



PROGRAMME MEMORANDUM

BLUE DIAMOND X INVESTMENTS (RF) LIMITED

(formerly Bowwood and Main No 61 Proprietary Limited)

(incorporated on 24 May 2013 with limited liability under Registration number 2013/084885/06 in the Republic of South Africa)

ZAR10 000 000 000 Secured Note Programme

Under this note programme (the "**Programme**"), Blue Diamond X Investments (RF) Limited (formerly Bowwood and Main No 61 Proprietary Limited) (the "**Issuer**"), subject to compliance with all relevant laws, the JSE Debt Listings Requirements of the JSE Limited (the "**JSE**") and the terms and conditions contained in this Programme Memorandum (the "**Terms and Conditions**"), may from time to time issue limited recourse secured listed and unlisted notes (collectively the "**Notes**") where recourse in respect of such Notes is limited to the proceeds of enforcement of the security over certain of the assets of the Issuer in relation to such Notes as set out in this Programme Memorandum, as supplemented, if necessary, by the pricing supplement relating to the relevant Tranche of Notes (an "**Applicable Pricing Supplement**") or a series supplement (an "**Applicable Transaction Supplement**"), in each case setting out any additional terms relating to the relevant transaction(s) (each a "**Series Transaction**") to be entered into by the Issuer as contemplated below. An Applicable Transaction Supplement shall only be necessary to the extent that any relevant additional terms will not be reflected in the Applicable Pricing Supplement. Capitalised Terms not defined herein shall bear the meanings assigned thereto in the section entitled "*Glossary of Terms*".

In relation to each Series Transaction, the Issuer will use the proceeds from the issue of the Notes for the purpose of acquiring and/or investing in Participating Assets and/or redeeming outstanding Notes. Each Participating Asset will reference the credit risk of the relevant underlying borrower or obligor.

The holders of Notes issued in respect of a Series Transaction will have recourse only to the assets of the Issuer in relation to that Series Transaction and will not have recourse to any other assets of the Issuer.

Save as set out herein, the Notes will not be subject to any minimum or maximum maturity.

Application will be made to register the Programme on the Interest Rate Market of the JSE and, accordingly the Notes may be traded through members of the JSE. Trading of the Notes will take place in accordance with the rules and the electronic settlement procedures of the JSE and the Central Depository for all the trades done through the JSE.

The Standard Bank of South Africa Limited

– Arranger and Debt Sponsor



Edward Nathan Sonnenbergs

Attorneys to Arranger and Issuer



Programme Memorandum dated 20 May 2014

IMPORTANT NOTICE

Capitalised terms used in this Programme Memorandum are defined in the section hereof entitled "Glossary of Terms" and any term which is defined within the context of any particular clause or section in this Programme Memorandum, unless it is clear from the clause or section in question that the term so defined has limited application to the relevant clause or section, shall bear the meaning ascribed to it for all purposes in this Programme Memorandum, unless such meaning is amended by an Applicable Pricing Supplement or an Applicable Transaction Supplement (if any) in relation to a particular Series or Tranche of Notes or unless the context otherwise requires. Expressions defined in this Programme Memorandum shall bear the same meanings in supplements to this Programme Memorandum which do not themselves contain their own definitions. References to the "Applicable Pricing Supplement" will be construed as references to an Applicable Pricing Supplement executed in respect of a Series Transaction. References to "Applicable Transaction Supplement" will only be applicable in circumstances where the Issuer has executed an Applicable Transaction Supplement. Unless the context indicates otherwise, references to "Programme Memorandum" will include, in relation to a particular Issuer or Series Transaction, the Applicable Transaction Supplement (if any) and, in relation to any particular Series or Tranche of Notes or Series Transaction, the Applicable Pricing Supplement.

Notes may be issued on a continuing basis and be placed by one or more of the Dealers or by the Programme Dealer specified under "Summary of the Programme" and any additional dealer appointed from time to time, which appointment may be for a specific Series on an ongoing basis or for an issue of a specific Tranche of Notes.

All Notes will be secured by the assets of the Issuer falling within the segregated group of Series Assets to which such Notes relate, as specified in the Applicable Pricing Supplement and/or the Applicable Transaction Supplement. Each Series Security Trust established in respect of a Series Transaction will, in relation to that Series Transaction, guarantee the Issuer's obligations to the holders of the Notes in, and the other Series Secured Creditors of, that Series Transaction in terms of a Series Guarantee. The Issuer will, in terms of a Series Indemnity, indemnify each Series Security Trust in respect of claims made against that Series Security Trust under the Series Guarantee given by that Series Security Trust. The Issuer's obligations to each Series Security Trust under the Series Indemnity given in favour of that Series Security Trust will be secured in terms of the Series Security Agreements. For more detail on this security structure, see the section headed "Security Structure".

In respect of a Series Transaction, if the net proceeds of the enforcement of the Series Security is not sufficient to make all payments then due in respect of the Notes issued in respect of that Series Transaction, the obligations of the Issuer will be limited to such net proceeds and the other assets of the Issuer will not be available to meet any shortfall. The

Issuer will not be obliged to make any further payment in excess of such net proceeds and no debt shall be owed by the Issuer in respect of such shortfall.

The Notes issued in respect of a Series Transaction will be limited recourse obligations of the Issuer only and, subject to the Series Guarantee relating to that Series Transaction, will not be obligations of, or the responsibility of, or guaranteed by, any other person, and no liability for any failure by the Issuer to pay any amount due under the Notes in that Series Transaction will be accepted by any other person. The recourse of the holders of the Notes in, and the other Series Secured Creditors of, a Series Transaction will be limited to the aggregate amount recovered by the Series Security Trust established in respect of that Series Transaction pursuant to the Series Security Agreements relating to that Series Transaction and from the realisation of the Series Security relating to that Series Transaction, and the liability of the Series Security Trust under the Series Guarantee relating to that Series Transaction will never exceed such aggregate amount.

All payments to be made to the holders of the Notes in, and the other Series Secured Creditors of, a Series Transaction, whether made by the Issuer or by the Series Security Trust established in respect of that Series Transaction (following a Guarantee Event in respect of that Series Transaction), will be made to the extent permitted by and strictly in accordance with the Series Priority of Payments applicable to that Series Transaction.

Certain other special purpose legal entities (each an "**Acceding Issuer**"), described in the relevant Applicable Transaction Supplement signed by such Acceding Issuer and binding such Acceding Issuer to the Terms and Conditions of the Programme Memorandum, may from time to time issue limited recourse secured Notes by acceding to the Programme in the manner set out in the section headed "*Accession to the Programme*". Unless the context indicates otherwise, references to "Issuer" in this Programme Memorandum shall include each Acceding Issuer and be construed accordingly. Each Acceding Issuer will, to the extent necessary, obtain separate approvals from all relevant regulatory authorities to accede to the Programme and to issue Notes pursuant to the Issuer Programme established by that Acceding Issuer. In respect of each Series Transaction, the Issuer accepts full responsibility for the accuracy of the information contained in this Programme Memorandum, the Applicable Pricing Supplement, the Applicable Transaction Supplement, the annual financial statements and report (incorporated herein by reference), the amendments to any such annual financial statements and report or any supplements from time to time, except as may be otherwise stated. The Issuer certifies to the best of its knowledge and belief that there are no facts which have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that this Programme Memorandum contains all information required by law and the JSE Debt Listings Requirements. The JSE takes no responsibility for the contents of this Programme Memorandum, the Applicable Pricing Supplement(s), the Applicable Transaction Supplement(s), the annual financial statements of the Issuer (as amended

or restated from time to time) or the amendments to such annual financial statements, makes no representation as to the accuracy or completeness of any of the foregoing documents and further expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of this Programme Memorandum, any Applicable Pricing Supplement(s), the Applicable Transaction Supplement or the annual financial statements (as amended or restated from time to time).

The Issuer does not accept any liability in relation to the information contained in this Programme Memorandum, the Applicable Pricing Supplement and/or the Applicable Transaction Supplement in respect of any Series Transaction other than the Series Transaction in respect of which that Issuer has signed an Applicable Pricing Supplement and/or an Applicable Transaction Supplement.

In respect of each Series Transaction, this Programme Memorandum is to be read in conjunction with all documents which are deemed to be incorporated by reference in respect of that Series Transaction. This Programme Memorandum shall be read and construed on the basis that such documents are incorporated into and form part of this Programme Memorandum. Any reference in this section to the Programme Memorandum shall be read and construed as including such documents incorporated by reference.

The Issuer, having made all reasonable enquiries, confirms that this Programme Memorandum, the Applicable Pricing Supplement and the Applicable Transaction Supplement contains or incorporates all information which is material in the context of the issue and offering of the Notes, that the information contained or incorporated in this Programme Memorandum, the Applicable Pricing Supplement and the Applicable Transaction Supplement is true and accurate and is not misleading, that the opinions and intentions expressed in this Programme Memorandum, the Applicable Pricing Supplement and the Applicable Transaction Supplement are honestly held and that there are no other facts, the omission of which would make this Programme Memorandum, the Applicable Pricing Supplement and the Applicable Transaction Supplement or any information or expression of any such opinions or intentions misleading.

Information contained in this Programme Memorandum with respect to SBSA, the Administrator, the Programme Dealer, the Dealer(s), any other party to a Series Transaction Document and the Series Security Trust has been obtained from each of them for information purposes only. The delivery of this Programme Memorandum shall not create any implication that there has been no change in the affairs of any of SBSA, the Administrator, the Programme Dealer, the Dealer(s), any such party to a Series Transaction Document and the Series Security Trust since the date hereof or that the information contained or referred to herein is correct as at any time subsequent to its date.

No person is authorised to give any information or to make any representation concerning the issue of the Notes other than those contained in this Programme Memorandum. Nevertheless, if any such information is given or representation made, it must not be relied upon as having been authorised by

the Arranger, the Debt Sponsor, the JSE, the Programme Dealer, the Dealer(s), the Administrator, any party to a Series Transaction Document, the Series Security Trust or any of their respective affiliates or advisors. Any information with respect to the Participating Assets furnished to the Series Noteholders by the Administrator or any other party to a Series Transaction Document is furnished for information purposes only without any representation, warranty or opinion given of any nature whatsoever.

Neither the delivery of this Programme Memorandum nor any offer, sale or allotment made in connection with the offering of the Notes shall, in any circumstances, create any implication or constitute a representation that there has been no change in the affairs of the Issuer since the date of the Programme Memorandum or the Applicable Pricing Supplement or the Applicable Transaction Supplement or that the information contained in the Programme Memorandum, the Applicable Pricing Supplement or the Applicable Transaction Supplement is correct at any time subsequent to the date of this Programme Memorandum, the Applicable Pricing Supplement or the Applicable Transaction Supplement, as the case may be.

