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## APPLICABLE PRICING SUPPLEMENT

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### **REDINK RENTALS (RF) LIMITED**

*(Incorporated in South Africa with limited liability under registration number 2015/090404/06)*

### **Issue of ZAR55,000,000 Secured Class A Notes**

### **Under its Secured Note Programme**

### **Transaction No. 13 – BC Funding Solutions**

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

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum issued by Redink Rentals (RF) Limited, dated 29 May 2015. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum entitled "*Terms and Conditions of the Notes*" or in the Common Terms Agreement in relation to this Transaction No. 13, dated 28 April 2021. References in this Applicable Pricing Supplement to the Terms and Conditions are to the section of the Programme Memorandum entitled "*Terms and Conditions of the Notes*". References to any Condition in this Applicable Pricing Supplement are to that Condition of the Terms and Conditions.

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

The JSE takes no responsibility for the contents of the Programme Memorandum, this Applicable Pricing Supplement or the annual financial statements of the Issuer, and any amendments or supplements to the aforesaid documents. The JSE makes no representation as to the accuracy or completeness of the Programme Memorandum, this Applicable Pricing Supplement and/or the annual financial statements of the Issuer and any amendments or supplements to the aforesaid documents and the JSE expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforesaid documents. The

JSE's approval of the registration of the Programme Memorandum and the listing of the Notes on the Interest Rate Market of the JSE is not to be taken in any way as an indication of the merits of the Issuer or of the Notes and that to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

The Issuer certifies that the Principal Amount of the Notes to be issued and described in this Applicable Pricing Supplement together with the aggregate Outstanding Principal Amount of all other Notes in issue at the Issue Date in respect of this Transaction No. 13 – BC Funding Solutions under the Programme ("**Transaction No. 13**") will not exceed the Transaction Limit as specified in item 59 below.

## DESCRIPTION OF THE TRANSACTION

1	Transaction No. 13	The Issuer purchases from BCFS (as defined below) all of its rights, title and interest in and to the Sale Assets (as defined below).
2	Seller	BC Funding Solutions Proprietary Limited (" <b>BCFS</b> ")
3	Address, description and significant business activities of the Seller	<p>The primary business activities of the Seller involves raising of capital from private individuals and corporate entities in order to facilitate funding to body corporates, predominantly for underlying levy debtor issues, for maintenance or capital for projects.</p> <p>For additional information see: <a href="https://www.bcfundingsolutions.co.za">https://www.bcfundingsolutions.co.za</a></p> <p>Address: Ground Floor, Block 3 Northdowns Office Park 17 Georgian Crescent (West) Bryanston, 2191</p>
4	Servicer	BCFS
5	Back-up Servicer	N/A
6	Description of the Business Activities of the Administrator	Redinkcapital Proprietary Limited (" <b>Redinkcapital</b> "), a boutique corporate advisory firm, provides independent transaction execution services to corporate entities and financial sponsors on debt financing strategies throughout Africa. For further information please refer to their website, " <a href="https://www.red-inc.co.za">https://www.red-inc.co.za</a> "

- 7 Description of Sale Assets to be acquired All right, title and interest in and to –
- (a) each Arrear Levy loan Agreement and each Term Loan Agreement (collectively, the "**Credit Agreements**");
  - (b) Credit Agreement Collateral; and
  - (c) Credit Agreement Collateral Documents,
- (collectively the "**Credit Agreements**", definitions of which are contained in the Sale Supplement which is Annexure B hereto)
- Please see Annexure A, which contains the relevant extracts from the Sale Agreement and Annexure B, which includes the relevant extracts from the Sale Supplement**
- 8 Description of Security to be provided to Secured Creditors of Transaction No. 13 Pursuant to the Security SPV Guarantee, dated on or about 28 April 2021 ("**Transaction No. 13 Security SPV Guarantee**"), the Security SPV undertakes in favour of each Secured Creditor of Transaction No. 13 to pay to it the full amount then owing to it by the Issuer if an Event of Default should occur under the Notes or the respective Transaction Documents in relation to Transaction No. 13.
- The liability of the Security SPV pursuant to the Transaction No. 13 Security SPV Guarantee will be limited in the aggregate to the net amount recovered by the Security SPV from the Issuer arising out of the Issuer Indemnity, dated on or about 28 April 2021 ("**Transaction No. 13 Issuer Indemnity**"), in terms of which the Issuer irrevocably and unconditionally indemnifies the Security SPV from and holds the Security SPV harmless against all and any claims arising out of, or in the enforcement of, the Transaction No. 13 Security SPV Guarantee.
- The Issuer's obligations in terms of the Transaction No. 13 Issuer Indemnity are secured by the cession *in securitatem debiti* agreement, dated on or about 28 April 2021, ("**Transaction No. 13 Security Cession Agreement**") in terms of which the Issuer cedes *in securitatem debiti* to and in favour of

the Security SPV all of the Ceded Rights, where "**Ceded Rights**" means all the Issuer's rights, title and interests in and to -

- (a) the bank account opened in the name of the Issuer with Nedbank Limited, account number 118 681 5574, into which all monies received or to be received by the Issuer in relation to Transaction No. 13 will be deposited ("**Transaction No. 13 Transaction Account**");
- (b) all monies held from time to time in the name of or on behalf of the Issuer in the Transaction No. 13 Transaction Account;
- (c) any Permitted Investment (as defined in the Programme Memorandum) to be made by the Issuer (or the Administrator on behalf of the Issuer) with cash standing to the credit of the Transaction No. 13 Transaction Account from time to time;
- (d) the Transaction Documents (as set out below) in relation to Transaction No. 13; and
- (e) the Sale Assets (as set out above),

in relation to Transaction No. 13, whether actual, prospective or contingent, direct or indirect, common law or statutory, whether a claim to payment of money or to performance of any other obligation, and whether or not the said rights and interests were within the contemplation of the parties at the date of signature of the Transaction No. 13 Security Cession Agreement.

