



**BNP PARIBAS**

**FINAL TERMS DATED 8 SEPTEMBER 2009**

**BNP Paribas Arbitrage Issuance B.V.**  
*(incorporated in The Netherlands)*  
*(as Issuer)*

**BNP Paribas**  
*(incorporated in France)*  
*(as Issuer and, in respect of issues by BNP Paribas Arbitrage Issuance B.V., Guarantor)*

**WARRANT AND CERTIFICATE PROGRAMME**

**BNP Paribas Arbitrage Issuance B.V.**

**ZAR 500,000,000 Certificates relating to**  
**Cadiz Dynamic Global Opportunities Total Return Index EUR due August 2024**

**ISIN Code: ZAG000071291**

**BNP Paribas Arbitrage S.N.C.**  
*(as Manager)*

**ISSUANCE OF SECURITIES BY BNP PARIBAS ARBITRAGE ISSUANCE B.V. UNDER THE WARRANT AND CERTIFICATE PROGRAMME (the "Programme") HAS BEEN APPROVED BY JSE LIMITED ("JSE"), A LICENSED FINANCIAL EXCHANGE IN TERMS OF THE SOUTH AFRICAN SECURITIES SERVICES ACT, 2004 ON 7 SEPTEMBER 2009.**

**PART A - CONTRACTUAL TERMS**

This document constitutes the Final Terms relating to the issue and listing of Certificates as described herein on the JSE Limited. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 4 June 2009 and the Supplement to the Base Prospectus dated 13 August 2009 which, together, constitute a base prospectus (the "**Base Prospectus**") for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**") read with the placement document, dated 7 September 2009, prepared by the Issuer for purposes of listing Securities (as defined therein) on the JSE (the "**JSE Placement Document**"). This document constitutes the Final Terms of the Certificates described herein and must be read in conjunction with such Base Prospectus and the JSE Placement Document. Full information on BNP Paribas Arbitrage Issuance B.V. (the "**Issuer**") and the offer of the Certificates is only available on the basis of the combination of these Final Terms, the Base Prospectus and the JSE Placement Document. To the extent there is any conflict or inconsistency between the contents of this Final Terms and the Base Prospectus and/or the JSE Placement Document, the provisions of the Final Terms shall prevail.

References herein to numbered Conditions are to the terms and conditions of the relevant series of Certificates and words and expressions defined in such terms and conditions shall bear the same meaning in these Final Terms (including Schedule 1 of this Final Terms headed "**Additional Terms and Conditions**") insofar as they relate to such Series of Certificates set out in "**Specific Provisions for each Series**" below in so far as they relate to such Series of Certificates, save as where otherwise expressly provided.

References herein to "**Certificates**" shall be deemed to be references to the relevant Certificates that are the subject of these Final Terms and references to "**Certificates**" and "**Certificate**" shall be construed accordingly.

The reference to Issue Price is not an expression of market value and does not imply that transactions in the market will not be executed at prices above or below such Issue Price to reflect prevailing market conditions.

None of the Issuer, the Calculation Agent or the Principal Certificate Agent accepts responsibility for the calculation, maintenance or publication of the Custom Index or any successor index.

1. Issuer: BNP Paribas Arbitrage Issuance B.V.
2. Guarantor: BNP Paribas

#### **SPECIFIC PROVISIONS FOR EACH SERIES**

Series Number	No. of Certificates issued	No. of Certificates	ISIN	Common Code	Issue Price per Certificate	Redemption Date
CE562DIS	500,000,000	500,000,000	ZAG000071291	ZA002	100%	16 August 2024

#### **GENERAL PROVISIONS**

The following terms apply to each series of Certificates:

3. Trade Date: 30 July 2009.
4. Issue Date and Interest Commencement Date: 8 September 2009.
5. Consolidation: Not applicable.
6. Type of Certificates: The Certificates are Custom Index Certificates.  
The provisions of Annex 13 (*Additional Terms and Conditions for Custom Index Linked Certificates*) shall apply.
7. Form of Certificates: Uncertificated Securities
8. Last Day to Register: By 17h00 on 5 August 2024
9. Books Closed Period: 6 August 2024
- 10 Business Day Centre(s): The applicable Business Day Centre for the purposes of the definition of "Business Day" in Condition 4 is TARGET Settlement Day.
- 11 Settlement: Settlement will be by way of cash payment ("**Cash Settled Certificates**").
- 12 Variation of Settlement:
  - (a) Issuer's option to vary settlement: The Issuer does not have the option to vary settlement in respect of the Certificates.
  - (b) Variation of Settlement of Physical Delivery Certificates: Not applicable.
- 13 Relevant Asset(s): Not applicable.
- 14 Entitlement: Not applicable.
- 15 Instalment Certificates: The Certificates are not Instalment Certificates.
- 16 Partly Paid Certificates: The Certificates are not Partly Paid Certificates.
- 17 Exchange Rate: Not applicable.
- 18 Settlement Currency: The settlement currency is South African Rand ("**ZAR**").
- 19 Notional Amount of each Certificate: ZAR 1.

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| <p>20 Syndication:</p> <p>21 Minimum Trading Size:</p> <p>22 Principal Certificate Agent:</p> <p>23 Calculation Agent:</p> <p>24 Governing law:</p> <p>25 Special conditions or other modifications to the Terms and Conditions:</p> | <p>The Certificates will be distributed on a non-syndicated basis.</p> <p>100,000 Certificates and multiples of 1 Certificate thereafter</p> <p>BNP Paribas Arbitrage S.N.C.</p> <p>BNP Paribas Arbitrage S.N.C., 8 rue de Sofia, 75018 Paris, France.</p> <p>English law.</p> |
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- (a) This Series of Certificates will be issued on, and subject to, the Applicable Terms and Conditions (being the terms and conditions of the Certificates set out in that section of the Base Prospectus headed "*Terms and Conditions of Certificates*" (the "**Terms and Conditions**"), as replaced and/or supplemented by (i) the additional terms and conditions set out in Schedule 1 to this Final Terms headed "*Additional Terms and Conditions*" and (ii) the terms and conditions of this Series of Certificates set out in this Final Terms).
- (b) In addition to (a) above, the second sentence of Condition 6(A) of the Terms and Conditions shall be deleted and replaced with the following:
- "If the date for payment of any amount in respect of the Certificates is not a Business Day, the holder thereof shall not be entitled to payment until the next following Business Day (and shall not be entitled to any further payment in respect of such delay) unless such date for payment would thereby fall into the next calendar month, in which event such payment shall be brought forward to the immediately preceding Business Day."*
- (c) The following additional paragraph shall be added to General Condition 16 "*Additional Disruption Events*" of the Terms and Conditions as sub-paragraph (c)(v):
- "the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index within five Scheduled Custom Index Business Days (or such other number of Scheduled Custom Index Business Days specified in the applicable Final Terms) of the relevant Additional Disruption Event and, upon selection of such index, the Calculation Agent shall promptly notify the Issuer and the Issuer will give notice to the holders in accordance with General Condition 11 and such index shall become the Successor Index and deemed to be a "Custom Index" for the purposes of the Certificates and the Calculation Agent will make such adjustment, if any to one or more of the terms of the Certificates as the Calculation Agent in its sole and absolute discretion determines appropriate. Such substitution and the relevant adjustment to the terms of the Certificates will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") in its absolute discretion and specified in*

*the notice referred to below which may, but need not be the date on which the Additional Disruption Event occurred."*

(c) Changes to Transfer Agent and Paying Agent:

In relation to the listing of Securities (as defined in the JSE Placement Document) on the JSE, Computershare Investor Services (Proprietary) Limited ("**Computershare**"), FirstRand Bank Limited, acting through its First National Bank division ("**FNB**"), BNP Paribas Arbitrage SNC ("**BNPA**") and the Issuer entered into a separate Agency Agreement dated 7 September 2009, as amended and/or supplemented from time to time (the "**South African Agency Agreement**") in terms of which the Issuer has appointed Computershare to act as Transfer Agent, FNB to act as Paying Agent and BNPA to act as Calculation Agent respectively in respect of the Series of Securities to be issued under the Programme pursuant to the Base Prospectus as read with the JSE Placement Document. All references in the Base Prospectus to the "*Amended and Restated Agency Agreement*" in the Base Prospectus shall be the "*South African Agency Agreement*".

