markets

Facsimile No: +27(0)11 631 0868  
Telephone No: +27(0)11 636 4335

Designated responsible employee for the purposes of Section 12(a)(iii): Head of Global Markets Legal.

- (2) In respect of Confirmations and Confirmation related matters to Counterparty for the purpose of Section 12(a) of this Agreement:

Address: Consol House  
Osborn Road  
Wadeville  
1407

Attention: Mr Nicholas Mechanicos

Telephone No: +27(0)11 874 2235  
Facsimile No: +27(0)11 827 0213

Please confirm that the foregoing correctly sets forth the agreement between the parties by signing this Confirmation in the space provided below and immediately returning a copy of the executed Confirmation via facsimile to the attention of Alex Davidson at 011 378 7920. Please note that the time of the Transactions is available upon request.

Yours sincerely,

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For and on behalf of  
**The Standard Bank of South Africa Limited**

**By:**  
**Name:**  
**Title:**

Confirmed as of the date first written

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For and on behalf of  
**Consol Glass (Proprietary) Limited**

**By:**  
**Name:**  
**Title:**



**Schedule A**

**(Payments in respect of Transaction "A" – FFXWD1010458)**

<b>Fixed I Amount Payer (Standard Bank) Payment Dates</b>	<b>Fixed I Amount Payer Payment Amounts</b>
15 April 2011	EUR 374,123,680.45

<b>Fixed II Amount Payer (Counterparty) Payment Dates</b>	<b>Fixed II Amount Payer Payment Amounts</b>
15 April 2011	ZAR 5,085,215,848.56

## Schedule B

(payments in respect of Transaction "B" – FXFWD1010480)

Fixed I Amount Payer (Counterparty) Payment Dates	Fixed I Amount Payer Payment Amounts
15 April 2011	EUR 374,123,680.45
Fixed II Amount Payer (Standard Bank) Payment Dates	Fixed II Amount Payer Payment Amounts
15 April 2011	ZAR 3,623,535,292.22

Period End Dates	Floating Amounts
29 October 2010	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
31 January 2011	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
19 April 2011	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction less ZAR 1,461,680,556.35
29 July 2011	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
31 October 2011	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
31 January 2012	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
30 April 2012	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
31 July 2012	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
31 October 2012	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
31 January 2013	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
30 April 2013	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
31 July 2013	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
31 October 2013	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
31 January 2014	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
15 April 2014	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction

Final Exchange Date	Final Exchange Amount
As stipulated in paragraph 2 above	As stipulated in paragraph 2 above

### Schedule C

(Net payments due in respect of Transactions "A" and "B")

Period End Dates	Floating Amounts
29 October 2010	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
31 January 2011	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
19 April 2011	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
29 July 2011	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
31 October 2011	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
31 January 2012	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
30 April 2012	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
31 July 2012	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
31 October 2012	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
31 January 2013	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
30 April 2013	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
31 July 2013	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
31 October 2013	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
31 January 2014	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction
15 April 2014	Notional Amount * (Floating Rate plus Spread) * Floating Rate Day Count Fraction

Final Exchange Date	Final Exchange Amount
As stipulated in paragraph 2 above	As stipulated in paragraph 2 above

## **Schedule D**

### **Assignees**

Old Mutual Life Assurance Company (South Africa) Limited

Old Mutual Specialised Finance (Proprietary) Limited

Liberty Group Limited acting through its division Liberty Financial Solutions

Sanlam Capital Markets Limited

Investec Asset Management (Proprietary) Limited

Credit Partners 1 LP, a partnership established in accordance with the laws of the Republic of South Africa and represented by and acting through its general partner, Credit Partners GP (Proprietary) Limited