The Arranger, the Debt Sponsor, the Administrator, any party to a Series Transaction Document, the Series Security Trust, the Programme Dealer, the Dealer(s) or any of their respective affiliates or professional advisors in respect of the Programme have not separately verified the information contained in this Programme Memorandum. Accordingly, none of the Arranger, the Debt Sponsor, the Administrator, any party to a Series Transaction Document, the Series Security Trust, the Programme Dealer, the Dealer(s) or any of their respective affiliates or professional advisors makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Programme Memorandum or any other information supplied in connection with the Programme or any Issuer Programme. Each person receiving this Programme Memorandum acknowledges that such person has not relied on the Arranger, the Administrator, the Debt Sponsor, any party to a Series Transaction Document, the Series Security Trust, the Programme Dealer, the Dealer(s) or any of their respective affiliates or professional advisors in respect of the Programme or any Issuer Programme or any other person affiliated with the Arranger, the Administrator, the Debt Sponsor, any party to a Series Transaction Document, the Series Security Trust, or the Programme Dealer, the Dealer(s) or any of their respective affiliates or professional advisors in connection with its investigation of the accuracy of such information or its investment decision.

Neither this Programme Memorandum nor any other information supplied in connection with the Notes is intended to provide the basis of any credit or other evaluation, or should be considered as a recommendation by the Issuer, SBSA, the Administrator, the Arranger, the Debt Sponsor, any party to a Series Transaction Document, the Series Security Trust, the Programme Dealer, the Dealer(s) or any of their respective affiliates or professional advisors that any recipient of this Programme

Memorandum, or any other information supplied in connection with the Notes, should subscribe for or purchase any Notes. Each person contemplating making an investment in the Notes must make its own investigation and analysis of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer, the relevant Series Security and the terms of the offering and its own determination of the suitability of any such investment, with particular reference to its own investment objectives and experience and any other factors which may be relevant to it in connection with such investment. None of the Administrator, the Arranger, the Debt Sponsor, any party to a Series Transaction Document, the Series Security Trust, the Programme Dealer, the Dealer(s) or any of their respective affiliates or professional advisors undertakes to review the financial condition or affairs of the Issuer or to advise any investor or potential investor in the Notes of any information coming to the attention of the Administrator, the Arranger, the Debt Sponsor, the Programme Dealer or Dealer(s), any party to a Series Transaction Document, the Series Security Trust or any of their respective affiliates or professional advisors.

None of the Issuer, SBSA, the Administrator, the Arranger, the Debt Sponsor, any party to a Series Transaction Document, the Series Security Trust, the Programme Dealer, the Dealer(s) or any of their respective affiliates or professional advisors makes any representations or warranties as to the settlement procedures of the Central Depository or the JSE. **This Programme Memorandum does not constitute an offer or an invitation by or on behalf of the Issuer, the Arranger, the Debt Sponsor, any party to a Series Transaction Document, the Programme Dealer, the Dealer(s), SBSA, the Administrator, the Series Security Trust or any of their respective affiliates or professional advisors to any person to subscribe for or purchase any of the Notes.** The distribution of this Programme Memorandum and the offering of the Notes in certain jurisdictions may be restricted by law. No representation is made by the Issuer, the Arranger, the Debt Sponsor, any party to a Series Transaction Document, the Programme Dealer, the Dealer(s), SBSA, the Administrator or the Series Security Trust or any of their respective affiliates or professional advisors, that this Programme Memorandum may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable legislation or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder and none of them assumes any responsibility for facilitating any such distribution or offering. In particular, save for obtaining the approval of this Programme Memorandum as listing particulars by the JSE, no action has been taken by the Issuer, the Arranger, the Debt Sponsor, any party to a Series Transaction Document, the Programme Dealer, the Dealer(s), SBSA, the Administrator or the Series Security Trust or any of their respective affiliates or professional advisors which would permit a public offering of the Notes or distribution of this Programme Memorandum in any jurisdiction where action for that purpose is required. Accordingly the Notes may not be offered or sold, directly or indirectly, and neither this Programme Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Programme Memorandum comes are required by the Issuer, the

Arranger, the Debt Sponsor and the Programme Dealer and Dealer(s) to inform themselves about and to observe any such restrictions.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"). Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to any U.S. persons. In addition, there are restrictions on the distribution of this Programme Memorandum in South Africa, the European Economic Area and the United Kingdom. For a more complete description of certain restrictions on the offering, sale and delivery of Notes and distribution of this Programme Memorandum see the section headed "*Subscription and Sale*" below.

The terms of this Programme Memorandum, if sent to persons resident in jurisdictions outside South Africa, may be affected by the laws of the relevant jurisdiction. Such persons should inform themselves about and observe any applicable legal requirements. It is the responsibility of any such person wishing to subscribe for Notes to satisfy itself as to the full observance of the laws of the relevant jurisdiction. If and to the extent that this Programme Memorandum is illegal in any jurisdiction, it is sent to persons in such jurisdiction for information purposes only.

References in this Programme Memorandum to "**Rands**", "**ZAR**" and "**R**" are to the lawful currency for the time being of South Africa.

The Programme is not rated but it is expected that certain Series or Tranches of Notes issued under the Programme will be rated by the Rating Agency. Unrated Series or Tranches of Notes may also be issued by an Issuer provided that, where applicable, the Rating Agency, after having been furnished with 10 Business Days' prior written notice, has not informed the Issuer that all its respective current ratings of Notes in issue by that Issuer would be adversely affected by the issue of such unrated Notes. A rating is not a recommendation to subscribe for, buy, sell or hold Notes and may be subject to revision, suspension or withdrawal at any time by the Rating Agency.

In connection with the issue and distribution of any Series or Tranche of Notes, the Issuer may, to the extent permitted by the JSE, over-allot or effect transactions with a view to supporting the market price of a new listing of the Notes at a level higher than that which might otherwise prevail for a limited period after the Issue Date, as agreed with the JSE. However, there may be no obligation on the Issuer or any of its agents to do this. Such stabilising, if commenced, may be discontinued at any time and must be brought to an end after the agreed limited period.

INVESTMENT CONSIDERATIONS

The following is a non-exhaustive summary of certain aspects of the issue of the Notes about which prospective investors should be aware. This section should be read in conjunction with, and is qualified in its entirety by, the detailed information contained elsewhere in this Programme Memorandum or, in relation to a particular Issuer or Series Transaction, the Applicable Transaction Supplement (if any) or, in relation to a particular Tranche of Notes or Series Transaction, the Applicable Pricing Supplement. Capitalised words used in this section shall bear the meanings contained in the Glossary of Terms and as defined elsewhere in this Programme Memorandum, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context. Unless the context indicates otherwise, references to "Notes" will be construed as references to Notes issued in relation to a Series Transaction. References to the "Applicable Pricing Supplement" will be construed as references to an Applicable Pricing Supplement executed in respect of each Series Transaction. References to "Applicable Transaction Supplement" will only be applicable in circumstances where the Issuer has executed an Applicable Transaction Supplement. Unless the context indicates otherwise, references to "Programme Memorandum" will include, in relation to a particular Issuer or Series Transaction, the Applicable Transaction Supplement (if any) and, in relation to a particular Tranche of Notes, the Applicable Pricing Supplement.

The Notes may be redeemed prior to maturity

If in the case of any particular Tranche of Notes the Terms and Conditions of such Notes provide that the Notes are redeemable at the Issuer's option in certain circumstances, the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

Rating of the Notes

The Note Ratings (if any) are not a recommendation to subscribe for, purchase, hold or sell Notes, inasmuch as such Note Ratings do not comment on the market price or suitability of the Notes for a particular investor. The Note Ratings address the likelihood that holders of the Notes will receive payment of interest and principal in accordance with the terms of such Notes.

There can be no assurance that any rating agency not requested to rate the Notes will issue a rating and, if so, what such rating would be. A rating assigned to the Notes by a rating agency that has not been requested by the Issuer to do so, may be lower than the equivalent rating assigned by the Rating Agency. In addition, there can be no assurance that a rating will remain for any given period of time or that the rating will not be lowered or withdrawn entirely by an assigning Rating Agency if in its judgment circumstances in the future so warrant. To the extent that the Issuer may be required to

give the Rating Agency prior notice of an action it intends or proposes to take, the Rating Agency may or may not respond to such notice from the Issuer, whether timeously or at all and the fact that the Rating Agency did not respond within a time period specified by the Issuer does not necessarily imply that there may not be an impact on the rating of the Notes after the lapse of any such time period.

Warranties

Neither the Issuer nor any Series Security Trust is or will be obliged to undertake any investigations, searches or other actions in respect of any Series Security and each will rely instead on the terms and conditions applicable to Series Security.

Limited Recourse Obligations

Notes will be limited recourse obligations solely of the Issuer. In particular, without limitation, Notes will not be obligations of, and will not be guaranteed by any other Issuer under the Programme, the Arranger, the Debt Sponsor, the Programme Dealer, the Dealer(s), SBSA in any capacity, the Administrator, any Hedge Counterparty, any Liquidity Facility Provider(s) or, save to the extent of the amount recovered from the Issuer in terms of the Series Indemnity, the Series Security Trust.

Upon enforcement of the Series Security in respect of a Series Transaction and enforcement of a claim under the Series Indemnity, the Series Security Trust will have recourse only to the Series Security applicable to that Series Transaction. The Issuer and the Series Security Trust will have no recourse to any Series Security in respect of any other Series Transaction, any other Issuer under the Programme, the Arranger, the Debt Sponsor, the Programme Dealer, the Dealer(s), the Administrator or, other than as provided in the Series Transaction Documents, the Hedge Counterparties, any Liquidity Facility Provider(s) or any other entity or any other Series Security Trust.

It is possible that a default may occur in relation to some or all of the Series Assets. As the nature of the Series Assets may vary from Series Transaction to Series Transaction, the risk of such default may vary from Series Transaction to Series Transaction, and potential investors will need to make their own assessment of such risk depending upon the nature of the Series Assets.

Limited Enforcement of the Notes

The rights of the Series Noteholders to enforce their claims directly against the Issuer will be limited on the basis set out in the Terms and Conditions.

Non-Petition

Series Secured Creditors contract with the Issuer on the basis that they will have no claim against the Issuer to the extent that there are no funds available to pay them in accordance with the Series Priority of Payments, will not bring an application for the liquidation of the Issuer until 2 (two) years

after the payment of all amounts outstanding and owing by the Issuer under all of the Notes and any other Series Transaction Documents entered into in respect of all Series Transactions in relation to an Issuer Programme and agree not to sue the Issuer except through the applicable Series Security Trust.

Series Priority of Payments

In relation to each Series Transaction, the Applicable Pricing Supplement or the Applicable Transaction Supplement, as the case may be, will prescribe a "Pre-Enforcement Series Priority of Payments" in which the Series Secured Creditors will be paid prior to delivery of an Enforcement Notice by the Series Security Trust and a "Post-Enforcement Series Priority of Payments" after delivery of an Enforcement Notice.