Specified Offices:

**Computershare Investor Services (Proprietary) Limited**  
70 Marshall Street  
Johannesburg, 2001  
South Africa

Contact: Mr C Lourens  
Tel: +27 11 370 7843  
Fax: +27 11 688 7707

**FirstRand Bank Limited,**  
**acting through its First National Bank division**  
BankCity, 3 First Place Mezzanine Floor  
Cnr Simmonds & Jeppe Street  
Johannesburg, 2001  
South Africa  
Contact: Mr A Jansen van Vuuren  
Tel: +27 11 371 3451  
Fax: +27 11 352 2010

**PRODUCT SPECIFIC PROVISIONS**

26 Index Certificates:	Not applicable.
27 Share Certificates:	Not applicable.
28 GDR/ADR Certificates:	Not applicable.
29 Debt Certificates:	Not applicable.
30 Commodity Certificates:	Not applicable.
31 Inflation Index Certificates:	Not applicable.
32 Currency Certificates:	Not applicable.

33 Fund Certificates:	Not applicable.
34 Market Access Certificates:	Not applicable.
35 Credit Certificates:	Not applicable.
36 Futures Certificates:	Not applicable.
37 Reference Rate Certificates:	Not applicable.
38. Custom Index Certificates:	Applicable
(d) Custom Index/Custom Indices / Custom Index Sponsor (s):	<p>The Cadiz Dynamic Global Opportunities Total Return Index stated in EUR</p> <p>The Index Sponsor is BNP Paribas or any successor acceptable to the Calculation Agent.</p> <p>The Custom Index is calculated by BNP Paribas Arbitrage S.N.C. (the <b>"Index Calculation Agent"</b>).</p>
(e) Screen Page	Bloomberg Code: BNPICGOT Index. Reuters Code: .BNPICGOT
(f) Settlement Price:	The Settlement Price will be calculated as per the Conditions.
(g) Disrupted Day:	If the Redemption Valuation Date is a Disrupted Day, the Settlement Price will be calculated in accordance with Custom Index Linked Condition 2(B).
(h) Strike Date:	3 August 2009.
(i) Strike Level:	Not applicable.
(j) Averaging:	Averaging does not apply to the Certificates.
(k) Redemption Valuation Date:	As set out in paragraph 56 below.
(l) Observation Date(s):	Not applicable.
(m) Observation Period:	Not applicable.
(n) Custom Index Business Day:	Custom Index Business Day (Single Custom Index Basis).
(o) Scheduled Custom Index Business Day:	Scheduled Custom Index Business Day (Single Custom Index Basis).
(p) Weighting:	Not applicable.
(q) Valuation Time:	As per Conditions.
(r) Custom Index Correction Period:	As per Conditions.
(s) Custom Index Disruption Event:	Specified Maximum Days of Disruption will be equal to three (3) Scheduled Custom Index Business Days.
(t) Knock-in Event:	Not applicable.
(u) Knock-out Event:	Not applicable.
(v) Automatic Early Redemption Event:	Not applicable.

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| (w) | Delayed Redemption on Occurrence of Custom Index Adjustment Event: | Not applicable. |
| (x) | Other terms or special conditions:                                 | Not applicable. |

- 39 Additional Disruption Events:
- (a) The following Additional Disruption Events apply to the Certificates:
- Change in Law;  
Hedging Disruption;  
Increased Cost of Hedging
- (b) Condition 16(B) (Additional Definitions) Not applicable.
- (c) Delayed Redemption on the Occurrence of an Additional Disruption Event: Not applicable.

#### PROVISIONS RELATING TO INTEREST

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|--|---------------------------------------|
| 40 Interest:                                     | The Certificates do not pay interest. |
| 41 Fixed Rate Provisions:                        | Not applicable.                       |
| 42 Floating Rate Provisions:                     | Not applicable.                       |
| 43 Index Linked Interest Certificates:           | Not applicable.                       |
| 44 Share Linked Interest Certificates:           | Not applicable.                       |
| 45 GDR/ADR Linked Interest Certificates:         | Not applicable.                       |
| 46 Debt Linked Interest Certificates:            | Not applicable.                       |
| 47 Commodity Linked Interest Certificates:       | Not applicable.                       |
| 48 Inflation Index Linked Interest Certificates: | Not applicable.                       |
| 49 Currency Linked Interest Certificates:        | Not applicable.                       |
| 50 Fund Linked Interest Certificates:            | Not applicable.                       |
| 51 Futures Linked Interest Certificates:         | Not applicable.                       |
| 52 Custom Index Linked Interest Certificates:    | Not applicable.                       |

#### ISSUER CALL OPTION IN RESPECT OF CERTIFICATES

- 53 Issuer Call Option: Applicable.
- (a) Optional Redemption Date(s): The date falling 10 Business Days after the Optional Redemption Valuation Date.
- (b) Optional Redemption Valuation Date: The date falling three years after the Issuer Call Option Exercise Notification Date.
- (c) Optional Redemption Amount and method, if any, of calculation of such amount:
- $$N + \text{Max} \left[ 0\%; \text{Max} \left( \frac{DB_{\text{Max}(0, \text{COE})}}{DB_0}; \frac{DB_{\text{COE}+3Y}}{DB_0} \right) - 1 \right]$$

Where:

" $DB_{\text{Max}(0, \text{COE})}$ " means the highest Dynamic Basket Value in the period from and including, the Initial Basket Calculation Date to, and including, the relevant Issuer Call Option Exercise Notification Date;

" $DB_{COE+3Y}$ " means the Dynamic Basket Value on the Optional Redemption Valuation Date;

" $DB_0$ " means the Dynamic Basket Value on the Initial Basket Calculation Date, being equal to 100%; and

"N" means the Notional Amount of each Certificate.

- (d) Notice period (if different from those set out in the Conditions): The notice period in Condition 6(C) shall not apply. On the first Business Day of each month from, and including, August 2015 to, but excluding, August 2021, provided that the Certificates have not been previously redeemed, the Issuer may notify the Holders in accordance with Condition 11 (the date of such notification the "**Issuer Call Option Exercise Notification Date**") that the Certificates will be redeemed on the Optional Redemption Date at the relevant Optional Redemption Amount and provided further that if any such Business Day is not a Basket Calculation Date, the Issuer Call Option Exercise Notification Date shall be the following Basket Calculation Date.

#### HOLDER PUT OPTION IN RESPECT OF CERTIFICATES

- 54 Holder Put Option: Not applicable.

#### PROVISIONS RELATING TO VALUATION AND REDEMPTION

- 55 Cash Settlement Amount: On the Redemption Date, provided that the Certificates have not been redeemed or purchased and cancelled by the Issuer prior to the Redemption Valuation Date, the Holder shall receive in respect of each Certificate payment of a Cash Settlement Amount determined in accordance with the following provisions:

$$N + \text{Max} \left[ 0\%; \text{Max} \left( \frac{DB_{\text{Max}(0, \text{Final}-3Y)}}{DB_0}, \frac{DB_{\text{Final}}}{DB_0} \right) - 1 \right]$$

" $DB_0$ " means the Dynamic Basket Value on the Initial Basket Calculation Date being equal to 100%;

" $DB_{\text{Final}}$ " means the Dynamic Basket Value on the Final Basket Calculation Date;

" $DB_{\text{Max}(0, \text{Final}-3Y)}$ " means the highest Dynamic Basket Value, in the period from, and including, the Initial Basket Calculation Date to, and including, the date which falls three years prior to the Final Basket Calculation Date;

"**Final Basket Calculation Date**" means the Redemption Valuation Date; and

"**Initial Basket Calculation Date**" means the Strike Date.

- 56 Renouncement Notice Cut-off Time: Not applicable.
- 57 Strike Date: 3 August 2009.
- 58 Redemption Valuation Date: 1 August 2024.
- 59 Averaging: Averaging does not apply to the Certificates.
- 60 Observation Dates: Not applicable.
- 61 Observation Period: Not applicable.
- 62 Settlement Business Day: Not applicable.
- 63 Cut-off Date: Not applicable.