## 9 Transaction Documents

The documents constituting the transaction titled "Transaction No. 13 – BC Funding Solutions, being –

- (a) the Sale Agreement and each relevant Sale Supplement;
- (b) the Servicing Agreement;
- (c) the Preference Share Subscription Agreement;

- (d) the Common Terms Agreement;
- (e) the Transaction No. 13 Security SPV Guarantee;
- (f) the Transaction No. 13 Issuer Indemnity;
- (g) the Transaction No. 13 Security Cession Agreement; and
- (h) the Notes described in this Applicable Pricing Supplement (including the Terms and Conditions in respect thereof) and this Applicable Pricing Supplement,

(collectively, the "**Transaction Documents**")

10 Issuer Redink Rentals (RF) Limited

#### **DESCRIPTION OF THE NOTES**

11	Tranche number	1
12	Status and Class of the Notes	Secured Class A Notes
13	Series number	13
14	Aggregate Principal Amount of this Tranche	ZAR55,000,000
15	Issue Date	25 May 2021
16	Minimum Denomination per Note	ZAR1,000,000
17	Issue Price	100%
18	Applicable Business Day Convention	Following Business Day
19	Determination Date	The last day of each calendar month
20	Interest Commencement Date	25 May 2021
21	Final Redemption Date	13 May 2026
22	Repayment of Principal	The Issuer shall repay the Principal Amount in instalments by repaying, on each Interest Payment Date, an amount that reduces the Outstanding Principal Amount on an amortising basis until the Outstanding Principal Amount has been repaid in full by the Final Redemption Date.

		<p>If not repaid in full prior to the Final Redemption Date, the Outstanding Principal Amount (together with all accrued and unpaid interest) shall be repaid in full by the Issuer to the Noteholders on the Final Redemption Date.</p> <p>The estimated Principal Amount repayment profile is set out in Annexure D</p>
23	Mandatory Redemption by the Issuer	<p>If the net proceeds of the issuance of the Notes as contemplated in this Applicable Pricing Supplement is not utilised to pay for the Sale Assets (as contemplated in paragraph 25 below) within three Business Days of the Issue Date, the Issuer shall notify the Noteholders thereof and the Outstanding Principal Amount will become immediately due and payable and the Issuer shall, on the fourth Business Day after the Issue Date, redeem the Notes at their Outstanding Principal Amount together with all interest that the Issuer may have received in respect of the proceeds.</p>
24	Step-Up Date	N/A
25	Use of Proceeds	<p>The net proceeds of the issue of this Tranche will be used to purchase the Sale Assets on the Issue Date</p>
26	Specified Currency	Rand
27	Set out the relevant description of any additional Terms and Conditions relating to the Notes and/or amendments to the Priority of Payments	See Annexure C
28	Hedge Counterparty	N/A
29	Safe Custody Agent	Nedbank Limited
30	Senior Expense Facility Provider(s)	N/A
31	Account Bank	Nedbank Limited
32	Calculation Agent, if not Redinkcapital	N/A
33	Specified Office of the Calculation Agent	<p>Ground Floor, Silver Stream Business Park 10 Muswell Road South Bryanston 2021</p>

34	Transfer Agent, if not Redinkcapital	N/A
35	Specified Office of the Transfer Agent	Ground Floor, Silver Stream Business Park 10 Muswell Road South Bryanston 2021
36	Paying Agent, if not Redinkcapital Limited	N/A
37	Specified Office of the Paying Agent	Ground Floor, Silver Stream Business Park 10 Muswell Road South Bryanston 2021

## FLOATING RATE NOTES

38	Interest Payment Date(s)	13 February, 13 May, 13 August and 13 November and the Final Redemption Date, or if such day is not a Business Day, the immediately following Business Day. The Business Day on which interest will be paid is determined in accordance with the applicable Business Day Convention. The first Interest Payment Date will be 13 August 2021 or if such a day is not a Business Day, the immediately following Business Day.
39	Interest Period	<p>each period of three months from (and including) one Interest Payment Date to (but excluding) the next Interest Payment Date of each year, provided that –</p> <p>(a) the first Interest Period shall commence on (and shall include) the Interest Commencement Date and shall terminate on (but exclude) the immediately following Interest Payment Date (each Interest Payment Date as adjusted in accordance with the applicable Business Day Convention); and</p> <p>(b) the last Interest Period shall terminate on the Final Redemption Date, notwithstanding that such period may not be a complete three month period (each Interest Payment Date adjusted in accordance with the applicable Business Day Convention).</p>
40	Manner in which the Interest Rate is to be determined	Screen Rate Determination

- |    |   |  |
|----|---|--|
| 41 | Margin/Spread for the Interest Rate   | 350 basis points to be added to the Reference Rate |
| 42 | Margin for the Step-Up Rate   | N/A  |
| 43 | If ISDA Determination   |  |
|    | (a) Floating Rate Option  | N/A  |
|    | (b) Designated Maturity   | N/A  |
|    | (c) Reset Date(s)   | N/A  |
| 44 | If Screen Determination   |  |
|    | (a) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated)  | 3 month JIBAR                                      |
|    | (b) Rate Determination Date(s)  | The first Business Day of each Interest Period     |
|    | (c) Relevant Screen page and Reference Code   | ZAR-JIBAR-SAFEX                                    |
| 45 | If Interest Rate to be calculated otherwise than by reference to the previous two sub-clauses above, insert basis for determining Interest Rate/Margin/Fall back provisions | N/A  |
| 46 | If different from the Calculation Agent, agent responsible for calculating amount of interest   | N/A  |
| 47 | Any other terms relating to the particular method of calculating interest   | N/A  |

#### **GENERAL**

- |    |   |                          |
|----|---|--------------------------|
| 48 | Additional selling restrictions           | N/A                      |
| 49 | International Securities Numbering (ISIN) | ZAG000175951             |
| 50 | Stock Code                                | RED131                   |
| 51 | Financial Exchange                        | JSE Interest Rate Market |
| 52 | Dealer                                    | Redinkcapital (Pty) Ltd  |