The applicable Series Priority of Payments may be disturbed by claims of creditors of the Issuer who are not Series Secured Creditors. However, as described below in the paragraph "*Insolvency of the Issuer*", the Issuer is structured as an insolvency remote, ring-fenced special purpose legal entity which limits the risk of external creditors who are not bound into the Series Priority of Payments.

Limited Liquidity and Restrictions on Transfer

There can be no assurance that any secondary market for any of the Notes will develop, or, if a secondary market does develop, that it will provide the Series Noteholders with liquidity of investment or that it will continue for the life of such Notes. Consequently, a Series Noteholder must be prepared to hold such Notes until their Final Maturity Date.

Series Noteholders that trade in the Notes during the period that the Register is closed prior to each Interest Payment Date (as specified in the Applicable Pricing Supplement), will need to reconcile any amounts payable on the following Interest Payment Date, or Final Maturity Date, as the case may be pursuant to a partial redemption of the Notes. As a result, secondary market liquidity of the Notes may reduce during this period.

Issuer Liquidity

If applicable in terms of an Applicable Pricing Supplement or an Applicable Transaction Supplement, any cash shortfalls from time to time arising from, *inter alia*, timing mismatches, interest rate mismatches and market disruptions may be mitigated by the Issuer, amongst other things, drawing down under any Liquidity Facility made available to it in terms of a Liquidity Facility Agreement.

Series Security

The security structure in relation to each Series Transaction, in the form of a Series Guarantee from the Series Security Trust, secured by a Series Indemnity, provides Series Secured Creditors, through

the Series Security Trust, with contractual recourse to the Issuer and the Series Assets held by the Issuer in respect of that Series Transaction alone and does not provide any direct security over the Series Assets.

Series Guarantee and Series Indemnity

In relation to each Series Transaction, the Series Security Trust will grant a Series Guarantee to Series Secured Creditors and will enter into a Series Indemnity with the Issuer. The Issuer has received a legal opinion stating that the entry into of the Series Guarantee and Series Indemnity will enable the security structure in favour of the Series Secured Creditors to be upheld by the Series Security Trust in the manner set out in this Programme Memorandum, as supplemented by the Applicable Pricing Supplement and/or the Applicable Transaction Supplement. There is no guarantee that a court would reach the same conclusion as that in the legal opinion obtained by the Issuer.

If the guarantee and indemnity structure is not enforceable, then Series Secured Creditors shall be entitled but not obliged to take action themselves to enforce claims directly against the Issuer should an Issuer Programme Event of Default in respect of a Series Transaction occur. If a Series Secured Creditor elects to do so, then the Series Security held by the Series Security Trust will be bypassed and thus no longer be effective as a means of achieving distribution of the Issuer's assets which relate to that Series Transaction in accordance with the applicable Series Priority of Payments.

Series Security Trust

In relation to each Series Transaction, the interests of the Series Secured Creditors will be represented by the corresponding Series Security Trust. In terms of the Series Transaction Documents and the Terms and Conditions, the Series Security Trust is required to enforce the Series Security on behalf of such Series Secured Creditors in certain circumstances. Series Secured Creditors will not be able to enforce the Series Security themselves nor to take action against the Issuer in respect of the Series Security or otherwise, nor to enforce claims against the Issuer except through the Series Security Trust unless the guarantee and indemnity structure is not enforceable or the Series Security Trust is sequestrated or fails to act within a reasonable time of being called upon to do so.

Sequestration of a Series Security Trust

It is possible for a Series Security Trust itself to be sequestrated, which would adversely affect the rights of all the corresponding Series Secured Creditors and the enforcement of the Series Security granted to the Series Security Trust in relation to that Series Transaction.

The liabilities of the Series Security Trust consist of a Series Guarantee given to the Series Secured Creditors, which cannot in the aggregate exceed the amount recovered pursuant to the Series

Indemnity given in relation to each Series Transaction. Accordingly, it is improbable that the Series Security Trust itself will be insolvent (and therefore be sequestrated) unless there was, for example, dishonesty or negligent or fraudulent conduct or a breach of contract on the part of the Series Security Trust, for instance by entering into unauthorised transactions on behalf of the Series Security Trust.

If the Series Security Trust is sequestrated, Series Secured Creditors shall be entitled to take action themselves to enforce claims directly against the Issuer should an Issuer Programme Event of Default in respect of a Series Transaction occur but, in such circumstances, the Series Security held by the Series Security Trust will be bypassed and thus no longer be effective as a means of achieving distribution of the Series Assets which relate to that Series Transaction in accordance with the Series Priority of Payments.

Insolvency of the Issuer

Each Issuer will be structured as an insolvency remote, ring-fenced special purpose legal entity, a structure which limits the risk of external creditors who are not bound by the applicable Series Transaction Documents and hence the applicable Series Priority of Payments. Each Series Security Trust represents most creditors of the Issuer and those not tied into any contractual Series Priority of Payments are in any event creditors at the top of each Series Priority of Payments, including the tax authorities and administrative creditors. Series Secured Creditors contract with the Issuer on the basis that they will have no claim against the Issuer to the extent that there are no funds available to pay them in accordance with the applicable Series Priority of Payments, will not bring an application for the liquidation of the Issuer until 2 (two) years after the payment of all amounts outstanding and owing by the Issuer under all of the Notes and any other Series Transaction Documents entered into in respect of all Series Transactions in relation to an Issuer Programme and agree not to sue the Issuer except through the applicable Series Security Trust. The proceeds in the hands of the Series Security Trust in relation to each Series Transaction will be distributed in accordance with the applicable Series Priority of Payments.

If, notwithstanding the ring-fenced structure, there is an external creditor not bound into an applicable Series Priority of Payments, and there are any assets of the Issuer that are not properly secured by any Series Security Cessions, then on the liquidation of the Issuer such external creditor would rank *pari passu* with or ahead of the Series Security Trust, depending on the statutory preference of claims in terms of the Insolvency Act, 1936, in regard to such assets of the Issuer that are not properly secured by any Series Security Cessions.

The Administrator

In terms of the Administration Agreement, the Administrator will be required to manage the Series Assets as the agent of the Issuer, under and in accordance with the terms of the Administration Agreement.

There are risks on insolvency of the Administrator in respect of details of the Series Assets that are kept electronically on the Administrator's systems. The provisions of the Administration Agreement mitigate this risk by providing for the maintenance of back-up data and the storage of such data off-site by a disaster recovery agent.

Custodial Risk

Certain Series Assets will be held by the Administrator as custodian, or may be held by a third party custodian selected by the Administrator, as the agent of the Issuer. There are risks on the insolvency of such custodian in respect of the details of the Series Assets that are kept electronically on the systems of such custodian. To the extent that the Administrator provides such custodial services, the provisions of the Administration Agreement mitigate this risk by providing for the maintenance of back-up data and the storage of such data off-site by a disaster recovery agent. The Administrator will require, on behalf of the Issuer, that any third party custodian has similar systems of a similar standard in place.

Hedging

Series Assets held by the Issuer and any other source of income of the Issuer may yield income in accordance with a fixed rate of interest whilst a Tranche of Notes may pay a floating rate of interest, or *vice versa*, resulting in interest rate mismatches.

The Issuer may also be exposed to basis risk in that the reset dates of the interest rates payable in respect of its assets may be different to the reset dates of the interest payable in respect of the Notes.

If the Issuer conducts transactions in different currencies it may also be exposed to currency risk in that a movement in exchange rates may have a favourable or an unfavourable effect on the gain or loss achieved on such transactions. Currency valuations are linked to a host of economic, social and political factors and can fluctuate greatly.

In order to hedge against, amongst others, interest rate mismatches, basis risk and currency risk, the Issuer may enter into one or more Hedging Transactions from time to time with a Hedge Counterparty to ensure that such risks are appropriately hedged.

Pursuant to the Hedging Transactions, the Hedge Counterparties agree to make payments to the Issuer under certain circumstances as described in such agreements. The Issuer will be exposed to

the credit risk of the Hedge Counterparties with respect to such payments. The Series Transaction Documents may require such parties to have the Highest Short Term Credit Rating from the Rating Agency or, if a party is not rated by the Rating Agency, then the Issuer shall furnish the Rating Agency with 10 Business Days' prior written notice of the identity of such party (if the Issuer is required to do so in terms of the Applicable Pricing Supplement).

Taxation

Each Series Noteholder will assume and be solely responsible for any and all Taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local Taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Notes. Unless otherwise specified in the Applicable Pricing Supplement, the Issuer will not pay any additional amounts to Series Noteholders to reimburse them for any Tax, assessment or charge required to be withheld or deducted from payments in respect of the Notes by the Issuer. In addition, in the event that a payment in respect of the Notes is or becomes subject to a withholding or deduction for or on account of any Taxes, no additional amount will be payable to Series Noteholders as a result of such withholding or deduction.

Investment Advice

This Programme Memorandum, together with the Applicable Pricing Supplement and the Applicable Transaction Supplement, identifies some of the information that a prospective investor should consider prior to making an investment in the Notes. This Programme Memorandum, the Applicable Pricing Supplement and the Applicable Transaction Supplement do not, however, purport to identify or provide all of the information or the comprehensive analysis necessary to evaluate the economic and other consequences of investing in the Notes. Therefore, a prospective investor should conduct its own thorough analysis, including its own accounting, credit, legal and tax analysis, prior to deciding whether to invest in the Notes. A prospective investor should make an investment in the Notes only after it has determined that such investment is suitable for its financial investment objectives.

Neither this Programme Memorandum nor any Applicable Pricing Supplement nor any Applicable Transaction Supplement is or purports to be or contain investment advice.

Investor Suitability

Prospective investors should determine whether an investment in the Issuer is appropriate in their particular circumstances and should consult with their legal, business and tax advisers to determine the consequences of an investment in any Notes and to arrive at their own evaluation of the investment and credit risk.

Investment in the Notes is only suitable for investors who:

1. have the requisite knowledge and experience in financial and business matters, and access to, and knowledge of, appropriate analytical resources, to evaluate the information contained in this Programme Memorandum and the merits and risks of an investment in the Issuer in the context of such investors' financial position and circumstances;
2. are capable of bearing the economic risk of an investment in the Issuer for an indefinite period of time;
3. are acquiring the Notes for their own account for investment, and not with a view to resale, distribution or other disposition of the Notes (subject to any applicable law requiring that the disposition of the investor's property be within its control);
4. recognise that it may not be possible to make any transfer of the Notes for a substantial period of time, if at all; and
5. unless specified otherwise in the Applicable Pricing Supplement, are banks, investment banks, pension funds, insurance companies, securities firms, investment institutions, central governments, large international or supranational organisations or other entities, including, *inter alia*, treasuries and finance companies of large enterprises which are active on a regular and professional basis in the financial markets for their own account.