## DISTRIBUTION AND US SALES ELIGIBILITY

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| 64 Selling Restrictions:   | As set out in the Base Prospectus.   |
| (a) Eligibility for sale of Certificates in the United States to AIs:                                  | The Certificates are not eligible for sale in the United States to AIs.                  |
| (b) Eligibility for sale of Certificates in the United States to QIBs within the meaning of rule 144a: | The Certificates are not eligible for sale in the United States under Rule 144A to QIBs. |
| 65 Additional U.S. Federal income tax consequences:  | Not applicable.  |
| 66 Registered broker/dealer:   | Not applicable.  |
| 67 Non exempt Offer:   | Not applicable.  |

## Purpose of Final Terms

These Final Terms comprise the final terms required for issue and admission to trading on the Bond Market of the JSE of the Certificates described herein pursuant to the BNP Paribas, BNP Paribas Arbitrage Issuance B.V. Warrant and Certificate Programme.

## Responsibility

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge of the Issuer (who has taken all reasonable care to ensure that such is the case), the information contained herein is in accordance with the facts and does not omit anything likely to affect the import of such information.


Signed on behalf of BNP Paribas Arbitrage Issuance B.V.

As Issuer:

By: 

**MICHAEL HAEEMS**  
**AUTHORISED SIGNATORY**

Duly authorised  
Dated: 7 September 2009

  
**JEREMY ROYCROFT**  
**AUTHORISED SIGNATORY**



## PART B - OTHER INFORMATION

### 1. Listing and Admission to trading

Application has been made to list the Certificates on the Bond Market of the JSE and to admit the Certificates for trading on the

### 2. Ratings

Ratings: The Certificates to be issued have not been rated.

### 3. Risk Factors

The attention of potential purchasers of the Certificates is drawn to the Risk Factors in the Base Prospectus. Furthermore potential purchasers should ensure they establish whether notification of the exercise of the Issuer Call Option (as set out in paragraph 51 in Part A) has been given prior to committing to purchase any Certificates.

### 4. Interests of National and Legal Persons Involved in the Issue

Save as discussed in "Risk Factors" in the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Certificates has an interest material to the offer.

### 5. Performance of Underlying, Explanation of Effect on Value of Investment and Associated Risks and Other Information concerning the Underlying

The Certificates are ZAR denominated Certificates with a fifteen year maturity.

If neither early redeemed nor purchased and cancelled, the Certificates offer the possibility to receive on the Redemption Date a Redemption Amount pursuant to the provisions detailed in paragraph 53 in Part A.

During the tenor of the Certificates, the price of the Certificates will depend upon market conditions and may be subject to significant fluctuations.

If Certificates are sold, before maturity, there is a higher probability that the investor will suffer a loss of its investment.

Over the same time period, the yield of the Certificates may be inferior to the yield of a market-neutral-risk investment.

#### Custom Index Description

The Cadiz Dynamic Global Opportunities Total Return Index (the "**Custom Index**") is a multi-asset basket index dynamic which is sponsored by BNP Paribas. The Custom Index aims to reflect a value (assuming reinvestment of all dividends and distributions) that is based on the performance of a monthly rebalanced diversified portfolio. The Custom Index uses a method whereby weights are recalculated every month so as to target the highest possible return that matches the volatility objective, based on the behaviour of the individual assets classes over a preceding reference period. The Index Calculation Agent calculates and may make such adjustments to the Custom Index as may be required in accordance with the Custom Index methodology and the rules governing the Custom Index.

The reference indices and reference rates (the "**Reference Assets**") comprised in the Custom Index as of the Launch Date (as defined below), together with their minimum and maximum weightings in the Custom Index, are as follows:

	Reference Assets	Ccy	Min weight	Max weight	Max weight change
1	EPRA TR Index Euro Zone	EUR	0%	+25%	10%
2	DJ EuroSTOXX 50 TR	EUR	-25%	+25%	100%
3	S&P 500 TR	USD	-25%	+25%	100%
4	TOPIX TR	JPY	-25%	+25%	100%
5	HSCEI Index TR	HKD	-25%	+25%	10%
6	Dow Jones AIG Commodity TR Index	USD	-25%	+25%	10%
7	IBOXX Total Return Euro zone Sov 5-7	EUR	0%	100%	100%
8	USDEUR TR	EUR	-25%	+25%	100%
9	EONIA Capitalization Index 7 days	EUR	0%	100%	100%

The Custom Index is calculated and published on a daily basis by the Index Calculation Agent. The Custom Index is not unitised and is expressed in 'basis points' with an initial value being set at 100 based on historical backtesting as of 4 January 1995 (the "**Launch Date**"). The Custom Index currency is expressed in EUR with the conversion of Reference Assets not denominated in EUR being converted on the basis of the foreign exchange fixing rate as published on

Reuters page WMRSPOT as determined by the Index Calculation Agent or as ascertained from any other source as the Index Calculation Agent may deem appropriate.

The Index Sponsor will ensure the publication of the levels of the Custom Index, which shall be published by the Index Calculation Agent on Bloomberg page BNPIGOT or on any other data provider as the Index Sponsor deems appropriate.

Further information as to how the Custom Index is calculated and the effect of potential Custom Index disruption and other events potentially affecting the Custom Index can be found at [www.bnpparibasindex.com](http://www.bnpparibasindex.com) or on Bloomberg Screen Page BNPIGOT Index.

The Issuer does not intend to provide post-issuance information.

## **6. Operational Information**

Relevant Clearing System(s): Euroclear and Clearstream Luxembourg.

If other than Euroclear Bank S.A./N.V.,  
Clearstream Banking, société anonyme,  
Euroclear France, Iberclear, the relevant  
identification number(s) and in the case of VPC  
Certificates, the VPC Certificate Agent: Not applicable.

### **Disclosure Requirements in terms of Paragraphs 3(5) of the Commercial Paper Regulations**

#### **Paragraph 3(5)(a)**

The ultimate borrower is the Issuer.

#### **Paragraph 3(5)(b)**

The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments, thereby reflecting the adequacy of the liquidity and solvency of the Issuer.

#### **Paragraph 3(5)(c)**

The auditors of the Issuer are Deloitte Accountants B.V.

#### **Paragraph 3(5)(d)**

As at the Issue Date:

- (i) the Issuer has not issued any commercial paper (as defined in the Commercial Paper Regulations) in South Africa; and
- (ii) to the best of the Issuer's knowledge and belief, the Issuer estimates that it will issue commercial paper (as defined in the Commercial Paper Regulations) up to an amount of ZAR●,000,000,000 during the current financial year ending 31 December 2009.

#### **Paragraph 3(5)(f)**

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

#### **Paragraph 3(5)(g)**

This Series of Certificates will be listed on the Bond Market of the JSE.

**Paragraph 3(5)(h)**

The proceeds of the issue of this Series of Certificates will be applied by the Issuer for its general corporate purposes.

**Paragraph 3(5)(i)**

The obligations of the Issuer in respect of this Series of Certificates are unsecured, however, they are guaranteed by the Guarantor.

**Paragraph 3(5)(j)**

Deloitte & Touche South Africa have confirmed that, based on their procedures performed, nothing has come to their attention which indicates each of the Issuers will not comply in all respects with the relevant provisions of the Commercial Paper Regulations.

## PART C - OTHER APPLICABLE TERMS

### 1. Target Basket Value

The Calculation Agent will calculate the target basket value (the "Target Basket Value") for each Basket Calculation Date  $t$  using the following formula:

$$MillZAR_t = MillZAR_{lastRoll(t)} \times \left( \frac{MillEUR_t \times SpotRate_t}{MillEUR_{lastRoll(t)} \times SpotRate_{lastRoll(t)}} + Hedge_{lastRoll(t),t} \right)$$

where:

$$Hedge_{lastRoll(t),t} = \frac{SpotRate_{lastRoll(t)} + FXSpread_{lastRoll(t)}}{SpotRate_{lastRoll(t)}} - \frac{SpotRate_t + FXSpread_t}{SpotRate_{lastRoll(t)}}$$

"**MillEUR<sub>t</sub>**" means the level of the Custom Index in EUR on Basket Calculation Date  $t$ .