53	Method of distribution	Private Placement
54	Rating assigned to this Tranche of Notes (if any)	N/A
55	Rating Agency	N/A
56	Governing Law	South Africa
57	Last Day to Register	By 17h00 on 7 February, 7 May, 7 August and 7 November of each year, or if such day is not a Business Day, the Business Day immediately preceding each Books Closed Period
58	Books Closed Period	The Register will be closed from 8 February to 12 February (both days inclusive), from 8 May to 12 May (both days inclusive), from 8 August to 12 August (both days inclusive) and from 8 November to 12 November (both days inclusive) in each year until the Final Redemption Date
59	Transaction Limit	ZAR250,000,000
60	Aggregate Outstanding Principal Amount of Notes in issue on the issue Date of this Tranche	ZAR857,192,455, excluding this Tranche of Notes and any other Tranche(s) of Notes to be issued on the Issue Date
61	Legal or Arbitration proceedings	The Issuer is not aware of any legal or arbitration proceedings, including any proceedings that are pending or threatened, that may have or have had a material effect of the Issuer's financial position within the past 12 months
62	Compliance with legislation and memorandum of incorporation	<p>The Issuer confirms that it is –</p> <ul style="list-style-type: none"> <li>(a) in compliance with the provisions of the Companies Act 71 of 2008, specifically relating to its incorporation; and</li> <li>(b) acting in conformity with the provisions of its memorandum of incorporation and any other relevant constitutional documents</li> </ul>
63	Material change statement	The Issuer confirms that no material change in its (or any of its subsidiaries') financial or trading position has occurred since the end of its last financial year, for which audited financial statements (in respect of the Issuer) or unaudited interim reports (in respect of its subsidiaries) were published. This statement

		has not been reviewed and reported on by the Issuer's auditors
64	Other provisions	N/A
65	Additional Information	
(a)	number and value of assets	See Investor Report
(b)	seasoning of the assets	See Investor Report
(c)	level of collateralisation	See Investor Report
(d)	rights of recourse against the Seller to the extent allowed in law, including a list of material representations and warranties given to the Issuer relating to the assets	<b><u>Please see Annexure A, which contains the relevant extracts from the Sale Agreement</u></b>
(e)	rights to substitute the assets and the qualifying criteria	<b><u>Please see Annexure A, which contains the relevant extracts from the Sale Agreement</u></b>
(f)	treatment of early amortisation of the assets	All capital repayments received by the Issuer in respect of the Sale Assets shall be utilised by the Issuer to redeem the Notes
(g)	level of concentration of the obligors in the asset pool, identifying obligors that account for 10% or more of the asset value	N/A
(h)	where there is no concentration of obligors above 10%, the general characteristics and descriptions of the obligors	Body corporates created pursuant to section 36 of the Sectional Titles Act, 95 of 1986
(i)	details of the provider(s) of material forms of credit enhancement and details of credit enhancement	See Investor Report
(j)	details of the provider(s) of liquidity facilities and details of the liquidity facility	N/A
(k)	risk factors	N/A
(l)	collection frequency in respect of the underlying assets	See Investor Report

(m)	maturity date of asset	See Investor Report
(n)	description of underlying physical asset	N/A
(o)	implied interest cover ratio	See Investor Report
(p)	Legal jurisdiction where the Sale Assets are situated	South Africa
(q)	Eligibility Criteria	<p>The general criteria that each Sale Asset must satisfy in order to qualify for acquisition by the Issuer, include, <i>inter alia</i>, the following –</p> <ol style="list-style-type: none"> <li>1 Each Credit Agreement and Credit Agreement Collateral Document – <ol style="list-style-type: none"> <li>1.1 constitutes a legal, valid and binding obligation of the Borrower and Security Provider, enforceable against the Borrower and Security Provider, in accordance with its terms;</li> <li>1.2 is of full force and effect and, at the date that such Credit Agreement and Credit Agreement Collateral Document were entered into, each party to such Credit Agreement and Credit Agreement Collateral Document had the necessary capacity and authority to execute such Credit Agreement and Credit Agreement Collateral Document;</li> <li>1.3 is capable of being ceded and/or assigned without the prior written consent of or notice to the Borrower and/or the Security Provider;</li> <li>1.4 is not subject to any option, right of first refusal, pre-emptive right or other agreement giving any person a right (whether exercisable now or in future and whether contingent or not) to call for the sale and transfer to them or any third party of the Credit Agreement and Credit Agreement Collateral Document;</li> </ol> </li> </ol>

- 1.5       denominated in Rand;
- 1.6       is originated in South Africa;
- 1.7       is one in respect of which the Borrower is resident in South Africa;
- 1.8       is originated in the Sellers's ordinary course of business, applying the Seller's standard credit approval policies and procedures at the time when such Credit Agreement is concluded;
- 1.9       can be segregated and is a separately identifiable agreement, on the internal systems of the Seller at any time after the relevant Transfer Date; and
- 1.10      is not subject to the National Credit Act, 2005.

2       In respect of -

- 2.1       each Term Loan, the outstanding balance under that Term Loan on the Transfer Date does not exceed the Total Levy Debtor Balance, calculated as the aggregate of Arrear Levies, Special Levies and charges plus Interest and Charges charged by the Borrower monthly on those debts; and
  - 2.2       each Arrear Levy Loan, the outstanding balance under that Arrear Levy Loan on the Transfer Date does not exceed the Total Levy Debtor Balance, calculated as the aggregate of Arrear Levies, Special Levies and charges plus Interest and Charges charged by the Borrower monthly on those debts.
- 3       At the date of advance of the initial loan it has a maximum Loan to Value ratio of –

- 3.1       20% for loans advanced under a Term Loan Agreement; and

- 3.2 20% for loans advanced under an Arrear Levy Loan Agreement.