Potential Conflicts of Interest

The Issuer and SBSA may engage in trading activities (including hedging activities or other activities) related to or which may be related to, the Notes and/or other instruments related to the Notes for its proprietary accounts or for other accounts under its management. Various potential and actual conflicts of interest may arise between the interests of the holders of Notes, on the one hand, and any of the Issuer and/or Standard Bank Group Limited (together with its subsidiaries and its associated companies), on the other hand, as a result of the various businesses and activities of such persons, and none of such persons is required to resolve such conflicts of interest in favour of the holders of such Notes.

Change of law

No assurance can be given as to the impact of any possible judicial decision or change to South African law or administrative practice after the Programme Date.

TABLE OF CONTENTS	Page
Documents incorporated by reference	18
Programme Structure	20
Summary of the Programme	23
Accession to the Programme	34
Form of Notes	35
Pro Forma Applicable Transaction Supplement	38
Pro Forma Applicable Pricing Supplement	41
Terms and Conditions of the Notes	51
Use of Proceeds	92
Participating Assets	93
Series Priority of Payments	95
Security Structure	100
The Issuer	102
The Administrator	104
Settlement, Clearing and Transfers of Notes	106
South African Taxation	110
Exchange Control	114
Subscription and Sale	116
Glossary of Terms	120
General Information	145
Corporate Information	147

DOCUMENTS INCORPORATED BY REFERENCE

In respect of each Series Transaction, all documents referred to below shall be deemed to be incorporated in, and to form part of, this Programme Memorandum, save that any statement contained herein or in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Programme Memorandum to the extent that a statement contained in any subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

The documents incorporated in and forming part of this Programme Memorandum in respect of each Series Transaction are as follows:

1. the audited annual financial statements (prepared in accordance with IFRS) of the Issuer for each financial year succeeding the date of this Programme Memorandum, as and when such are approved and become available;
2. the Applicable Transaction Supplement;
3. each Applicable Pricing Supplement;
4. the other Series Transaction Documents;
5. any supplements to this Programme Memorandum circulated by the Issuer from time to time in accordance with this Programme Memorandum;
6. in relation to listed Notes, each monthly register made available by the Participants to the Central Depository; and
7. all information pertaining to the Issuer which is relevant to the Issuer Programme which is electronically disseminated by the Securities Exchange News Service ("**SENS**") established by the JSE, to SENS subscribers, from time to time.

The Issuer will, in connection with the listing of Notes on the Interest Rate Market of the JSE, or on such other exchange or further exchange or exchanges as may be selected by the Issuer, and for so long as any Note remains outstanding and listed on such exchange, publish a new Programme Memorandum or Applicable Transaction Supplement (as the case may be) or a further supplement to the Programme Memorandum or an Applicable Pricing Supplement on the occasion of any subsequent issue of Notes where there has been:

- (a) a Material Adverse Effect on the Issuer which is not then reflected in the Programme Memorandum or the Applicable Transaction Supplement or any supplement to the Programme Memorandum or the Applicable Pricing Supplement; or
- (b) any modification of the terms of the Programme which would then make the Programme Memorandum or Applicable Transaction Supplement inaccurate or misleading.

Any such new Programme Memorandum or Applicable Transaction Supplement as supplemented shall be deemed to have been substituted for the previous Programme Memorandum or Applicable Transaction Supplement, as the case may be, from the date of its issue.

The Issuer will, in respect of each Series Transaction, make available for inspection at the registered office of the Issuer upon request by any Series Noteholder or any person interested in or proposing to purchase Notes, this Programme Memorandum, any of the documents deemed to be incorporated in the Programme Memorandum by reference and updated statutory documents (if any) of the Issuer (including without limitation, the most recently obtained register made available by the Participants to the Central Depository). Requests to inspect such documents should be directed to the Issuer at its registered office as set out herein. The Programme Memorandum together with the documents referred to in paragraphs 2, 3 and 5 will be made available on the Administrator's website (on behalf of the Issuer): <http://corporateandinvestment.standardbank.co.za/pages/securitisation/securitisation.html> and on the JSE's website at www.jse.co.za, while the documents listed in paragraph 1 will be made available on the Administrator's website only, as and when such documents are approved and become available.

The Programme:

- The Programme provides a framework and certain common terms for the issue of limited recourse secured Notes by the Issuer(s).
- The Applicable Pricing Supplement and/or the Applicable Transaction Supplement will set out relevant information in relation to the Issuer and the Series Transaction referred to in that Applicable Pricing Supplement and/or the Applicable Transaction Supplement.
- The structural features and provisions of the Series Transaction Documents of a specific Series Transaction may be different to those described in this Programme Memorandum, in which event those features and provisions will be described in the Applicable Pricing Supplement and/or the Applicable Transaction Supplement.
- Other Issuers may accede to the Programme by signing an Applicable Transaction Supplement.
- To the extent necessary, each Issuer will obtain separate approvals from all relevant regulatory authorities prior to acceding to the Programme and issuing Notes pursuant to the Series Transaction in respect of that Issuer.
- The Issuer is, and any Acceding Issuer will be, a separate, special purpose legal entity formed to utilise the funds raised from the issue of Notes and to acquire and/or invest in one or more Participating Assets, where recourse in respect of such Notes is limited to the proceeds of enforcement of security over such Participating Assets alone, as specified in the relevant Applicable Pricing Supplement and/or the Applicable Transaction Supplement.
- The Series Assets and Series Liabilities relating to each Series Transaction will be identified by the Administrator as being attributable solely to that Series Transaction, and will be segregated from the Series Assets and Series Liabilities relating to each other Series Transaction.
- The obligations of each Issuer in relation to each Series Transaction will be secured by the Series Security held by the Series Security Trust in respect of that Series Transaction only, and recourse by Series Secured Creditors against the Issuer will be limited to the proceeds of such Series Security.
- A separate Series Security Trust, established as a special purpose legal entity, will hold and, where applicable, realise security for the benefit of Series Secured Creditors in respect of each Series Transaction.

- In respect of each Series Transaction, the Series Security Trust established in respect of that Series Transaction will, in relation to that Series Transaction only, furnish a limited recourse Series Guarantee to the Series Noteholders and other Series Secured Creditors of the applicable Issuer in relation to that Series Transaction. In respect of each Series Transaction the Issuer will indemnify the applicable Series Security Trust in respect of claims made by the Series Secured Creditors under that Series Guarantee. The obligations of the Issuer to each Series Security Trust arising from the applicable Series Indemnity shall be secured by a Series Security Cession to the Series Security Trust of the Issuer's rights to the Series Security applicable to that Series Transaction.
- In respect of a Series Transaction, if the net proceeds of the enforcement of the Series Security is not sufficient to make all payments then due in respect of the Notes issued in respect of that Series Transaction, the obligations of the Issuer will be limited to such net proceeds and the other assets of the Issuer will not be available to meet any shortfall. The Issuer will not be obliged to make any further payment in excess of such net proceeds and no debt shall be owed by the Issuer in respect of such shortfall.
- The ordinary shares of all the Issuers will be owned by the Issuer Owner Trust.
- To the extent necessary, each Issuer will accede to, or enter into, amongst others, a separate, Administration Agreement, Transfer Agent Agreement, Settlement Agent Agreement, Bank Agreement and Preference Share Subscription Agreement with SBSA to cater for the specific requirements of the Series Transaction.
- Each Issuer will enter into a separate Programme Agreement with SBSA (as Programme Dealer) and any additional Dealer(s) in respect of each Issuer Programme.
- In respect of a Series Transaction and if applicable in terms of the relevant Applicable Pricing Supplement and/or the Applicable Transaction Supplement, the relevant Issuer may enter into one or more Liquidity Facility Agreements and/or Credit Enhancement Agreements with one or more Liquidity Facility Providers and/or Credit Enhancement Providers in terms of which such Liquidity Facilities and/or Credit Enhancement will be made available by the Liquidity Facility Providers and/or Credit Enhancement Providers, all on the terms and conditions contained in the relevant Liquidity Facility Agreements and/or Credit Enhancement Agreements, as the case may be.
- In respect of a Series Transaction and if applicable in terms of the relevant Applicable Pricing Supplement and/or the Applicable Transaction Supplement, the Issuer will enter into one or more Hedging Transactions with the Hedge Counterparty.

SUMMARY OF THE PROGRAMME

The information set out below is a summary of the principal features of the Programme. This summary should be read in conjunction with, and is qualified in its entirety by, the detailed information contained elsewhere in this Programme Memorandum.

Capitalised words used in this section shall bear the meanings contained in the Glossary of Terms and as defined elsewhere in this Programme Memorandum, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

This summary does not purport to be complete and is taken from, and is qualified by, the remainder of this Programme Memorandum or, in relation to a particular Issuer or Series Transaction, the Applicable Transaction Supplement (if any) or, in relation to a particular Tranche of Notes or Series Transaction, the Applicable Pricing Supplement. References to the "Applicable Pricing Supplement" will be construed as references to an Applicable Pricing Supplement executed in respect of a Series Transaction. References to "Applicable Transaction Supplement" will only be applicable in circumstances where the Issuer has executed an Applicable Transaction Supplement. Unless the context indicates otherwise, references to "Programme Memorandum" will include, in relation to a particular Issuer or Series Transaction, the Applicable Transaction Supplement (if any) and in relation to a particular Tranche of Notes, the Applicable Pricing Supplement.

Programme Parties

Issuer:	In respect of each Issuer Programme, the special purpose legal entity owned by the Issuer Owner Trust which entity has become entitled to issue Notes by accession to the Programme and by signing an Applicable Transaction Supplement binding itself to the terms and conditions of the Programme.
SBSA:	The Standard Bank of South Africa Limited (registration number 1962/000738/06), a public company incorporated and registered as a bank in accordance with the laws of South Africa.
Debt Sponsor:	SBSA.
Arranger:	SBSA.
Administrator:	SBSA or any other approved Administrator appointed by the Issuer in terms of the Administration Agreement to advise the Issuer in relation to the management of the Issuer Programme and, as the Issuer's agent, to exercise the Issuer's rights, powers and duties

under the Series Transaction Documents, including administering the Series Priority of Payments.