"**MillZAR<sub>t</sub>**" means the Target Basket Value in ZAR on Basket Calculation Date  $t$ .

"**SpotRate<sub>t</sub>**" means the value of the EUR/ZAR Spot Rate on Basket Calculation Date  $t$  as determined by the Calculation Agent and based on Reuters fixing EURZARFIXM=WM (or, if not available, based on any other sources as determined by the Calculation Agent as it in its absolute discretion may deem appropriate).

"**lastRoll<sub>t</sub>**" means the Roll Date on or immediately preceding Basket Calculation Date  $t$ .

"**NextRoll<sub>t</sub>**" means the Roll Date immediately succeeding Basket Calculation Date  $t$ .

"**Roll Date**" means any day (or if any day is not a Business Day, the next following Business Day) on the Roll Schedule on which the Calculation Agent in its absolute discretion (i) determines the Spot Rates and the Spread Rates and (ii) determines that it is possible for the Issuer or its affiliates to enter a foreign exchange hedge from EUR to ZAR and the Issuer or one of its affiliates does enter into such a foreign exchange hedge transaction.

"**Roll Schedule**" means the date in each month on which rebalancing of the Custom Index takes place in accordance with the rules relating to the calculation of the Custom Index from, and including, the Strike Date to, but excluding, the Redemption Valuation Date.

"**FXSpread<sub>t</sub>**" means the interpolated spread rate in respect of Basket Calculation Date  $t$ , of such maturity as to have a settlement date equal to NextRoll<sub>t</sub>, which is equal to the weighted average (on the basis of calendar days) of the pair of Spread Rates (either 1DSreadt/1WSreadt or 1WSreadt/1MSreadt) such that the first Spread Rate has a settlement date on or before NextRoll<sub>t</sub> and the other Spread Rate has a settlement date after NextRoll<sub>t</sub>, with the Spread Rate with the earlier settlement date being the "**Lower Spread<sub>t</sub>**" and the Spread Rate with the later settlement date being the "**Upper Spread<sub>t</sub>**", calculated as follows:

$$FXSpread_t = \frac{(Upper_t - NextRoll_t) * LowerSpread_t + (NextRoll_t - Lower_t) * UpperSpread_t}{(Upper_t - Lower_t)}$$

Where:

"**Spread Rates**" means, collectively, the 1DSread<sub>t</sub>, 1WSread<sub>t</sub> and 1MSread<sub>t</sub> rates, and each a "**Spread Rate**", as applicable.

"**1DSread<sub>t</sub>**" means the EUR/ZAR 1-Day Spread Rate defined as the 1-day forward rate minus the Spot Rate, as determined by the Calculation Agent based on Reuters fixing EURZARONFIXM=WM (or if not available, based on any other sources as determined by the Calculation Agent as it in its absolute discretion may deem appropriate).

"**1WSread<sub>t</sub>**" means the EUR/ZAR 1-Week Spread Rate defined as the 1-week forward rate minus the Spot

Rate, as determined by the Calculation Agent based on Reuters fixing EURZARSWFIXM=WM (or if not available, based on any other sources as determined by the Calculation Agent as it in its absolute discretion may deem appropriate).

**"1MSpread<sub>t</sub>"** means the EUR/ZAR 1-Month Spread Rate defined as the 1-month forward rate minus the Spot Rate, as determined by the Calculation Agent based on Reuters fixing EURZAR1MFIXM=WM (or if not available, based on any other sources as determined by the Calculation Agent as it in its absolute discretion may deem appropriate).

**"Lower<sub>t</sub>"** means the settlement date for LowerSpread<sub>t</sub>.

**"Upper<sub>t</sub>"** means the settlement date for UpperSpread<sub>t</sub>.

## 2. Dynamic Basket Value

The Calculation Agent will calculate the dynamic basket value (the **"Dynamic Basket Value"**) for Basket Calculation Date  $t$  recursively on the basis of the dynamic basket value on Basket Calculation Date  $t-1$ , using the following formulae:

(a) if  $W_{t-1} > 100\%$ :

$$DB_t = DB_{t-1} \times \left( 1 - \frac{Fees \times Act(t-1, t)}{360} \right) \times \left[ \frac{W_{t-1} \times \left( 1 - \frac{AF \times Act(t-1, t)}{360} \right) \times \frac{MillZAR_t}{MillZAR_{t-1}} + (1 - W_{t-1}) \times \left( 1 + (JIBA3M_{t-1} + 1\%) \times \frac{Act(t-1, t)}{360} \right)}{1} \right]$$

(b) if  $0\% < W_{t-1} < 100\%$ :

$$DB_t = DB_{t-1} \times \left( 1 - \frac{Fees \times Act(t-1, t)}{360} \right) \times \left[ \frac{W_{t-1} \times \left( 1 - \frac{AF \times Act(t-1, t)}{360} \right) \times \frac{MillZAR_t}{MillZAR_{t-1}} + (1 - W_{t-1}) \times \frac{PZC_t}{PZC_{t-1}}}{1} \right]$$

(c) if a Trigger Event has occurred:

$$DB_t = DB_{t-1} \times \left( 1 - \frac{FeesG \times Act(t-1, t)}{360} \right) \times \frac{PZC_{Tg(t)}}{PZC_{Tg(t-1)}}$$

where:

**"Basket Calculation Date  $t$ "** means each Custom Index Business Day from, and including, the Initial Basket Calculation Date to, and including, the Final Basket Calculation Date.

**"DB<sub>t</sub>"** means the Dynamic Basket Value in relation to Basket Calculation Date  $t$ . In relation to the Initial Basket Calculation Date, DB<sub>0</sub> is equal to 100%.

**"MillZAR<sub>t</sub>"** means the Target Basket Value in relation to Basket Calculation Date  $t$ . In relation to the Initial Basket Calculation Date, MillZAR<sub>0</sub> is equal to 100%.

**"W<sub>t</sub>"** means the weighting in relation to Basket Calculation Date  $t$  determined in accordance with the procedure set out in paragraph 3 below entitled "Weight Computation". W<sub>0</sub> will be determined by the Calculation Agent on the Initial Basket Calculation Date according to prevailing market conditions at that time. W<sub>1</sub> will be equal to W<sub>0</sub>.

**"JIBA3M<sub>t</sub>"** means the rate for deposits in ZAR with a three month designated maturity which appears on the Reuters Page "0#JIBAR=", on the day that is two Business Days prior to Basket Calculation Date  $t$ , provided that, if no rate is so published, the Calculation Agent will determine such rate from such

other source as it in its absolute discretion may deem appropriate.

**"Act(t-1,t)"** means the number of actual days elapsed between Basket Calculation Date t and Basket Calculation Date t-1.

**"Fees"** means 2.50%.

**"AF"** means the adjustment factor of 1.70%.

**"PZC<sub>TG(t)</sub>"** means the price of a hypothetical puttable zero coupon bond (the **"Trigger Zero Coupon Bond"**) calculated by the Calculation Agent in its sole and absolute discretion, by reference to the Zero Coupon Curve and the funding costs of the issuer of the Trigger Zero Coupon Bond with the following characteristics:

- (i) a maturity date which falls on the day which is three years after the Trigger Event Date (as defined below);
- (ii) a put option giving the right to investors to require the issuer of the Trigger Zero Coupon Bond to redeem the Trigger Zero Coupon Bond with a notice to be received by no later than 11:00 am (Central European Time) on the day which falls five Business Days prior to the contemplated maturity date at a price equal to  $\frac{DB_{Max(0;OTD(i)-3Y)}}{DB_0}$  of the nominal amount of the Trigger Zero Coupon Bond on each relevant OTD(i) which falls in the period from, and including, Business Day t to, but excluding, the date falling three years after the Trigger Event Date;
- (iii) an issue date which is the Trigger Event Date;
- (iv) a redemption price at maturity of  $\frac{DB_{Max(0;TG)}}{DB_0}$  of the nominal amount of the Trigger Zero Coupon Bond; and
- (v) a nominal amount of ZAR 1;

**"DB<sub>Max(0;TG)</sub>"** means the highest Dynamic Basket Value in the period from, and including, the Initial Basket Calculation Date to, but excluding, the Trigger Event Date;