For purposes of 3 above, Loan to Value ratio is calculated as  $LTV = L$  divided by  $V$ ,

where –

$L$  = the indebtedness of the Borrower as defined in the relevant Term Loan Agreement or Arrear Levy Loan Agreement, as the case may be; and

$V$  = the latest value of the combined units within the Body Corporate based on the publicly available municipal valuation of those units, or where independent valuers' information is available.

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

At the date of this Applicable Pricing Supplement -

- 1 Paragraph 3(5)(a)

The ultimate borrower is the Issuer.

- 2 Paragraph 3(5)(b)

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

- 3 Paragraph 3(5)(c)

The auditor of the Issuer is BDO South Africa Incorporated.

- 4 Paragraph 3(5)(d)

As at the date of this issue:

the Issuer has ZAR857,192,455 aggregate Outstanding Principal Amount of Notes in issue on the Issue Date of this Tranche (excluding Notes issued under this Applicable Pricing Supplement); and

it is anticipated that the Issuer will issue ZAR500,000,000 Notes during its current financial year (including Notes issued under this Applicable Pricing Supplement).

5 Paragraph 3(5)(e)

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

6 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.

7 Paragraph 3(5)(g)

The Notes issued will be listed.

8 Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for its general corporate purposes and / or to refinance the amounts outstanding under existing Notes in issue.

9 Paragraph 3(5)(i)

The Notes are secured.

10 Paragraph 3(5)(j)

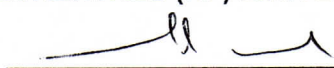
BDO South Africa Incorporated, the auditor of the Issuer, has confirmed that nothing has come to its attention to indicate that this issue of Notes issued under the Programme will not comply in all respects with the relevant provisions of the Commercial Paper Regulations.

The Transaction Documents are available for inspection during normal office hours, at the Specified Office of the Issuer.


Investor reports and the Transaction No. 13 Security SPV Guarantee referred to in par 8(c) will be made available at <https://www.redinkrentals.co.za/reporting>.

Application is hereby made to list this Tranche of Notes, as from 25 May 2021, pursuant to the **Redink Rentals (RF) Limited Secured Note Programme**.

**REDINK RENTALS (RF) LIMITED**

By:   
Director, duly authorised  
Willie Swanepoel

Date: 14 May 2021

By:   
Director, duly authorised  
Paul Lutge

Date: 14 May 2021

## ANNEXURE A– EXTRACTS FROM SALE AGREEMENT

### 8 SELLER'S WARRANTIES

8.1 The Seller gives the Issuer the warranties (collectively, the "**Seller Warranties**" and each being a "**Seller Warranty**") set out in clause 8.2 on the basis that -

8.1.1 notwithstanding that the Issuer is or should be aware that any Seller Warranty is or may be incorrect, this Agreement is entered into by the Issuer relying on the Seller Warranties each of which is deemed conclusively to be both a material representation inducing the Issuer to enter into this Agreement and an essential contractual undertaking by the Seller to ensure that such Seller Warranty is true and correct;

8.1.2 each such Seller Warranty shall conclusively be deemed to be material;

8.1.3 insofar as any Seller Warranty is promissory or related to a future event, such Seller Warranty shall be deemed conclusively to have been given as at the due date for fulfilment of the promise or the happening of such event, as the case may be;

8.1.4 each such Seller Warranty shall be a separate and independent warranty and shall not be limited by reference to, or inference from, the terms of any other Seller Warranty or any other provision of this Agreement; and

8.1.5 each such Seller Warranty shall unless the context clearly states or indicates a contrary intention, be given as at the Signature Date, each Transfer Date and every day thereafter that this Agreement is in force.

8.2 The Seller warrants, represents and undertakes in favour of the Issuer that -

#### **corporate warranties**

8.2.1 it is a company duly incorporated and validly existing under and in accordance with the laws of South Africa;

8.2.2 it has the legal capacity and the power to own its assets and to carry on its business as it is presently being conducted;

8.2.3 it has -

8.2.3.1 the legal capacity and the power to enter into and perform under; and

8.2.3.2 taken all necessary actions (whether corporate, internal or otherwise) to authorise its entry into and performance under,

this Agreement;

8.2.4 the obligations expressed to be assumed by it under this Agreement are legal, valid and are binding on, and enforceable against, it;

- 8.2.5 the entering into of this Agreement and/or the performance of its obligations under this Agreement does not, and will not, -
- 8.2.5.1 contravene any applicable laws; and/or
- 8.2.5.2 contravene any provision of its memorandum of incorporation; and/or
- 8.2.5.3 contravene, violate, cause a default and/or breach of the terms of, and/or otherwise conflict with any contract, agreement, indenture, mortgage or other instrument of any kind to which it is a party or by which it may be bound or which is binding upon its assets;
- 8.2.6 all authorisations, consents, approvals, resolutions, licenses, exemptions, filings and registrations which are required or necessary under all applicable laws -
- 8.2.6.1 to enable it to lawfully enter into, exercise its rights and comply with its obligations under this Agreement; and
- 8.2.6.2 to make this Agreement admissible in evidence in South Africa,
- have been obtained or effected and are, and will for the duration of this Agreement remain, in full force and effect;
- 8.2.7 it shall promptly inform the Issuer, in writing, of any occurrence of which it may become, or may reasonably have been expected to become, aware and which might materially adversely affect its ability to perform its obligations under of this Agreement;
- 8.2.8 it is not (nor would it with the giving of notice or the lapse of time or the satisfaction or non-satisfaction of any other condition or any combination thereof be) in breach of, or in default under, this Agreement;
- 8.2.9 it is solvent and in a position to pay its debts and meet its other obligations as and when they fall due in the normal course of business and it has not committed any act which, if the Seller was a natural person, would be an act of insolvency as defined in the Insolvency Act, 1936;
- 8.2.10 there have been no applications, steps, proceedings or orders for its deregistration, whether provisional or final and the Seller shall forthwith notify the Issuer in writing should any such applications, steps, proceedings or orders be brought or taken;
- 8.2.11 the sale of any Sale Asset to the Issuer pursuant to this Agreement will not be voidable under the Insolvency Act, 1936 or is not and would not be deemed by a South African court to be a voidable preference, and that this Agreement has been entered into by the Seller and the Issuer in good faith and not with the intent to defraud creditors;
- 8.2.12 it is acting as principal and is not entering into this Agreement as agent for any other party save for those Sale Assets that the Seller sells as agent on behalf of any third party pursuant to a power of attorney granted to the Seller by such third party; and