Programme Dealer or Dealer(s):	In respect of each Issuer Programme, SBSA (acting as Programme Dealer), and any additional Dealer(s) appointed under the Programme Agreement from time to time, which appointment may be for a specific issue of Notes or on an ongoing basis subject to the Issuer's right to terminate the appointment of the Programme Dealer or Dealer(s).
Settlement Agent:	SBSA.
Account Bank	SBSA.
Preference Shareholder:	In respect of each Issuer Programme, SBSA.
Transfer Agent:	In respect of each Issuer Programme, SBSA or such other person as may be appointed in terms of a Transfer Agent Agreement to provide registry services to the Issuer.
Series Security Trust:	In respect of each Series Transaction, the special purpose legal entity established to hold and realise Series Security for the benefit of Series Secured Creditors in relation to each Series Transaction, subject to the Series Priority of Payments.
Issuer Owner Trust:	Blue Diamond X Investments Issuer Owner Trust (Masters' Reference Number IT 1873/2013).
Hedge Counterparty(ies):	In respect of each Series Transaction, SBSA and/or any other approved counterparty appointed by the Issuer under any Hedging Transaction provided it has the Highest Short Term Credit Rating, if applicable.
Rating Agency(ies):	In respect of each Series Transaction, Moodys, and/or S&P, and/or Fitch and/or GCR and/or any other Rating Agency appointed by the Issuer from time to time.
Auditors:	In respect of each Issuer Programme, KPMG Inc., or such other firm of auditors appointed by the Issuer from time to time.
Series Secured Creditors:	In respect of each Series Transaction, the holders of Notes and each of the creditors of the Issuer set out in a Series Priority of

Payments applicable to a Series Transaction that is a party to a Series Transaction Document and contractually bound by the applicable Series Priority of Payments.

Liquidity Facility Provider(s): such entity appointed by the Issuer in terms of the relevant Liquidity Facility Agreement.

Credit Enhancement Provider(s): If applicable in the Applicable Pricing Supplement and/or the Applicable Transaction Supplement, such entity appointed by the Issuer in terms of the relevant Credit Enhancement Agreement.

Programme Description

Issuer Programme Type: A limited recourse secured note programme secured by specified Series Security in relation to each Series Transaction.

Programme Amount In respect of the Programme, ZAR10 000 000 000 or as otherwise specified in the Applicable Pricing Supplement and/or the Applicable Transaction Supplement. The Issuer may increase the size of the Programme in accordance with the terms and conditions of the Programme Agreement and any required regulatory approvals.

Series Transactions

Segregation of each Series Transaction: In respect of each Series Transaction, separate Tranches of Notes will be issued by the Issuer. The Series Assets and Series Liabilities relating to each Series Transaction will comprise a separate sub-set of the assets and liabilities of the Issuer in respect of that Series Transaction, identified by the Administrator pursuant to the Administration Agreement as being attributable solely to that Series Transaction. The Series Assets and Series Liabilities relating to each Series Transaction will be segregated from the Series Assets and Series Liabilities relating to each other Series Transaction. As more fully explained in the paragraph below headed "*Security Structure*", a separate Series Security Trust will be established in respect of each Series Transaction, for the benefit of the Series Secured Creditors.

Series Priority of Payments: In respect of each Series Transaction, as specified in the section entitled "Priority of Payments" (unless otherwise specified in the Applicable Pricing Supplement and/or the Applicable Transaction

Supplement), the Series Priority of Payments is the sequence in which the Issuer will make payments to the Series Secured Creditors as specified in the Applicable Pricing Supplement and/or the Applicable Transaction Supplement.

The Issuer shall contract with the Series Secured Creditors on the basis that payments due to them shall be made strictly in the sequence set out in the Series Priority of Payments so that a Series Secured Creditor which ranks subsequent to any other Series Secured Creditor in the Series Priority of Payments will not be paid unless and until all the Series Secured Creditors which rank prior to it in the Series Priority of Payments have been paid all the amounts then due and payable to them by the Issuer.

The Pre-Enforcement Series Priority of Payments, applicable prior to the enforcement of Series Security for the Notes, and the Post-Enforcement Series Priority of Payments, applicable after enforcement of Series Security for the Notes, are set out in the section entitled "*Series Priority of Payments*", the Applicable Pricing Supplement and/or the Applicable Transaction Supplement.

Terms and Conditions:

The terms and conditions of the Notes are set out in this Programme Memorandum under the section "*Terms and Conditions*". The "**Applicable Terms and Conditions**" of a Tranche of Notes are the Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Tranche of Notes set out in the Applicable Pricing Supplement.

Notes issued under any Series Transaction

Class of the Notes:

In respect of each Series Transaction, each Class of Notes will be specified in the Applicable Pricing Supplement.

Status of the Notes:

Unless otherwise specified in the Applicable Pricing Supplement, in respect of each Series Transaction, each Note constitutes direct, limited recourse and secured obligations of the Issuer, which ranks *pari passu* with all other Notes of the same Class in that Series Transaction. Recourse in respect of any Series Transaction will be limited to the proceeds of the Series Security applicable to that

Series Transaction. Claims of Series Noteholders and, if applicable, any other Series Secured Creditors, will rank in accordance with the applicable Series Priority of Payments.

- Form of Notes:** Listed and/or unlisted Notes may be issued under the Programme.
- A Tranche of Notes will be issued in certificated form or in uncertificated form as specified in the Applicable Pricing Supplement.
- Maturities:** The Notes will have such maturity as may be specified in the Applicable Pricing Supplement.
- Notes may be subject to a Put or a Call, as specified in the Applicable Pricing Supplement, and may accordingly be redeemed early at the instance of the Issuer, the Series Noteholders or either of them, as applicable.
- Issue Price:** Notes may be issued at a price which is their nominal amount or a discount to, or premium over, their nominal amount, as specified in the Applicable Pricing Supplement.
- Issue Dates:** The respective dates on which subscribers are required to pay the subscription price for the Note.
- Interest Rates:**
- Floating Rate Notes:* Floating Rate Notes will bear interest at the Floating Interest Rate specified in the Applicable Pricing Supplement and as more fully described in Condition 8.1 of the Terms and Conditions.
- Fixed Rate Notes:* Fixed Rate Notes will bear interest at the Fixed Interest Rate specified in the Applicable Pricing Supplement and as more fully described in Condition 8.2 of the Terms and Conditions.
- Mixed Rate Notes:* Mixed Rate Notes will bear interest at (i) a fixed interest rate for such Interest Period(s) as specified in the Applicable Pricing Supplement; and (ii) a floating interest rate for such Interest Period(s) as specified in the Applicable Pricing Supplement.
- Index-linked Notes:* Payments of principal or of interest in respect of Index-linked Notes will be calculated by reference to such index and/or formula as may

be specified in the Applicable Pricing Supplement.

Zero Coupon Notes:

Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest other than in the case of late payment.

Interest Period(s) or Interest Payment Date(s):

Such period(s) or date(s) as may be specified in the Applicable Pricing Supplement.

Types of Notes:

Notes may be issued with any legally permissible combination of characteristics, including, but not limited to, those listed above as to Class, status, form, maturity, Issue Price and Interest Rate.

Note Ratings:

Notes may be rated or unrated. In respect of rated Notes, the Rating Agency will assign ratings to each Tranche of Notes issued.

Redemption on maturity:

Unless redeemed in whole or in part at a prior date, or purchased and cancelled, the Issuer shall redeem the Notes at their Principal Amount Outstanding (together with accrued interest) on the Final Maturity Date specified in the Applicable Pricing Supplement.

The Applicable Pricing Supplement issued in respect of each Tranche of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts for which, such Notes will be redeemed.

Optional Redemption:

In relation to a Series Transaction, Notes may be subject to a Put or a Call, as specified in the Applicable Pricing Supplement, and may accordingly be redeemed early at the instance of the Issuer, the Series Noteholders or either of them, as the case may be, in the circumstances set out in the Applicable Pricing Supplement and subject to any applicable Non-Call Period or Non-Put Period. The redemption amount payable in each case will be the Optional Redemption Amount set out in or calculated in the manner set out in, the Applicable Pricing Supplement.

In addition, in relation to a Series Transaction, Notes may be redeemed early (whether partially or in full) at the instance of the Issuer as described in Condition 9.3 of the Terms and Conditions.

In relation to a Series Transaction, the Issuer may redeem all, but

not some only, of the Notes, in full but not in part, early at their Principal Amount Outstanding (together with accrued interest) upon not more than 30 (thirty) nor less than 20 (twenty) days' irrevocable notice for tax reasons, as described in Condition 9.6 of the Terms and Conditions.

- Currency:** Rand, the lawful currency of South Africa.
- Principal Amount:** The face value of each Note.
- Denomination of Notes:** The Notes will be issued with a minimum denomination of ZAR1 000 000 each, or such other denomination specified in the Applicable Pricing Supplement.
- Listing:** Notes issued under the Programme may be listed on the Interest Rate Market of the JSE (or on a successor exchange to the JSE or such other or further exchange or exchanges as may be selected by the Issuer in relation to such issue). Unlisted Notes may also be issued under the Programme.
- Securities Transfer Tax:** In terms of current legislation and as at the date of this Programme Memorandum, the issue, transfer and redemption of the Notes will not attract securities transfer tax under the Securities Transfer Tax Act, 2007. Any future transfer duties and/or taxes that may be introduced in respect of (or be applicable to) the transfer of Notes will be for the account of Series Noteholders (see the section "*South African Taxation*"). The tax treatment (including issue and transfer duties) applicable to a Tranche of Notes in a Series Transaction will, if such tax treatment differs from that set out in the section of this Programme Memorandum headed "*South African Taxation*", be set out in the Applicable Pricing Supplement and/or the Applicable Transaction Supplement relating to that Series Transaction.
- Withholding Tax** Payments in respect of interest and principal will be made without withholding or deduction for Taxes unless such withholding or deduction is required by law. In the event that such withholding or deduction is required by law, the Issuer will not be obliged to pay additional amounts in relation thereto.
- Taxation:** Each Series Noteholder will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory

authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Notes. Unless otherwise specified in the Applicable Pricing Supplement and subject to the section below titled "South African Taxation", the Issuer will not pay any additional amounts to Series Noteholders to reimburse them for any tax, assessment or charge required to be withheld or deducted from payments in respect of the Notes by the Issuer. In addition, in the event that a payment in respect of the Notes is or becomes subject to a withholding or deduction for or on account of any taxes, no additional amount will be payable to Series Noteholders as a result of such withholding or deduction.

Register: The Register maintained by the Transfer Agent in terms of the Terms and Conditions.

Register Closed: The Register of Series Noteholders will be closed in relation to each Tranche of Notes for the period specified in the Applicable Pricing Supplement preceding each Interest Payment Date and the Final Maturity Date applicable to such Tranche of Notes to determine which Series Noteholders are entitled to receive payments in accordance with the applicable Series Priority of Payments.

Security Structure

Issuer Insolvency Remote: Each Issuer will be incorporated as an insolvency-remote special purpose legal entity whose main business and objects are limited specifically to acquiring and/or investing in Participating Assets, issuing Notes to fund such acquisitions, entering into any other transactions as set out in the Applicable Pricing Supplement and/or the Applicable Transaction Supplement and any other purpose permitted in terms of the Series Transaction Documents.