**"DB<sub>Max(0;OTD(i)-3Y)</sub>"** means the highest Dynamic Basket Value in the period from, and including, the Initial Basket Calculation Date to, and including, the date which is three years prior to the relevant OTD(i);

**"OTD(i)"** means a relevant Optional Termination Date that falls in the period from, but excluding, the date falling three years after the Strike Date to, but excluding, the Final Basket Calculation Date;

**"Optional Termination Date"** means the first Basket Calculation Date in each month;

**"t"** or **"t"** where followed by a positive or negative numerical adjective and used and not defined in any term, means the number of Custom Index Business Days following or preceding the relevant date, respectively; and

**"Zero Coupon Curve"** means a curve determined by the Calculation Agent on the basis of:

- (i) the rates for deposits in ZAR published as of 11:00 am (Central European Time) on Reuters Page 0#JIBAR for maturities up to (and including) 11 months provided that if no rate is published on such page, the Calculation Agent will determine such rate from such other source as it, in its absolute discretion, may determine is appropriate; and
- (ii) the ZAR LIBOR swap rate fixings published as of 11:00 am (Central European Time) on Bloomberg page "BTMM SA" for maturities greater than or equal to one year provided that if no rate is published on such page, the Calculation Agent will determine such rate from such other source as it, in its absolute discretion, may determine is appropriate.

### 3. Distance

The Calculation Agent will determine the Distance (the **"Distance"** or **"D<sub>t</sub>"**) in accordance with the following

formula:

$$D_t = \frac{DB_t - PZC_t - UnPaidfees_t}{DB_t}$$

where:

**"PZC<sub>t</sub>"** means the price of a hypothetical puttable zero coupon bond (the **"Zero Coupon Bond"**) calculated by the Calculation Agent in its sole and absolute discretion, by reference to the Zero Coupon Curve and the funding costs of the issuer of the Zero Coupon Bond and with the following characteristics:

- (i) a maturity date which falls on the day which is three years after Basket Calculation Date t;
- (ii) a put option giving the investor therein the right to require the issuer of the Zero Coupon Bond to redeem the Zero Coupon Bond on not less than five Business Days' notice at a price equal

to  $\frac{DB_{Max(0;OTD(j)-3Y)}}{DB_0}$  of the nominal amount of the Zero Coupon Bond on each relevant

OTD(j) falling in the period, from and including, Basket Calculation Date t, to but excluding, the date which falls three years after Basket Calculation Date t;

- (iii) an issue date of Basket Calculation Date t;

- (iv) a redemption price at maturity of  $\frac{DB_{Max(0;t)}}{DB_0}$  of the nominal amount of the Zero Coupon Bond;

and

- (v) a nominal amount of ZAR 1.

**"DB<sub>Max(0;t)</sub>"** means the highest Dynamic Basket Value in the period from, and including, the Initial Basket Calculation Date to, but excluding, the relevant Basket Calculation Date t;

**"DB<sub>Max(0;OTD(j)-3Y)</sub>"** means the highest Dynamic Basket Value in the period from, and including, the Initial Basket Calculation Date to, and including, the date which is three years prior to the relevant OTD(j);

**"OTD(j)"** means a relevant Optional Termination Date that falls in the period from, but excluding, the date falling three years after the Strike Date to, but excluding, the Final Basket Calculation Date; and

**"UnPaidfees<sub>t</sub>"** means the unpaid fees calculated on Basket Calculation Date t by the Calculation Agent in accordance with the following formula:

- (i) if a Trigger Event has not occurred:

$$UnPaidfees_t = DB_t \times FeesG \times \min\left(3, \frac{Act(t, Final)}{360}\right)$$

- (ii) if a Trigger Event has occurred:

$$UnPaidfees_t = DB_t \times FeesG \times \frac{Act(t, TG + 3Y)}{360}$$

Where

**"Act(t, Final)"** means the number of actual days from, but excluding, Basket Calculation Date t to, and including, the Final Basket Calculation Date;

**"Act(t, TG+3Y)"** means the number of actual days from, but excluding, Basket Calculation Date t to, and including, the date which falls three years after the Trigger Event Date; and

**"FeesG"** means 1.25%.

#### 4. Weight Computation

On each Basket Calculation Date  $t$ , the Calculation Agent will determine the target weight (" $W_{Tg(t)}$ ") as follows:

$$W_{Tg(t)} = \text{Min}(150\%; \text{Max}(\text{LeverageFactor} \times D_t, 0\%))$$

where:

(a) If a Trigger Event is deemed to have occurred,  $W_{t+2}$  will equal 0%.

(b) Otherwise:

- (i) if the Calculation Agent determines that the actual  $W_t$  is lower than 90% of the  $W_{Tg(t)}$ , it will increase the  $W_t$  in the Dynamic Basket to the  $W_{Tg(t)}$ . The reallocation will be effective on  $t+2$ ;
- (ii) if the Calculation Agent determines that the actual  $W_t$  is higher than 110% of the  $W_{Tg(t)}$ , it will decrease the  $W_t$  in the Dynamic Basket to the  $W_{Tg(t)}$ . The reallocation will be effective on  $t+2$ .
- (iii) If the Calculation Agent determines that the actual  $W_t$  is higher than 90% but below 110% of the  $W_{Tg(t)}$ , the  $W_t$  in the Dynamic Basket in  $t+2$  will be unchanged.

**"Leverage Factor"** means 7.

**"Trigger Event"** means the event that will be deemed to have occurred if at any time from, and including, the Initial Basket Calculation Date to, and including, the Final Calculation Date, the Distance falls below 1.50%.

**"Trigger Event Date"** means the date when a Trigger Event has occurred, as determined by the Calculation Agent. For the avoidance of doubt, no reweighting will be effected following the Trigger Event Date.



## Custom Index Disclaimer

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The Index Calculation Agent and the Index Sponsor shall not be held liable for any modification or change in the methodology used in calculating the Custom Index. The Index Calculation Agent and the Index Sponsor are under no obligation to continue the calculation, publication or dissemination of the Custom Index and cannot be held liable for any suspension or interruption in the calculation of the Custom Index. The Index Calculation Agent and the Index Sponsor decline any liability in connection with the level of the Index at any given time. Neither the Index Calculation Agent nor the Index Sponsor can be held liable for any loss whatsoever, directly or indirectly related to the Custom Index.

The index methodology is confidential. BNP Paribas does not guarantee the accuracy or completeness of the index methodology or the calculation methods, any errors or omissions in computing or disseminating the Custom Index, and for any use any Holder makes of it and BNP Paribas shall have no liability for any errors or omissions therein. The index methodology is based on certain assumptions, certain pricing models and calculation methods adopted by BNP Paribas and have certain inherent limitations. Information prepared on the basis of different models, calculation methods or assumptions may yield different results. Numerous factors may affect the analysis, which may or may not be taken into account. Therefore, the analysis of information may vary significantly from analysis obtained from other sources or market participants. The index methodology is strictly confidential. No Holder has authority to use or reproduce the index methodology in any way and BNP Paribas shall not be liable for any loss arising from the use of the index methodology or otherwise in connection herewith.

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**ADDITIONAL TERMS AND CONDITIONS**

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*The following is the text of the Additional Terms and Conditions:*

**1. ISSUE**

The Applicable Terms and Conditions of a Series of Securities are incorporated by reference into the Certificate(s) (if any) representing the Securities in that Series. The relevant Final Terms relating to a Series of unlisted registered Securities issued in certificated form will be attached to the Definitive Certificate(s) representing the Securities in that Series. The Holders of the Securities in a Series are deemed to have knowledge of, and are entitled to the benefit of, and are subject to, all the provisions of the relevant Final Terms relating to that Series.

**2. DENOMINATION, FORM AND TITLE****2.1. General**

- 2.1.1. The denomination of each Security in a Series will be the Specified Denomination. The Securities will be issued for an amount not less than ZAR100,000 per single addressee.
- 2.1.2. The Holders of Certificates that are not listed on the Bond Market of the JSE will have no recourse against the BESA Guarantee Fund. The Holders of Certificates that are listed on the Bond Market of the JSE will have recourse against the BESA Guarantee Fund only if such Certificates are traded by or through members of the JSE (in accordance with the rules and operating procedures for the time being of JSE and the CSD) through the CSD electronic settlement system.