- 8.2.13 it has disclosed to the Issuer, in writing, all facts and circumstances which are, or which may reasonably be regarded to be, material to the Issuer as acquirer of the Sale Assets in acquiring the Sale Assets in terms of this Agreement.

**Sale Asset warranties**

- 8.2.14 at the Transfer Date and in relation to the Sale Assets sold, ceded and assigned to the Issuer with effect from such Transfer Date -
- 8.2.14.1 the Seller is the sole legal and beneficial owner of all right, title and interest in and to each of all of the Sale Assets sold, ceded and assigned to the Issuer on the Transfer Date (save for those Sale Assets pursuant to which the Seller acts as agent for a third party seller), all of which will validly be transferred to the Issuer in terms of this Agreement;
- 8.2.14.2 none of the Sale Assets (or any portion or part thereof) sold, ceded and assigned to the Issuer on the Transfer Date is subject to any lien, pledge, hypothec, mortgage, notarial or other bond, servitude, cession in security or other encumbrance of whatsoever nature nor does any third party have any right whatsoever in or to any of such Sale Assets (or any portion or part thereof) and no third party on behalf of whom Sale Assets are sold shall have any claim against the Issuer in respect of such Sale Asset sold;
- 8.2.14.3 no person or entity is a party to any agreement in terms of which such person or entity will or may acquire any option, preferential or other right of any kind to acquire, claim delivery, ownership or transfer or the use, possession or enjoyment of any of the Sale Assets (or any portion or part thereof) sold, ceded and assigned to the Issuer on the Transfer Date;
- 8.2.14.4 each of the Sale Assets sold, ceded and assigned to the Issuer on the Transfer Date complies with the Eligibility Criteria and the Seller, having made all reasonable enquiries, is not aware of any fact or circumstance which would or is likely to result in any such Sale Asset ceasing to comply with the Eligibility Criteria;
- 8.2.14.5 the Seller is not in breach of any of its obligations in terms of any of the Sale Assets sold, ceded and assigned to the Issuer on the Transfer Date and, having made all reasonable enquiries, the Seller is not aware of any failure by a Borrower or Security Provider to comply with any of their material obligations under any Credit Agreement or Credit Agreement Collateral Document;
- 8.2.14.6 the particulars of each Sale Asset contained in the Sale Supplement are complete, true and accurate as reflected on the Seller's computer systems or otherwise in its possession or under its control in respect of such Sale Asset; and
- 8.2.14.7 the Seller has since the creation of each Sale Asset kept full and accurate accounts, books and records showing clearly all transactions, payments, receipts and proceedings relating to that Sale Asset, including the outstanding balance from time to time;

8.2.14.8 each Credit Agreement -

8.2.14.8.1 fully and correctly reflects the terms of the agreement set out therein;

8.2.14.8.2 was completed in full prior to the signature thereof by the parties thereto;

8.2.14.8.3 constitutes a legal, valid and binding agreement between the parties thereto on the terms and conditions set out in such agreement;

8.2.14.8.4 is in compliance with all applicable laws; and

8.2.14.8.5 has not been varied or supplemented in any material way whatsoever (other than as reflected in the agreement or any addendum to the agreement) and is and continues to be valid, enforceable and binding in accordance with its terms;

8.2.14.9 all of the Credit Agreement Collateral given by a Borrower and/or Security Provider in terms of the Credit Agreement Collateral Documents in respect of each Sale Asset is legal, valid and enforceable in accordance with its terms and has been validly transferred to the Issuer in terms of this Agreement and will, subsequent to such transfer, remain legal, valid, binding and enforceable by the Issuer against the Borrower and/or relevant Security Provider in terms of the Credit Agreement Collateral Documents; and

8.2.14.10 full legal title in and ownership of all the Sale Assets sold, ceded and assigned to the Issuer on the Transfer Date will, on the Transfer Date, be transferred to the Issuer in terms of clauses 3 and 7 and the Issuer will become the sole legal and beneficial owner thereof, the Seller will not, after the Transfer Date, retain any title therein or ownership thereof (save as provided for in this Agreement) and will not, after the Transfer Date, assert or seek or attempt to assert any right or claim in that regard.

8.3 In the event that -

8.3.1 any of the Seller Warranties is breached (to the extent that any Sale Asset designated as a Sale Asset complying with the Eligibility Criteria is not in fact an Eligible Sale Asset on the Transfer Date); or

8.3.2 any of the Seller Warranties is breached in any manner which results in the Issuer not acquiring good, marketable and unencumbered title to any Sale Asset, on the Transfer Date,

the purchase by the Issuer of all Sale Assets which was effected in accordance with clause 3 on the Transfer Date in respect of a Sale Asset, upon which such Seller Warranties were so breached, shall be voidable at any time thereafter at the instance of the Issuer, by written notice to the Seller. Upon delivery of such notice to the Seller, the Seller shall be obliged to repay to the Issuer the full purchase price

in respect thereof, less the amount of any principal and interest collections in respect thereof and, upon such payment -

- 8.3.3 the sale and purchase of such Sale Asset shall, *ipso facto*, be of no effect *ab initio*;
- 8.3.4 all ownership in and rights, benefits and interest relating to such Sale Asset shall be deemed to have remained vested in the Seller at all times following the Transfer Date, in respect of the Sale Assets;
- 8.3.5 neither the Issuer nor the Seller shall have any further claim against the other for anything done hereunder or arising hereout in relation to such Sale Asset; and
- 8.3.6 the Issuer shall cease to hold the data and the Underlying Documents relating to such Sale Asset and shall deliver such data and Underlying Documents to the Seller or its nominee.