Issuer Owner Trust: The Issuer Owner Trust has been established solely to own as beneficial shareholder all of the ordinary shares in the share capital of all the Issuers under the Programme.

Security for the Notes: Notes will be obligations of the Issuer only.

In respect of each Series Transaction, a separate Series Security Trust will bind itself under a Series Guarantee to the Series Secured

Creditors, including Series Noteholders. Pursuant to the Series Guarantee, the Series Security Trust will undertake in favour of each such Series Secured Creditor to pay to it the full amount then owing to it by the Issuer, if an Issuer Programme Event of Default should occur. The liability of the Series Security Trust pursuant to the Series Guarantee will, however, be limited to the amount recovered by the Series Security Trust from the Issuer arising out of the Series Indemnity referred to below. Payment of amounts due by the Series Security Trust pursuant to the Series Guarantee will be made strictly in accordance with the applicable Series Priority of Payments, such that Series Secured Creditors on each level of the relevant Series Priority of Payments will be paid all amounts then due and payable to them before Series Secured Creditors ranking below them in the relevant Series Priority of Payments receive any payment.

In respect of each Series Transaction, the Issuer will give the Series Indemnity to the Series Security Trust in respect of the claims that may be made against the Series Security Trust arising out of the relevant Series Guarantee. The obligations of the Issuer in terms of the relevant Series Indemnity are secured by a Series Security Cession over the Series Assets held in respect of that Series Transaction, as described under the section "*Security Structure*".

**Other matters in relation to
Series Transactions**

Participating Assets:

In respect of each Series Transaction, Participating Assets acquired by the Issuer will be specified in the Applicable Pricing Supplement and/or the Applicable Transaction Supplement. Participating Assets must comply with the Eligibility Criteria (specified in the Applicable Pricing Supplement and/or the Applicable Transaction Supplement).

Permitted Investments

If applicable in terms of the Applicable Pricing Supplement and/or the Applicable Transaction Supplement, the Issuer may invest cash from time to time standing to the credit of the Series Transaction Account in various Rand-denominated investments with the Account Bank or as specified in the Applicable Pricing Supplement and/or the Applicable Transaction Supplement;

Hedging**Hedging Transaction**

If applicable in terms of the Applicable Pricing Supplement and/or the Applicable Transaction Supplement, in order to hedge against, amongst others, interest rate mismatches, basis risk and/or currency risk, the Issuer may enter into one or more Hedging Transactions from time to time with a Hedge Counterparty to ensure that such risks are appropriately hedged;

Liquidity**Liquidity Facilities:**

In respect of a Series Transaction and if applicable in terms of the Applicable Pricing Supplement and/or the Applicable Transaction Supplement, each Issuer may enter into Liquidity Facility Agreements with a Liquidity Facility Provider(s) which may be drawn upon by each such Issuer to fund cash shortfalls resulting from, *inter alia*, timing mismatches, interest rate mismatches or market disruptions as more fully described in the Applicable Pricing Supplement and/or the Applicable Transaction Supplement.

Credit Enhancement**Credit Enhancement
Facilities:**

In respect of a Series Transaction and if applicable in terms of the Applicable Pricing Supplement and/or the Applicable Transaction Supplement, each Issuer may enter into Credit Enhancement Agreements in such form as the Issuer deems appropriate and subject to any requisite regulatory approvals with a Credit Enhancement Provider(s) which may be drawn upon by each such Issuer to fund defaulting Participating Assets.

General**Non-Performing Asset(s)
Clean-Up Options**

In respect of the relevant Series Transaction, on the occurrence of a Non-Performing Asset Trigger Event, the relevant Series Noteholders shall be entitled at their election, but subject in each case to the passing of a Special Resolution, to exercise any applicable Non-Performing Asset Clean-Up Option specified in the Applicable Pricing Supplement or the Applicable Transaction Supplement, which may include:

1. the Non-Performing Asset Sale Option as more fully

contemplated in Condition 12.2; and/or

2. the Non-Performing Asset Delivery Option as more fully contemplated in Condition 12.3;

provided that should the relevant Series Noteholders fail to exercise the relevant Non-Performing Asset Clean-Up Option, the Issuer shall be entitled in its sole discretion to sell the relevant Non-Performing Asset on such terms as it may deem fit as more fully contemplated in Condition 12.4.

Preference Share:

SBSA may subscribe for one cumulative, redeemable preference share in the share capital of the Issuer.

Governing Law:

The Notes will be governed by, and construed in accordance with, the laws of South Africa.

ACCESSION TO THE PROGRAMME

This section should be read in conjunction with, and is qualified in its entirety by, the detailed information contained elsewhere in this Programme Memorandum or, in relation to a particular Issuer or Series Transaction, the Applicable Transaction Supplement (if any) or, in relation to a particular Tranche of Notes or Series Transaction, the Applicable Pricing Supplement. Capitalised words used in this section shall bear the meanings contained in the Glossary of Terms and as defined elsewhere in this Programme Memorandum, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context. Unless the context indicates otherwise, references to Notes will be construed as references to Notes issued in relation to a Series Transaction.

Certain other special purpose entities approved by the Administrator (each an “**Acceding Issuer**”), described in a separate supplement to this Programme Memorandum (each an “**Applicable Transaction Supplement**”) may by signing an Applicable Transaction Supplement accede to the Programme, binding such Acceding Issuer to the terms and conditions of the Programme. Once an Acceding Issuer has acceded to the Programme, it may from time to time issue Notes under the Programme.

Details in relation to the Acceding Issuer and the Series Transaction(s) to be entered into by the Acceding Issuer will be set out in the Applicable Transaction Supplement and the Applicable Pricing Supplement, which will supplement and may amend and replace portions of this Programme Memorandum in relation to the relevant Series Transaction. The obligations of the Acceding Issuer will be secured in the manner contemplated in the Applicable Transaction Supplement and the Applicable Pricing Supplement.

In relation to each Issuer Programme, the Acceding Issuer will enter into separate Series Transaction Documents.

The liability of each Acceding Issuer under the Notes and each of the other Series Transaction Documents is several and is separate in respect of each Series Transaction. No Acceding Issuer shall be responsible for the obligations of any other Issuer under any Notes issued by such other Issuer or under any of the Series Transactions or Series Transaction Documents in respect of such Issuer.

FORM OF NOTES

This section should be read in conjunction with, and is qualified in its entirety by, the detailed information contained elsewhere in this Programme Memorandum or, in relation to a particular Issuer or Series Transaction, the Applicable Transaction Supplement (if any) or, in relation to a particular Tranche of Notes or Series Transaction, the Applicable Pricing Supplement. Capitalised words used in this section shall bear the meanings contained in the Glossary of Terms and as defined elsewhere in this Programme Memorandum, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context. Unless the context indicates otherwise, references to Notes will be construed as references to Notes issued in relation to a Series Transaction.

Each Tranche of Notes may be listed on the Interest Rate Market of the JSE or on such other or further exchange(s) as may be determined by the Issuer and the Programme Dealer or Dealer(s) and subject to any Applicable Laws. Unlisted Notes may also be issued under the Programme. Unlisted Notes are not regulated by the JSE.

Each Tranche of Notes will be issued in the form of registered Notes in accordance with the Conditions and represented by (i) Individual Certificates, or (ii) no Individual Certificate, if issued in uncertificated form in terms of section 33 of the Financial Markets Act.

Notes issued in uncertificated form

If the Notes are to be listed on the Interest Rate Market of the JSE, the Issuer will, subject to Applicable Laws, issue such Notes in uncertificated form. Unlisted Notes may also be issued in uncertificated form.

Notes issued in uncertificated form will not be represented by any certificate or written instrument.

All transactions in uncertificated securities as contemplated in the Financial Markets Act will be cleared and settled in accordance with the Applicable Procedures. All the provisions relating to Beneficial Interests in the Notes held in the Central Depository will apply to Notes issued in uncertificated form.

Beneficial Interests

The Central Depository will hold each Tranche of Notes issued in uncertificated form, subject to the Financial Markets Act and the Applicable Procedures. Each Tranche of Notes issued in uncertificated form will be registered in the name of the Central Depository's Nominee, and the Central Depository's Nominee will be named in the Register as the sole Series Noteholder of such Tranche of Notes.

Accordingly, and except where the contrary is provided in the Conditions, all amounts to be paid and all rights to be exercised in respect of the Notes issued in uncertificated form, will be paid to and may

be exercised only by the Central Depository's Nominee for the holders of Beneficial Interests in such Notes.

The Central Depository maintains central securities accounts only for Participants. As at the date of this Programme Memorandum, the Participants are FirstRand Bank Limited, Nedbank Limited, The Standard Bank of South Africa Limited, the Johannesburg branch of Standard Chartered Bank, the Johannesburg branch of Société Générale, the South African branch of Citibank N.A and the South African Reserve Bank.

The Participants are in turn required to maintain securities accounts for their clients. The clients of Participants may include the holders of Beneficial Interests in the Notes of their custodians. The clients of Participants, as the holders of Beneficial Interests or as custodians for such holders, may exercise their rights in respect of the Notes held by them in the Central Depository only through their Participants.

In relation to each person shown in the records of the Central Depository or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular nominal amount of Notes, a certificate or other document issued by the Central Depository or the relevant Participant, as the case may be, as to the nominal amount of such Notes standing to the account of such person shall be *prima facie* proof of such Beneficial Interest. The Central Depository's Nominee as the registered Series Noteholder of a Tranche of Notes, will be treated by the Issuer, the Transfer Agent, the Settlement Agent and the relevant Participant as the holder of such Notes for all purposes.

Transfers of Beneficial Interests in the Central Depository to and from clients of the Participants occur by electronic book entry in the central securities accounts of the clients of the Participants. Transfers among Participants of Notes held in the Central Depository system occur through electronic book entry in the Participants' central securities accounts with the Central Depository. Beneficial Interests may be transferred only in accordance with the Conditions and the rules and operating procedures for the time being of the Central Depository, Participants and the JSE.

The Issuer shall regard the Register as the conclusive record of title to the Notes.

Individual Certificates

The Notes represented by Individual Certificates will be registered in the name of the individual Series Noteholders in the Register.

Payments of interest and principal in respect of Notes represented by Individual Certificates will be made in accordance with Condition 10 (*Payments*) to the person reflected as the registered holder of such Individual Certificates in the Register at 17h00 (Johannesburg time) on the Last Day to Register,

and the Issuer will be discharged by proper payment to or to the order of the registered holder of the Individual Certificate in respect of each amount so paid.

Other Notes

The Issuer may, without the consent of Series Noteholders, agree with the Programme Dealer or Dealer(s) appointed in relation to such Tranche that a Tranche of Notes be issued as order notes or bearer notes or in another form not contemplated by the Terms and Conditions, in which case a supplement to this Programme Memorandum or the Applicable Transaction Supplement, if appropriate, will be issued which will describe the effect of the agreement reached in relation to such Tranche of Notes.