**2.2. Certificated Securities**

- 2.2.1. All Securities issued in certificated form will be represented by a single Definitive Certificate in registered form. Each Definitive Certificate will be registered in the Register in the name of the individual holder(s) of the Securities represented by that Definitive Certificate.
- 2.2.2. Title to Securities represented by a Definitive Certificate will pass upon registration of transfer in accordance with Condition 1 of the Terms and Conditions.
- 2.2.3. The Issuer, the Paying Agent and the Transfer Agent will recognise the Holder of Securities, named in the Register, as the sole and absolute owner of the Securities registered in that Holder of Securities' name (notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes, but without prejudice to the provisions of Condition 2.4 below.

**2.3. Uncertificated Securities**

A Series of Securities which is listed on the JSE may be issued in uncertificated form in terms of section 37 of the South African Securities Services Act. Uncertificated Securities will not be represented by any certificate or written instrument. A Series of Securities issued in uncertificated form will be held by the CSD, and the CSD's Nominee will be named in the Register as the registered holder of that Series of Securities.

**2.4. Securities held in the CSD**

- 2.4.1. The CSD's Nominee will be listed in the Register as the registered holder of each Series of Securities (other than those Securities in that Series which are represented by Definitive Certificates) which is listed on the JSE. While a Series of Securities is held in its entirety in the CSD, the CSD's Nominee will be named in the Register as the sole Holder of Securities in that Series and, accordingly, all amounts to be

paid and all rights to be exercised in respect of the Securities in that Series will be paid to and may be exercised only by the CSD's Nominee for the holders of Beneficial Interests in that Series of Securities.

- 2.4.2. While any Securities in a Series of Securities are held in the CSD, each person shown in the records of the CSD or the relevant CSD Participant, as the case may be, as the holder of a Beneficial Interest in a particular Aggregate Nominal Amount of such Securities (in which regard any certificate or other document issued by the CSD or the relevant CSD Participant, as the case may be, as to the Aggregate Nominal Amount of such Securities standing to the account of such person shall be *prima facie* proof of such Beneficial Interest) shall, subject to the Additional Terms and Conditions, be treated by the Issuer, the Paying Agent, the Transfer Agent and the relevant CSD Participant as the holder of that Aggregate Nominal Amount of such Securities for all purposes, other than with respect to the payment of all amounts (whether in respect of principal, interest or otherwise) due and payable in respect of such Securities, for which latter purpose the CSD's Nominee (as the registered holder of such Securities named in the Register) shall be treated by the Issuer, the Paying Agent, the Transfer Agent and the relevant CSD Participant as the holder of such Securities in accordance with and subject to the Additional Terms and Conditions.
- 2.4.3. Beneficial Interests which are held by CSD Participants will be held directly through the CSD, and the CSD will hold such Beneficial Interests, on behalf of such CSD Participants, through the central securities accounts maintained by the CSD for such CSD Participants. Beneficial Interests which are held by clients of CSD Participants will be held indirectly through such CSD Participants, and such CSD Participants will hold such Beneficial Interests, on behalf of such clients, through the securities accounts maintained by such CSD Participants for such clients. The clients of CSD Participants may include the holders of Beneficial Interests or their custodians.
- 2.4.4. The clients of CSD Participants, as the Holders of Beneficial Interests or as custodians for such Holders, may exercise their rights in respect of the Securities held by them in the CSD only through their CSD Participants. Euroclear Bank S.A./N.V. as operator of the Euroclear System ("Euroclear") and Clearstream Banking, société anonyme, (Clearstream Luxembourg) ("Clearstream") may hold Securities through their CSD Participant.
- 2.4.5. Title to Beneficial Interests held by CSD Participants directly through the CSD will pass on transfer thereof by electronic book entry in the central securities accounts maintained by the CSD for such CSD Participants, in accordance with the Applicable Procedures (as contemplated in Condition 4.1 below). Title to Beneficial Interests held by clients of CSD Participants indirectly through such CSD Participants will pass on transfer thereof by electronic book entry in the securities accounts maintained by such CSD Participants for such clients, in accordance with the Applicable Procedures (as contemplated in Condition 4.1 below).
- 2.4.6. Holders of Beneficial Interests vote in accordance with the relevant Applicable Procedures.
- 2.4.7. The holder of a Beneficial Interest will only be entitled to exchange such Beneficial Interest for Securities represented by a Definitive Certificate in accordance with Condition 5 below.
- 2.4.8. Each Series of Securities held by the CSD will be held subject to the South African Securities Services Act and the Applicable Procedures.

### **3. PAYMENTS**

#### **3.1. General**

- 3.1.1. Only Holders of Securities named in the Register at 17h00 (South African time) on the relevant Last Day to Register shall be entitled to payments of amounts (whether in respect of principal, interest or otherwise) due and payable in respect of the Securities.

- 3.1.2. Any payments of all amounts (whether in respect of principal, interest or otherwise) due and payable in respect of any Securities shall be made by the Paying Agent, on behalf of the Issuer, on the terms and conditions of the Agency Agreement and this Condition 3. The Issuer shall not be responsible for the loss in transmission of any funds paid by the Paying Agent to the Holders of listed Securities or in the case of unlisted Securities, to the Transfer Agent, of any amount by the Issuer to the Paying Agent (into such separate bank account of the Issuer held with the Paying Agent for the Securities as is agreed in writing between the Issuer and the Paying Agent from time to time) in accordance with the Agency Agreement, shall be satisfaction *pro tanto*, to the extent of such amount, of the Issuer's obligations to the Holders of Securities under the Securities, the Applicable Terms and Conditions and the Agency Agreement.
- 3.1.3. Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment. Any reference in the Applicable Terms and Conditions to any amounts in respect of any Securities shall be deemed also to refer to any additional amounts which may be payable under the Applicable Terms and Conditions.

### 3.2. Method of payment

The Paying Agent will, on behalf of the Issuer, pay all amounts (whether in respect of principal, interest or otherwise) due and payable in respect of any Securities:

- 3.2.1. in the case of Securities issued in uncertificated form in immediately available and freely transferable funds, in the Currency (subject to the Exchange Control Regulations) by electronic funds transfer to the bank account of the CSD's Nominee, as the registered holder of such Securities, which in turn will transfer such funds, via the CSD Participants, to the holders of Beneficial Interests in such Securities;
- 3.2.2. in the case of Securities represented by a Definitive Certificate, in immediately available and freely transferable funds, in the Currency (subject to the Exchange Control Regulations) by electronic funds transfer, to the bank account of the Transfer Agent where after the Transfer Agent will transfer the funds to the bank account of the person named as the registered holder of such Securities in the Register or, in the case of joint registered Holders of Securities, the bank account of the first one of them named in the Register in respect of such Securities.

### 3.3. Beneficial Interests

- 3.3.1. Following payment to the CSD's Nominee of amounts due and payable in respect of Securities issued in uncertificated form pursuant to Condition 3.2.1 above, the relevant funds will be transferred by the CSD's Nominee, via the CSD Participants, to the holders of Beneficial Interests in such Securities.
- 3.3.2. Each of the persons reflected in the records of the CSD or the relevant CSD Participant, as the case may be, as the holders of Beneficial Interests in Securities, will look solely to the CSD or the relevant CSD Participant, as the case may be, for such person's share of each payment so made by the Paying Agent, on behalf of the Issuer, to or for the order of the CSD's Nominee, as the registered holder of such Securities.
- 3.3.3. Neither the Paying Agent nor the Issuer will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Beneficial Interests or for maintaining, supervising or reviewing any records relating to Beneficial Interests.
- 3.3.4. Payments of amounts due and payable in respect of Beneficial Interests in Securities will be recorded by the CSD's Nominee, as the registered holder of such Securities, distinguishing between interest, principal and any other amount, and such record of payments by the CSD's Nominee, as the registered holder of such Securities, will be *prima facie* proof of such payments.