## 9 REPURCHASE OF ASSETS BY THE SELLER

### 9.1 Arrear Levy Loans

It is recorded that a Borrower has the right to a further advance on the terms and conditions set out in each Arrear Levy Loan Agreement. In the event that the Seller is notified by a Borrower that it wishes to make a further advance under the relevant Arrear Levy Loan Agreement, the Seller shall notify the Issuer thereof in writing and the Seller shall have the option to -

- 9.1.1 repurchase the Sale Asset comprising such Arrear Levy Loan from the Issuer for a purchase price equal to the outstanding capital balance plus all accrued and unpaid interest in respect of that Arrear Levy Loan; or
- 9.1.2 replace the relevant Arrear Levy Loan with another Arrear Levy Loan of similar nature as to outstanding balance, term and interest rate; or
- 9.1.3 fund such further advance on behalf of the Issuer, provided that the Issuer shall reimburse the Seller for the amount so funded in accordance with the Priority of Payments.

### 9.2 Breach of warranty

Notwithstanding the provisions of 8.3, if at any time after the Transfer Date the Issuer becomes aware that a Seller Warranty is breached, the Issuer shall notify the Seller thereof in writing and the Seller shall, to the extent that (i) such breach is not remedied by the Seller within 10 Business Days of receipt of such notice, or (ii) such breach is not capable of being remedied –

- 9.2.1 repurchase the Sale Asset from the Issuer for a purchase price equal to the outstanding capital balance plus all accrued and unpaid interest in respect of such Sale Asset; or
- 9.2.2 replace such Sale Asset with an Asset of similar nature as to outstanding balance, term and interest rate.

## ANNEXURE B – EXTRACTS FROM SALE SUPPLEMENT

### ACQUISITION OF SALE ASSETS DATED 13 MAY 2021

1 We refer to the Sale Agreement dated on or about 28 April 2021 ("**Sale Agreement**") and hereby confirm that the Sale Assets referred to in Schedule 1 to this Sale Supplement (the "**Sale Assets**") are hereby sold, ceded and assigned by the Seller to the Issuer on the terms and conditions set out in this Sale Agreement.

#### 2 **Excluded Amounts -**

2.1 in respect of each Term Loan Agreement, all interest payable by the Borrower in terms of such agreement in excess of the Prime Rate plus 3%; and

2.2 in respect of each Arrear Levy Loan Agreement, all interest payable by the Borrower in terms of such agreement in excess of the Prime Rate plus 3%,

(collectively, the "**Excess Spread**").

#### 3 **Collections Received -**

3.1 in respect of each Term Loan Agreement, all collections received by the Seller shall be applied first to all amounts due and payable to the Issuer until all amounts due to the Issuer are fully settled, and thereafter, the residual amount will be applied towards the Excess Spread payable to the Seller; and

3.2 in respect of each Arrear Levy Loan Agreement, all collections received by the Seller shall be distributed between the Issuer and the Seller *pro rata* in relation to each of the Issuer's and the Seller's portion of the aggregate amount of collections based on a minimum of an 80% collections rate.

#### 4 **Transfer Date of the Sale Assets - 25 May 2021.**

5 **Purchase Price of the Sale Assets** – an amount equal to the Initial Purchase Price and the Deferred Purchase Price,

where –

5.1 the Initial Purchase Price is equal to R55,000,000; and

5.2 the Deferred Purchase Price is equal to 25,8% of the aggregate outstanding balance under all Arrear Levy Loans which is equal to R5,199,191.54 on the Transfer Date.

Interest shall accrue on the Deferred Purchase Price at a rate equal to the Prime Rate plus 3% per annum from the Transfer Date until the Deferred Purchase Price has been paid in full.

#### 6 **Payment of the Purchase Price**

6.1 The Purchase Price payable by the Issuer to the Seller in respect of the sale and acquisition of the Sale Assets shall be paid by the Issuer as follows –

- 6.1.1 the Initial Purchase Price shall be paid by the Issuer to the Seller on the Transfer Date; and
- 6.1.2 the Deferred Purchase Price shall be paid by the Issuer to the Seller in instalments in accordance with the applicable Priority of Payments until all the Notes have been redeemed in full, provided that the Deferred Purchase Price plus accrued interest shall at all times be maintained at 25% of the aggregate capital outstanding balance plus accrued interest under the Arrear Levy Loans ("**Deferred Purchase Price Payment Ratio**") from time to time,  
  
by electronic funds transfer, without deduction or set-off, into the account of the Seller nominated, in writing, by the Seller, from time to time.
- 6.2 Should the Deferred Purchase Price Payment Ratio fall below 25% of the aggregate Arrear Levy Loan outstanding balance, then –
  - 6.2.1 the Arrear Levy Loans will be replaced with, or converted to, Term Loans in order to restore the Deferred Purchase Price Payment Ratio; or
  - 6.2.2 Arrear Levy Loans will be repurchased by the Seller for a purchase price equal to the outstanding capital balance plus all accrued but unpaid interest in respect of each Arrear Levy Loan; or
  - 6.2.3 the collection proceeds with respect to Arrear Levy Loans will be distributed between the Issuer and the Seller on a sequential basis, i.e. the aggregate collection amount to be applied first to all amounts due and payable to the Issuer, with the residual amount to be applied towards the Excess Spread payable to the Seller until such time as the Deferred Purchase Price Payment Ratio has been restored.
- 7 The Seller warrants, represents and undertakes in favour of the Issuer that -
  - 7.1 it has all corporate authorisations necessary to enable it to sell the Sale Assets and to enter into this Sale Supplement;
  - 7.2 the Sale Assets comply in all respects with the Eligibility Criteria;
  - 7.3 all information provided to the Issuer in relation to the Sale Assets is true and correct in all material respects;
  - 7.4 as at the Transfer Date -
    - 7.4.1 its assets exceed its liabilities;
    - 7.4.2 it is solvent and in a position to pay its debts and meets its other obligations as and when they fall due in the normal course of business;
    - 7.4.3 it is not aware of any insolvency proceedings (whether provisional or final) threatened or brought against it or of any application for the appointment of a business rescue practitioner in respect of its assets; and

7.4.4 the sale of the Sale Assets referred to in this Sale Supplement is concluded in good faith and not with the intent to defraud any creditor(s) of the Seller.