PRO FORMA APPLICABLE TRANSACTION SUPPLEMENT

Set out below is the form of the Applicable Transaction Supplement which will be completed for each Issuer that accedes to the Programme including, if applicable, a Series Transaction:



[•] (RF) Limited

(Incorporated on [•] with limited liability in South Africa under registration number [•])

ZAR[•]

[•] [insert number] Series Transaction

Secured Note Programme

This document constitutes the Applicable Transaction Supplement relating to the Issuer described in this Applicable Transaction Supplement. By executing this Applicable Transaction Supplement, the Issuer binds itself to the terms and conditions of the Programme and, accordingly, this Applicable Transaction Supplement must be read in conjunction with the Programme Memorandum issued by [•] (RF) Limited dated [•] and registered by the JSE on [•]. To the extent that there is any conflict or inconsistency between the contents of this Applicable Transaction Supplement and the Programme Memorandum, the provisions of this Applicable Transaction Supplement shall prevail.

In addition to disclosing information about the Issuer and the Series Transaction, this Applicable Transaction Supplement may specify other terms and conditions of the Notes (which replace, modify or supplement the Terms and Conditions), in which event such other terms and conditions shall, to the extent so specified in this Applicable Transaction Supplement or to the extent inconsistent with the Terms and Conditions, replace, modify or supplement the Terms and Conditions.

The Issuer accepts full responsibility for the accuracy of the information contained in this Applicable Transaction Supplement, except as may be otherwise stated. The Issuer certifies to the best of its knowledge and belief that there are no facts which have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that this Applicable Transaction Supplement contains all information required by law and the JSE Debt Listings Requirements. The JSE takes no responsibility for the contents, and makes no representation as to the accuracy or completeness of this Applicable Transaction

Supplement and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of this Applicable Transaction Supplement.

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

Arranger and Programme Dealer

[•]

The date of this Applicable Transaction Supplement is: [•]

ISSUER PROGRAMME OVERVIEW

ISSUER PROGRAMME PARTIES

ISSUER PROGRAMME DESCRIPTION

SERIES TRANSACTION DOCUMENTS

REPLACEMENT/ADDITIONAL/AMENDED TERMS AND CONDITIONS

SERIES PRIORITY OF PAYMENTS

THE ISSUER

THE SERIES SECURITY TRUST

ISSUER PROGRAMME SPECIFIC GLOSSARY

GENERAL INFORMATION

CORPORATE INFORMATION

AUDITORS REPORT

[•] (RF) LIMITED ("ISSUER")

Signed at _____ on behalf of [●] Limited

Signature: _____

Name of Director:

Date: _____

Signed at _____ on behalf of [●] Limited

Signature: _____

Name of Director:

Date: _____

PRO FORMA APPLICABLE PRICING SUPPLEMENT

Set out below is the form of the Applicable Pricing Supplement which will be completed for each Tranche of Notes issued by an Issuer under the Series Transaction.



[•] (RF) Limited

(Incorporated on [•] with limited liability in South Africa under Registration No. [•])

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

Under its ZAR [Programme Amount]

[•] [insert number] Series Transaction

Secured Note Programme

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. References in this Applicable Pricing Supplement to the Terms and Conditions are to the section headed "*Terms and Conditions of the Notes*" in the Programme Memorandum dated [•] (the "**Programme Memorandum**") as supplemented and/or amended and/or replaced by the Applicable Transaction Supplement dated [•] and by the terms and conditions set out in this Applicable Pricing Supplement. Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meaning ascribed to them in the section of the Programme Memorandum headed "*Glossary of Terms*", unless separately defined in the Programme Memorandum, the Applicable Transaction Supplement or this Applicable Pricing Supplement. References to any Condition in this Applicable Pricing Supplement are to that Condition of the Terms and Conditions.

The Issuer accepts full responsibility for the accuracy of the information contained in this Applicable Pricing Supplement, except as may be otherwise stated. The Issuer certifies to the best of its knowledge and belief that there are no facts which have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that this Applicable Pricing Supplement contains all information required by law and the JSE Debt Listings Requirements.

The JSE takes no responsibility for the contents, and makes no representation as to the accuracy or completeness of this Applicable Pricing Supplement and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of this Applicable Pricing Supplement.

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum and the Applicable Transaction Supplement. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum and/or the Applicable Transaction Supplement, the provisions of this Applicable Pricing Supplement shall prevail.

PART A: NOTES

- | | | |
|-----|-------------------------------------|--|
| 1. | Issuer: | [] (RF) Limited |
| 2. | Status and Class of Notes: | [] |
| 3. | Note Rating as at the Issue Date: | [] |
| 4. | Note Rating review date | [] |
| 5. | Rating Agency: | [] |
| 6. | Tranche Number: | [] |
| 7. | Series Number: | [] |
| 8. | Aggregate Principal Amount: | [] |
| 9. | Issue Date: | [] |
| 10. | Specified Denomination: | [] |
| 11. | Issue Price: | [] |
| 12. | First settlement date: | [] |
| 13. | Final Maturity Date: | [] |
| 14. | Redemption Amount: | [] |
| 15. | Form of Notes: | [] |
| 16. | Applicable Business Day Convention: | [] [Floating Rate Business Day/Following Business Day/Modified Following Business Day/ Preceding Business Day/Other – insert details] |
| 17. | Other: | [] |

PROGRAMME AMOUNT

18. Programme Amount as at the Issue Date (excluding Notes issued on the Issue Date): []
19. Aggregate Principal Amount Outstanding of all of the []
Notes issued under the Issuer Programme as at the
Issue Date:

ADDITIONAL/AMENDED/REPLACEMENT TERMS AND CONDITIONS

20. Additional Terms and Conditions: – see Annexure A Amended Terms and Conditions
: – see Annexure A
21. Replacement Terms and Conditions – see Annexure A

ZERO COUPON NOTES

22. Implied yield: []
23. Reference price: []
24. Other: []

FLOATING RATE NOTES

25. Interest Commencement Date: []
26. Interest Payment Date(s): [] from []
27. Interest Period(s): []
28. Floating Interest Rate:
- 28.1. the sum of:
- 28.1.1. (a) Reference Rate: []
- 28.1.2. (b) Margin: [] percent
29. Other: []

FIXED RATE NOTES

30. Interest Commencement Date: []

31. Interest Payment Date(s): from
32. Interest Period(s):
33. Fixed Interest Rate(s):
34. Calculation Method: [Fixed Rate Calculation Method / Fixed Coupon Calculation Method]
35. Initial Broken Amount:
36. Final Broken Amount:
37. Any other terms relating to the particular method of calculating interest:

INDEX-LINKED NOTES

38. Description of index:
39. Interest Commencement Date:
40. Interest Payment Date(s):
41. Base Consumer Price Index:
42. Formula in accordance with which Interest Amount is to be determined:
43. Formula in accordance with which redemption amount in respect of principal is to be determined:
44. Provisions where calculation by reference to index and/or formula is impossible or impracticable:
45. Day Count Fraction:
46. Index Calculation Agent:
47. Other:

MIXED RATE NOTES

48. Periods during which the Interest Rate will be a Fixed Interest Rate and for which the Mixed Rate Notes will be construed as Fixed Rate Notes as set out under "FIXED RATE NOTES" above

49. Periods during which the Interest Rate will be a Floating Interest Rate and for which the Mixed Rate Notes will be construed as Floating Rate Notes as set out under "FLOATING RATE NOTES" above []

REDEMPTION IN INSTALMENTS

50. Date of first instalment: []
51. Amount of first instalment: []
52. Date of second instalment: []
53. Amount of second instalment: []
54. Dates and amounts of any additional instalments: []

CALL OPTION

55. Call: []
56. Non-Call Period: []
57. Circumstances in which Call may be exercised: []
58. Optional Redemption Amount(s) or method of calculating such amount(s): []
59. Optional Redemption Date(s): []
60. If redeemable in part:
- 60.1. Minimum Principal Amount to be Redeemed: []
- 60.2. Maximum Principal Amount to be Redeemed: []
61. Notice period (if different from the Programme Memorandum): []
62. Other: []

PUT OPTION

63. Put: []
64. Non-Put Period: []
65. Circumstances in which Put
may be exercised: []
66. Optional Redemption Amount(s) or
method of calculating such amount(s): []
67. Optional Redemption Date(s): []
68. Notice period (if different from
the Programme Memorandum): []
69. Other: []

PART B: SERIES TRANSACTION

70. Participating Assets: []
71. Obligor(s): []
72. Rights of Recourse [direct, unsubordinated]
73. Jurisdiction (including of any related security): [South Africa/other jurisdiction]
74. Additional Series Transaction Documents: []
75. Series Priority of Payments: [see the section in the Programme Memorandum entitled "Series Priority of Payments" / [The section in the Programme Memorandum entitled "Series Priority of Payments" is amended as follows:
[•]]

76. Series Security Trust/Guarantor:
- 75.1. signed copy of Series Guarantee sent to the JSE [Yes]
- 75.2. signed copy of Series Security Trust resolution sent to the JSE [Yes]
77. Non-Performing Asset Trigger Event: [specify if different from the Programme Memorandum]
78. Non-Performing Asset Clean-Up Option: [specify any additional Non-Performing Asset Clean-up Options]
79. Eligibility Criteria
80. Liquidity Facility [applicable/not applicable]
81. Credit Enhancement
- 80.1. signed copy of relevant agreement (where applicable) sent to the JSE [Yes/Not Applicable]
82. Credit Rating
83. Hedge Counterparty
84. Related security (if any)
85. Additional Provisions/Definitions:

PART C: GENERAL

86. Additional investment considerations:
87. Credit Rating:
88. Additional selling restrictions:
89. Issuer Undertakings: Condition 7 of the Terms and Conditions
90. Issuer Programme Events of Default: Condition 13.1 of the Terms and Conditions
91. If syndicated, the name of the Programme Dealer or Dealer(s):
92. International Securities Numbering (ISIN):

93. Stock Code:
94. Financial Exchange:
95. Settlement and clearing procedures (if not through STRATE):
96. Last Day to Register: , which shall mean that the Register will be closed during the days preceding each Interest Payment Date and Final Maturity Date, as the case may be
97. Transfer Agent:
98. Settlement Agent:
99. Specified Office of the Transfer Agent:
100. Stabilisation Manager (if any):
101. Capital raising process: [Bookbuild/Auction]
102. Use of Proceeds:
103. Exchange Control: [Exchange control approval granted / The Issuer does not require exchange control approval for this issue]
104. Other provisions:

DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 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 under the Notes.

Paragraph 3(5)(c)

The auditor of the Issuer is [KPMG Inc.].

Paragraph 3(5)(d)

As at the date of this issue:

- (a) the Issuer has [not issued any]/[issued ZAR[•] 000 000] commercial paper; and
- (b) the Issuer estimates that it may issue ZAR[•] 000 000 of commercial paper during the current financial year, ending [date].