### **3.4. Payment Date**

Notwithstanding anything to the contrary contained in the Applicable Terms and Conditions, if the date for payment of any amount due and payable in respect of a Series of Securities is not a Business Day, then such date for payment shall be the following Business Day, and the holders of such Securities will not be entitled to further interest or other payments in respect of any such delay.

### **3.5. Cancellation of uncertificated Securities**

No payment of any amount due and payable in respect of any such Securities which are to be redeemed pursuant to the Applicable Terms and Conditions shall be made unless, on or before the date for redemption, the Transfer Agent has received written notice at its Specified Offices from the CSD's Nominee for the redemption and cancellation of such Securities.

### **3.6. Surrender of Definitive Certificates**

- 3.6.1. No payment of any amount due and payable in respect of any Securities which are to be redeemed pursuant to the Applicable Terms and Conditions shall be made unless, on or before the date for redemption, the Definitive Certificate(s) representing such Securities (if any) have been surrendered for cancellation at the Specified Office of the Transfer Agent.
- 3.6.2. If Definitive Certificate(s) representing any Securities which are to be redeemed pursuant to the Applicable Terms and Conditions is/are not surrendered for cancellation on or before the date for redemption, as set out in Condition 3.6.1 above, interest (if any) on such Securities will cease to accrue to the holder of such Securities from the date for redemption.
- 3.6.3. All documents and Definitive Certificates which are required to be presented and/or surrendered to the Transfer Agent in accordance with the Applicable Terms and Conditions must be so presented and/or surrendered at the Specified Office of the Transfer Agent.

## **4. TRANSFER OF SECURITIES**

### **4.1. Transfer of Beneficial Interests**

Transfers of Beneficial Interests to and from clients of CSD Participants occur by way of electronic book entry in the securities accounts maintained by the CSD Participants for their clients, in accordance with the Applicable Procedures. Transfers of Beneficial Interests among CSD Participants occur through electronic book entry in the central securities accounts maintained by the CSD for the CSD Participants, in accordance with the Applicable Procedures. Transfers of Beneficial Interests in Securities will not be recorded in the Register, and the CSD's Nominee will continue to be reflected in the Register as the registered holder of such Securities notwithstanding such transfers.

### **4.2. Transfer of Securities represented by Definitive Certificates**

Securities represented by a Definitive Certificate will be transferred in accordance with Condition 2 of the Terms and Conditions.

## **5. EXCHANGE OF BENEFICIAL INTERESTS FOR A DEFINITIVE CERTIFICATE**

- 5.1. The holder of a Beneficial Interest in a Security may, subject to section 44 of the South African Securities Services Act, by written notice to the CSD Participant (or, if such holder is a CSD Participant, the CSD), request that such Beneficial Interest be exchanged for Securities in definitive form represented by a Definitive Certificate (the "Exchange Notice"). The Exchange Notice shall specify the name, address and bank account details of the holder of the Beneficial Interest.

- 5.2. The CSD Participant shall, within 7 (seven) Business Days of receipt of the Exchange Notice, through the CSD, notify the Transfer Agent that it is required to exchange such Beneficial Interest for Securities represented by a Definitive Certificate. The Transfer Agent will, as soon as is practicable but within 14 (fourteen) Business Days of receipt of such notice from the CSD, procure that a Definitive Certificate is prepared, authenticated and made available for delivery, on a Business Day falling within the aforementioned 14 (fourteen) Business Day period ("Exchange Date"), to the CSD Participant at the Specified Office of the Transfer Agent.
- 5.3. The Transfer Agent will, subject to this Condition 5, prepare and authenticate the Definitive Certificate, and make the Definitive Certificate available for delivery to the CSD Participant at the Transfer Agent's Specified Office.
- 5.4. A Definitive Certificate issued pursuant to this Condition 5 shall, in relation to a Beneficial Interest in any number of Securities issued in uncertificated form of a particular Aggregate Nominal Amount standing to the account of the holder thereof, represent that number of Securities of that Aggregate Nominal Amount, and shall otherwise be in such form as may be agreed between the Issuer and the Transfer Agent; provided that if such Aggregate Nominal Amount is equivalent to a fraction of ZAR100,000 or a fraction of any multiple thereof, such Definitive Certificate shall be issued in accordance with, and be governed by, the Applicable Procedures.

## **6. REGISTER**

- 6.1. The Register will be kept at the Specified Office of the Transfer Agent. The Register will, in relation to a Series of Securities, contain the name, address and bank account details of each Holder of Securities in that Series. The CSD's Nominee will be listed in the Register as the registered holder of each Series of Securities (other than those Securities in that Series which are represented by Definitive Certificates) which is listed on the JSE. The Register will set out the Aggregate Nominal Amount of the Securities in that Series issued to the Holder of Securities or the Aggregate Nominal Amount of the Securities in that Series transferred to the Holder of Securities, as the case may be, the Issue Date, the date of transfer of such Securities (if applicable) and the date upon which the Holder of Securities became registered as such. The Register will show the serial numbers of the Definitive Certificates issued and the reference numbers of Securities issued in uncertificated form. The Register will be open for inspection during the normal business hours of the Transfer Agent to the Issuer (or any person authorised by the Issuer) and any Holder of Securities (or any person of proven identity authorised in writing by any Holder of Securities).
- 6.2. Neither the Issuer nor the Paying Agent nor the Transfer Agent will be bound to enter any trust into the Register or to take any notice of or to accede to the execution of any trust (express, implied or constructive) to which any Security may be subject.
- 6.3. The Register will, in relation to a Series of Securities, be closed during the 10 (ten) Business Days preceding each Interest Payment Date and the date for redemption from 17h00 (South African time) on the Last Day to Register until 17h00 (South African time) on the day preceding the Interest Payment Date (where applicable) and the date for redemption. All periods referred to for the closure of the Register may, subject to the Applicable Procedures, be shortened by the Issuer from time to time, upon notice thereof to the Security Holders (in the manner set out in Condition 7.1 below).
- 6.4. The Transfer Agent will amend the Register in respect of any change of name, address or bank account number of any of the Holders of Securities of which it is notified; provided that the Register will only be amended to reflect a transfer of Securities if such transfer is carried out in accordance with Condition 4 above.

## **7. NOTICES**

### **7.1. Notice to Security Holders**

- 7.1.1. All notices to the Security Holders shall be in writing and shall:

- 7.1.1.1. be sent by registered mail to the respective postal addresses of Holders of Securities appearing in the Register or delivered by hand to the respective addresses of Security Holders appearing in the Register; and
- 7.1.1.2. in the case of Definitive Certificates, be published in a leading English language daily newspaper of general circulation in South Africa; and
- 7.1.1.3. for so long as Securities are listed on the JSE, be published in a daily newspaper of general circulation in Johannesburg or on any electronic news service of general distribution.
- 7.1.2. A notice given to Holders of Securities in terms of Condition 7.1.1 above shall be deemed to have been received by the Security Holders on the date on which that notice is first published in the daily newspaper contemplated in Condition 7.1.1.2 above.
- 7.1.3. Notwithstanding the provisions of Condition 7.1.1 above, (i) for so long as all of the Securities in a Series of Securities are held in their entirety in the CSD and (ii) in the case of a Series of Securities issued in uncertificated form, there may be substituted for the notice contemplated in Condition 7.1.1 above the delivery by hand of the relevant notice to the CSD's Nominee (as the registered holder of such Securities) and the JSE, for communication by them to the holders of Beneficial Interests in such Securities in accordance with the Applicable Procedures. Each such notice will be deemed to have been received by the holders of Beneficial Interests and the CSD's Nominee on the day of such delivery by hand.
- 7.1.4. Where any provision of the Terms and Conditions requires notice to be given to the Holders of Securities of any matter other than a meeting of Holders of Securities, such notice will be given *mutatis mutandis* as set out in this Condition 7.1, subject to compliance with any other time periods prescribed in the provision concerned.

## **7.2. Notice by Holders of Securities**

- 7.2.1. All notices to be given by any Holder of Securities represented by a Definitive Certificate to the Issuer or the Transfer Agent, as the case may be, shall be in writing and given by delivering the notice, by hand or by registered post, together with a certified copy of that Definitive Certificate, to the Specified Office of the Issuer or the Specified Office of the Transfer Agent, as the case may be. Each such notice shall be deemed to have been received on the date of delivery (if such notice is delivered by hand) or the tenth Business Day after the date on which such notice is sent by registered mail (if such notice is sent by registered mail).
- 7.2.2. All notices to be given by any holder of a Beneficial Interest to the Issuer or the Transfer Agent, as the case may be, shall be given by such holder through such holder's CSD Participant in accordance with the Applicable Procedures.