8 The Seller and the Issuer shall endeavour to agree by the end of the calendar month following the Transfer Date –

8.1 any unpaid amounts and any adjustments to the amount paid on the Transfer Date which are required because of any payments received or repayment in full of the Sale Assets prior to the Transfer Date or errors in the calculation of the amounts paid on the Transfer Date;

8.2 any other reconciliation between the amount paid by the Issuer to the Seller and the amount which ought to have been paid by the Issuer to the Seller,

(the "**Reconciliation Amount**"). Payment of the Reconciliation Amount, together with interest earned thereon during the period the amount was due and payable to the date of payment, shall be made by or to the Issuer on the first Payment Date following the Transfer Date.

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**BC Funding Solutions Proprietary Limited**  
(as Seller)

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**Redink Rentals (RF) Limited**  
(as Issuer)

## ANNEXURE C – PRIORITY OF PAYMENTS

### 8 Pre-Enforcement Priority of Payments

- 8.1 In relation to each Transaction, the funds standing to the credit of the relevant Transaction Account as determined on each day preceding the relevant Payment Date, the Senior Expense Reserve (if required) and the First Loss Reserve (if required), will be applied on each Payment Date in relation to that Transaction, after taking into account Excluded Amounts, in the order of priority set out below. Prior to the delivery of an Enforcement Notice in respect of that Transaction, this pre-enforcement priority of payments shall apply and payments will be made in the following order -
- 8.1.1 first, to pay or provide for the Issuer's liability or potential liability for Tax and any statutory fees, costs and expenses, attributable to the receipts or accruals made by the Issuer under that Transaction;
- 8.1.2 second, to pay or provide for *pari passu* and *pro rata* -
- 8.1.2.1 the remuneration due and payable to the Security SPV and/or the Security SPV Owner Trustee (inclusive of VAT, if any) and any fees, costs, charges, liabilities and expenses (inclusive of VAT, if any) incurred by the Security SPV and/or the Security SPV Owner Trustee under the provisions of the Security Agreements and/or any of the Programme Documents, in relation to the Transaction, and/or the Notes;
- 8.1.2.2 the remuneration due and payable to the Issuer Owner Trustee (inclusive of VAT, if any) and any fees, costs, charges, liabilities and expenses (inclusive of VAT, if any) incurred by the Issuer Owner Trustee under the provisions of the Security Agreements and/or any of the Programme Documents, in relation to the Transaction, and/or the Notes; and
- 8.1.2.3 all fees, costs, charges, liabilities and expenses (inclusive of VAT, if any) incurred by the Issuer in relation to the Transaction, which are due and payable to third parties and incurred without breach by the Issuer of its obligations under the Programme Documents and not provided for payment elsewhere (including payment of the Rating Agency, the Safe Custody Agent, the JSE, the audit fees, legal fees, the directors of the Issuer and company secretarial expenses);
- 8.1.3 third, to pay or provide for *pari passu* and *pro rata* -
- 8.1.3.1 the fee due and payable to the Servicer (inclusive of VAT, if any) together with costs and expenses which are due and payable to the Servicer under the Servicing Agreement;
- 8.1.3.2 the fee due and payable to the Administrator (inclusive of VAT, if any) together with costs and expenses which are due and payable to the Administrator under the Administration and Agency Agreement;

- 8.1.3.3 all amounts due and payable or accrued to the Transfer Agent, Calculation Agent and Paying Agent in relation to the Transaction, in accordance with the Administration and Agency Agreement; and
- 8.1.3.4 all amounts due and payable or accrued to the Arranger and/or the Debt Sponsor in relation to the Transaction, in accordance with the Programme Agreement;
- 8.1.4 fourth, to pay or provide for any net settlement amounts and Hedge Termination Amounts due and payable to any Hedge Counterparty, in relation to the Transaction, in accordance with the Hedging Agreements (but excluding any Hedge Termination Amounts where the Hedge Counterparty is in default) and swap reinstatement payments due and payable in respect of a new Hedge Counterparty, in relation to the Transaction;
- 8.1.5 fifth, to pay or provide for *pari passu* and *pro rata*, all amounts of interest, fees and other expenses due and payable to the Noteholders in respect of the Notes on each Payment Date;
- 8.1.6 sixth, to pay or provide for, *pari passu* and *pro rata*, all amounts of principal due and payable to the Noteholders on that Payment Date or Final Redemption Date, as the case may be;
- 8.1.7 seventh, to pay or credit funds to the Senior Expense Reserve, in order to fund the Senior Expense Reserve up to the Senior Expense Reserve Required Amount;
- 8.1.8 eighth, to pay or provide for, Hedge Termination Amounts due and payable to any Hedge Counterparty in accordance with the Hedging Agreements where the Hedge Counterparty is in default;
- 8.1.9 ninth, to pay or provide for, the Programme Management Fee (inclusive of VAT, if any) due and payable to the Programme Manager in accordance with the Programme Management Agreement;
- 8.1.10 tenth, to pay or provide for the Deferred Purchase Price (as such term is defined in the Sale Agreement) payable to the Seller in accordance with the Sale Supplement;
- 8.1.11 eleventh, to pay or provide for, any further advances made by the Seller to a Borrower on behalf of the Issuer, in accordance with the Sale Agreement;
- 8.1.12 twelfth, to pay or provide for, any other fees, interest, costs or expenses due and payable under any Tranche of Notes or any Programme Document in relation to the Transaction, which have not previously been paid;
- 8.1.13 thirteenth, to pay or provide for dividends payable to the Preference Shareholders; and
- 8.1.14 fourteenth, to pay or provide for dividends payable to the holder of the ordinary shares in the issued share capital of the Issuer.