## **8. COSTS**

- 8.1. The costs and expenses of the printing, issue and delivery of each Definitive Certificate pursuant to Condition 5 above and all taxes or governmental charges that may be imposed in relation to such Definitive Certificate and/or the printing, issue and delivery of such Definitive Certificate shall be borne by the holder of the Securities represented by that Definitive Certificate.
- 8.2. Separate costs and expenses relating to the provision of Definitive Certificates and/or the transfer of Securities represented by Definitive Certificates may be levied by other persons, such as CSD Participants, under the Applicable Procedures, and such costs and expenses shall not be borne by the Issuer.

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## DEFINITIONS

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Unless, in relation to a Series of Securities, separately defined in the relevant Final Terms, the following expressions shall have the following meanings:

**“Additional Terms and Conditions”** means the terms and conditions of the Securities set out in Schedule 1 to the relevant Final Terms headed *“Additional Terms and Conditions of the Base Prospectus”*;

**“Applicable Procedures”** means, in relation to a Series of Securities listed on the JSE, the rules and operating procedures for the time being of the CSD and the JSE;

**“Applicable Terms and Conditions”** means, in relation to a Series of Securities, the Terms and Conditions, as replaced and/or supplement by (i) the Additional Terms and Conditions and (ii) the terms and conditions of the Securities set out in the relevant Final Terms;

**“Beneficial Interest”** means, in relation to a Series of Securities listed on the JSE, the beneficial interest as co-owner of an undivided share in all of the Securities in that Series, as contemplated in section 41(1) of the South African Securities Services Act, the Aggregate Nominal Amount of which beneficial interest, in relation to any number of Securities in that Series, is determined by reference to the proportion that the Aggregate Nominal Amount of such number of Securities bears to the Aggregate Nominal Amount of all of the Securities in that Series, as contemplated in section 41(3) of the South African Securities Services Act;

**“BESA Guarantee Fund”** means the Guarantee Fund established by the Bond Exchange of South Africa (“BESA”) and provided for in the Rules of the Bond Market of the JSE, as required by sections 9(1)(e) and 18(2)(x) of the South African Securities Services Act or such other fund of any successor exchange, as the case may be;

**“Business Day”** means a day (other than a Saturday, Sunday or statutory public holiday in South Africa) on which commercial banks settle payments in Rand in Johannesburg;

**“Calculation Agent”** means BNP Paribas Arbitrage S.N.C, unless the Issuer elects to appoint another entity as Calculation Agent in relation to one or more Series of Securities, in which event such entity (and a description of the arrangements pursuant to which such entity has been so appointed by the Issuer) will be specified in the relevant Final Terms;

**“Commercial Paper Regulations”** means the commercial paper regulations of 14 December 1994 issued pursuant to paragraph (cc) of the definition of *“the business of a bank”* in the South African Banks Act, set out in Government Notice 2172 and published in *Government Gazette* 16167 of 14 December 1994;

**“CSD”** means, in relation to a Series of Securities listed on the JSE, pursuant to the BESA Listing Requirements, Strate Limited (registration number 1998/022242/06), licensed as a central securities depository in terms of section 32 of the South African Securities Services Act, and any reference to “CSD” shall, whenever the context permits, be deemed to include any successor depository operating in terms of the South African Securities Services Act, and any additional or alternate depository approved by the Issuer;

**“CSD’s Nominee”** means, in relation to a Series of Securities listed on the JSE, pursuant to the BESA Listing Requirements, a wholly owned subsidiary of the CSD approved by the Registrar of Securities Services in terms of the South African Securities Services Act, and any reference to “CSD’s Nominee” shall, whenever the context permits, be deemed to include any successor nominee operating in terms of the South African Securities Services Act;

**“CSD Participant”** means, in relation to a Series of Securities listed on the JSE pursuant to the BESA Listing Requirements, a person accepted by the CSD as a participant, as contemplated in section 34 of the South African Securities



Services Act, and who is approved by the CSD, in terms of the rules of CSD, as a settlement agent to perform electronic settlement of funds and scrip;

**“Currency”** means, in relation to a Series of Securities, South African Rand (ZAR) or (subject to the Exchange Control Regulations) any other currency specified as such in the relevant Final Terms;

**“Definitive Certificate”** means (i) the single certificate in definitive registered form without interest coupons representing those Securities for which a Beneficial Interest has been exchanged in accordance with Condition 5 of the Additional Terms and Conditions or (ii) the single certificate in definitive registered form without interest coupons representing any other Securities, as the context requires;

**“JSE”** means the JSE Limited (registration number 2005/022939/06) incorporated with limited liability under, licensed as an exchange in terms of the South African Securities Services Act, and any reference to “JSE” shall, whenever the context permits, be deemed to include any successor exchange operating in terms of the South African Securities Act;

**“Issue Date”** means, in relation to a Series of Securities, the date specified as such in the relevant Final Terms;

**“Last Day to Register”** means, in relation to a Series of Securities, the eleventh day (whether a Business Day or not) preceding each Interest Payment Date (where applicable) and the date for redemption of such Securities until 17h00 (South African time) on that eleventh day, such eleventh day being the last day on which the Transfer Agent will accept Transfer Forms and record in the Register the transfer of Securities in that Series;

**“Paying Agent”** means First National Bank, a division of FirstRand Bank Limited (incorporated with limited liability under registration number 1929/001225/06 in South Africa), unless the Issuer elects to appoint another entity as Paying Agent in relation to one or more Series of Securities, in which event such entity (and a description of the arrangements pursuant to which such entity as been so appointed by the Issuer) will be specified in the relevant Final Terms;

**“place”** means to subscribe and pay for, or to use reasonable commercial endeavours to procure the subscription and payment for, the Securities in one or more Series of Securities issued under the Programme, in terms of a Subscription Agreement so that all of the Securities in such Series are subscribed and paid for on the Issue Date(s) and “placing” will be construed accordingly;

**“R” or “Rand” or “ZAR” or “South African Rand” or “cent”** means the lawful currency of South Africa;

**“Register”** means the register of Security Holders maintained by the Transfer Agent in terms of Condition 6 of the Additional Terms and Conditions;

**“Security Holders” and “Holders of Securities”** means, subject to Condition 2 of the Additional Terms and Conditions, the Holders of Securities recorded as such in the Register;

**“Securities”** means the unsecured certificated or uncertificated Securities of any kind issued by the Issuer, under the Programme, pursuant to the Base Prospectus (as read with the JSE Placement Document);

**“Series”** means a Series of Securities which, together with any other Series or Series of Securities, (i) are expressed in the relevant Final Terms to be consolidated and form a single Series and (ii) are identical in all respects (including as to listing) except for their respective Issue Dates and/or Interest Commencement Dates and/or Issue Prices;

**“South Africa”** means the Republic of South Africa;

**“South African Securities Services Act”** means the South African Securities Services Act, 2004 (as amended);

**“Specified Denomination”** means the amount specified as such in the relevant Final Terms;

**“Specified Office”** means, in relation to each of the Issuer, the Paying Agent and the Transfer Agent, the address of the office specified in respect of such entity at the end of the JSE Placement Document, or such other address as is notified by such entity (or, where applicable, a successor to such entity) to the Security Holders of Securities (in the manner set out in Condition 7.1 of the Additional Terms and Conditions), as the case may be;

**“Terms and Conditions”** means the terms and conditions of the Certificates set out in that section of the Base Prospectus headed *“Terms and Conditions of the Certificates”*;

**“Transfer Agent”** means Computershare Investor Services (Proprietary) Limited (incorporated with limited liability under registration number 2004/003647/07 in South Africa), unless the Issuer elects to appoint another entity as Transfer Agent in relation to one or more Series of Securities, in which event such entity (and a description of the arrangements pursuant to which such entity has been so appointed by the Issuer) will be specified in the relevant Final Terms.