## 9 Post-Enforcement Priority of Payments

- 9.1 In relation to each Transaction, after taking into account Excluded Amounts, the funds standing to the credit of the relevant Transaction Account, the Senior Expense Reserve (if required) and the First Loss Reserve (if required), after the delivery of an Enforcement Notice will be applied in the order of priority set out below -
- 9.1.1 first, to pay or provide for the Issuer's liability or potential liability for Tax and any statutory fees, costs and expenses, attributable to the receipts or accruals made by the Issuer under that Transaction;
- 9.1.2 second, to pay all amounts payable by the Issuer under the Issuer Indemnity;
- 9.1.3 third, to pay or provide for *pari passu* and *pro rata* -
- 9.1.3.1 the remuneration due and payable to the Security SPV and/or the Security SPV Owner Trustee (inclusive of VAT, if any) and any fees, costs, charges, liabilities and expenses (inclusive of VAT, if any) incurred by the Security SPV and/or the Security SPV Owner Trustee under the provisions of the Security Agreements and/or any of the Programme Documents, in relation to the Transaction, and/or the Notes;
- 9.1.3.2 the remuneration due and payable to the Issuer Owner Trustee (inclusive of VAT, if any) and any fees, costs, charges, liabilities and expenses (inclusive of VAT, if any) incurred by the Issuer Owner Trustee under the provisions of the Security Agreements and/or any of the Programme Documents, in relation to the Transaction, and/or the Notes;
- 9.1.3.3 all fees, costs, charges, liabilities and expenses (inclusive of VAT, if any) incurred by the Issuer in relation to the Transaction, which are due and payable to third parties and incurred without breach by the Issuer of its obligations under the Programme Documents and not provided for payment elsewhere (including payment of the Rating Agency, the JSE, the Safe Custody Agent, audit fees, legal fees, the directors of the Issuer and company secretarial expenses);
- 9.1.4 fourth, to pay or provide for *pari passu* and *pro rata* -
- 9.1.4.1 the fee due and payable to the Servicer (inclusive of VAT, if any) together with costs and expenses which are due and payable to the Servicer under the Servicing Agreement;
- 9.1.4.2 the fee due and payable to the Administrator (inclusive of VAT, if any) together with costs and expenses which are due and payable to the Administrator under the Administration and Agency Agreement;
- 9.1.4.3 all amounts due and payable or accrued to the Transfer Agent, Calculation Agent and Paying Agent in relation to the Transaction, in accordance with the Administration and Agency Agreement; and

- 9.1.4.4 all amounts due and payable or accrued to the Arranger and/or the Debt Sponsor in relation to the Transaction, in accordance with the Programme Agreement;
- 9.1.5 fifth, to pay or provide for *pari passu* and *pro rata* –
  - 9.1.5.1 any net settlement amounts and Hedge Termination Amounts due and payable to any Hedge Counterparty, in relation to the Transaction, in accordance with the Hedging Agreements (but excluding any Hedge Termination Amounts where the Hedge Counterparty is in default);
  - 9.1.5.2 all amounts of interest and principal due and payable to the relevant Noteholders in respect of the Notes;
  - 9.1.5.3 the Seller's Claim in respect of the Residual Value to the Seller;
- 9.1.6 sixth, to pay or provide for, the Residual Value Differential to the Seller;
- 9.1.7 seventh, to pay or provide for, the Hedge Termination Amounts due and payable to any Hedge Counterparty, in relation to the Transaction, in accordance with the Hedging Agreements where the Hedge Counterparty is in default;
- 9.1.8 eighth, to pay or provide for, the Programme Management Fee (inclusive of VAT, if any) due and payable to the Programme Manager in accordance with the Programme Management Agreement;
- 9.1.9 ninth, to pay or provide for the Deferred Purchase Price (as such term is defined in the Sale Agreement) payable to the Seller in accordance with the Sale Supplement;
- 9.1.10 tenth, to pay or provide for, any further advances made by the Seller to a Borrower on behalf of the Issuer, in accordance with the Sale Agreement;
- 9.1.11 eleventh, to pay or provide for, any other fees, interest, costs or charges due and payable under any Tranche of Notes or any Programme Document in relation to the Transaction, which have not previously been paid;
- 9.1.12 twelfth, to pay or provide for dividends payable to the Preference Shareholders; and
- 9.1.13 thirteenth, to pay or provide for dividends payable to the holder of the ordinary shares in the issued share capital of the Issuer.

## ANNEXURE D – ESTIMATED PRINCIPAL AMOUNT REPAYMENT PROFILE

For illustrative purposes only. Actual Principal Payments will be made in terms of paragraph 22 of this Applicable Pricing Supplement.

Interest Payment Date	Principal Amount
13-Aug-21	R1 961 632
13-Nov-21	R2 585 454
13-Feb-22	R2 649 185
13-May-22	R6 739 893
13-Aug-22	R2 832 415
13-Nov-22	R2 878 129
13-Feb-23	R2 827 347
13-May-23	R7 434 260
13-Aug-23	R2 570 393
13-Nov-23	R2 487 290
13-Feb-24	R2 406 580
13-May-24	R8 398 407
13-Aug-24	R2 525 869
13-Nov-24	R1 633 550
13-Feb-25	R606 606
13-May-25	R4 462 990
13-Aug-25	R0
13-Nov-25	R0
13-Feb-26	R0
13-May-26	R0