Paragraph 3(5)(e)

All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in the Notes is contained in the Programme Memorandum, the Applicable Pricing Supplement and the Applicable Transaction Supplement.

Paragraph 3(5)(f)

There has been no material change in the financial or trading position of the Issuer since the Issuer's date of incorporation up to the date of this Programme Memorandum.

Paragraph 3(5)(g)

The Notes issued will be [~~listed~~/unlisted].

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 /other].

Paragraph 3(5)(i)

The obligations of the Issuer in respect of the Notes are secured.

Paragraph 3(5)(j)

[KPMG Inc.], the statutory auditors of the Issuer, have confirmed that this issue of Notes issued under the Issuer Programme complies in all respects with the relevant provisions of the Commercial Paper Regulations (contained in Government Notice 2172, Government Gazette 16167 of 14 December 1994 issued by the Deputy Registrar of Banks).

Application is hereby made to list this issue of Notes on [insert date].

[•] (RF) LIMITED

Signed at _____ on behalf of Blue Diamond X Investments (RF)
Limited

Signature: _____

Name of Director:

Date: _____

Signed at _____ on behalf of Blue Diamond X Investments (RF)
Limited

Signature: _____

Name of Director

Date: _____

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes to be issued by each Issuer, subject to amendments and/or additions set out in the Applicable Transaction Supplement (if any) or in relation to a particular Tranche of Notes or Series Transaction, the Applicable Pricing Supplement.

Before the Issuer issues any Tranche of Notes, the Issuer shall complete and sign the Applicable Pricing Supplement, based on the Pro Forma Applicable Pricing Supplement included in the Programme Memorandum, setting out details of such Tranche of Notes. The Applicable Pricing Supplement will be attached to each Individual Certificate.

Unless otherwise specified, reference to "Notes", "Series Noteholders", or "Tranche of Notes" shall be construed as references to Notes, Series Noteholders, or Tranches of Notes in a Series Transaction, as that term is defined in the Glossary of Terms. References to the "Applicable Pricing Supplement" will be construed as references to an Applicable Pricing Supplement executed in respect of a Series Transaction. References to "Applicable Transaction Supplement" will only be applicable in circumstances where the Issuer has executed an Applicable Transaction Supplement. Unless the context indicates otherwise, references to "Programme Memorandum" will include, in relation to a particular Issuer or Series Transaction, the Applicable Transaction Supplement (if any) and in relation to a particular Tranche of Notes, the Applicable Pricing Supplement.

1. INTERPRETATION

- 1.1. Capitalised words used in these Terms and Conditions will bear the meanings contained in the "Glossary of Terms", except to the extent that they are separately defined in these Terms and Conditions or in the Applicable Pricing Supplement or this is clearly inappropriate from the context.
- 1.2. Words denoting the singular number only will include the plural number and *vice versa*, words denoting one gender only will include the other genders and words denoting persons only will include firms and corporations and *vice versa*.
- 1.3. The use of the word "including" followed by a specific example/s shall not be construed as limiting the meaning of the general wording preceding it and the *ejusdem generis* rule shall not be applied in the interpretation of such general wording or such specific example/s. Such references to "including" and "in particular" shall not be construed restrictively but shall mean "including, without prejudice to the generality of the foregoing" and "in particular, but without prejudice to the generality of the foregoing" respectively.

- 1.4. Any reference to any statute, regulation or other legislation shall be a reference to that statute, regulation or other legislation as at the Date of Signature, and as amended or replaced from time to time.
- 1.5. Any reference to days (other than a reference to Business Days), months or years shall be a reference to calendar days, months or years, as the case may be.
- 1.6. In relation to each Series Transaction, Notes may be issued by the Issuer in Tranches pursuant to the Issuer Programme. A Tranche of Notes may, together with a further Tranche or Tranches, form a Series of Notes issued under each Series Transaction.
- 1.7. Each Series Noteholder is by virtue of its subscription for Notes or the transfer of Notes to it, as the case may be, deemed to have notice of all of the Series Transaction Documents. Copies of the Series Transaction Documents are available for inspection at the office of the Issuer as set out in the Programme Memorandum.
- 1.8. Each Applicable Pricing Supplement and the Applicable Transaction Supplement in relation to each Series Transaction is incorporated herein for the purposes of those Notes and supplements these Terms and Conditions. Each Applicable Pricing Supplement and the Applicable Transaction Supplement may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of those Notes. Capitalised expressions used in the Applicable Pricing Supplement and the Applicable Transaction Supplement and not herein defined shall bear the meaning assigned to them in the Applicable Pricing Supplement or the Applicable Transaction Supplement, as the case may be.

2. ISSUE OF NOTES

The Issuer shall be at liberty from time to time without the consent of the Series Noteholders to create and issue further Notes having terms and conditions the same as, or different to, any of the other Notes issued under the Issuer Programme, provided that the following conditions are met as at the Issue Date of the relevant Tranche of Notes:

- 2.1. the issue of such Notes will not adversely affect the Note Ratings (if any) of the Notes in issue;
- 2.2. the issue of such Notes will not result in the Programme Amount being exceeded;
- 2.3. an Enforcement Notice has not been given by the Series Security Trust;

- 2.4. the level of liquidity support and credit enhancement required to maintain the Note Ratings (if any) have been provided.

3. FORM AND DENOMINATION

- 3.1. Notes will be issued in registered form with a minimum denomination of ZAR1 000 000 each and otherwise in such denominations as may be determined by the Issuer and as specified in the Applicable Pricing Supplement.
- 3.2. Payments (whether in respect of interest or principal) on Notes may be determined by reference to such fixed or floating rates as may be specified in the Applicable Pricing Supplement. Notes may be issued with such other characteristics as may be specified in the Applicable Pricing Supplement.
- 3.3. Notes will be issued in the form of registered Notes, represented by (i) Individual Certificates registered in the name, and for the account of, the relevant Series Noteholder or (ii) no Individual Certificate, and held in uncertificated form in the Central Depository in terms of section 33 of the Financial Markets Act, and registered in the name, and for the account of, the Central Depository's Nominee. The Central Depository will hold the Notes subject to the Financial Markets Act and the Applicable Procedures.
- 3.4. Any reference in these Conditions to the Central Depository shall, wherever the context permits, be deemed to include a reference to its successor in terms of the Financial Markets Act, and any additional or alternate depository approved by the Issuer, the Servicer, the Series Security Trust and the JSE. Any reference in these Conditions to the JSE shall, wherever the context permits, be deemed to include any exchange which operates as a successor exchange to the JSE.

4. STATUS OF NOTES

Unless otherwise specified in the Applicable Pricing Supplement, in respect of each Series Transaction, Notes constitute direct, limited recourse (as described in Condition 5) and secured obligations of the Issuer, which rank *pari passu* amongst all other Notes of the same Class. The Applicable Pricing Supplement will specify the Class of that Tranche of Notes.

5. LIMITED RECOURSE AND SUBORDINATION

- 5.1. When issued, each Note shall be secured by Series Security which is specific to the Series Transaction to which that Note relates.

- 5.2. Recourse in respect of any Series Transaction will be limited to the net proceeds of the realisation of the Series Security applicable to that Series Transaction (the "**Net Proceeds**").
- 5.3. If the Net Proceeds are not sufficient to make all payments due in connection with the relevant Series Transaction, then the obligations of the Issuer in respect of such payments will be limited to such Net Proceeds. The other assets of the Issuer will not be available to satisfy any claims for such payments. Claims by Series Noteholders will be limited to claims for payment of interest and principal payable under the Notes, provided that any shortfall between the Net Proceeds and the aggregate of payments then due by the Issuer in connection with that Series Transaction ("**Shortfall**") shall be borne by the Series Secured Creditors of the Issuer in accordance with the applicable Series Priority of Payments. Any Principal Amount Outstanding remaining after the application of the Series Priority of Payments shall be reduced to zero and the relevant Notes shall be cancelled as fully redeemed in accordance with Condition 9.7.
- 5.4. No debt shall be owed by the Issuer after realisation of the Series Security and the application of the Net Proceeds in accordance with the applicable Series Priority of Payments. No Series Secured Creditor (nor any person acting on behalf of any of them) may take any further action to recover any Shortfall or part thereof. Failure to make any payment in respect of any Shortfall shall in no circumstances constitute an Issuer Programme Event of Default.
- 5.5. In relation to each Series Transaction, claims of Series Noteholders and, if applicable, any other Series Secured Creditors, will rank in accordance with the Series Priority of Payments applicable to the relevant Series Transaction.
- 5.6. The claims of the Series Noteholders, shall be subordinated to the claims of certain creditors, in terms of the applicable Series Priority of Payments.

6. TITLE

- 6.1. Subject to what is set out below, title to the Notes will pass upon registration of transfer in accordance with Condition 16 (*Transfer of Notes*) in the Register. The Issuer and the Transfer Agent shall recognise a Series Noteholder as the sole and absolute owner of the Notes registered in that Series Noteholder's name in the Register (notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) and shall not be bound to enter any trust in the Register

or to take notice of or to accede to the execution of any trust, express, implied or constructive, to which any Note may be subject.

- 6.2. Beneficial Interests in the Notes held in uncertificated form may, in terms of existing law and practice, be transferred through the Central Depository by way of book entry in the securities accounts of Participants. Such transfers will not be recorded in the Register and the Central Depository's Nominee will continue to be reflected in the Register as the Series Noteholder in respect of Notes held in uncertificated form, notwithstanding such transfers.

7. ISSUER'S UNDERTAKINGS

- 7.1. Save with the prior written consent of the Series Security Trust or as provided in or envisaged by the Terms and Conditions or any of the Series Transaction Documents, the Issuer shall not, for so long as any Note remains outstanding:

7.1.1. **negative pledge**

create or permit to subsist any Encumbrance (unless arising by operation of law) upon the whole or any part of its assets or revenues, present or future, or its business;

7.1.2. **restrictions on activities**

engage in any activity which is not in terms of or necessarily incidental to any of the activities which the Series Transaction Documents provide or envisage that the Issuer will engage in or have any Subsidiaries or employees or premises;

7.1.3. **disposal of assets**

transfer, sell, lend, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire any of its assets or undertakings or any interest, right, title or benefit therein;

7.1.4. **bank accounts**

have an interest in any bank account;

7.1.5. **shares**

issue any further shares or repurchase shares, except a Preference Share(s);

7.1.6. dividends or distributions

pay any dividend or make any other distribution to its shareholders or issue any further shares or repurchase shares other than pursuant to the Series Priority of Payments;

7.1.7. borrowings

incur any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any obligation of any person;

7.1.8. merger

consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any other person;

7.1.9. memorandum of incorporation

amend its memorandum of incorporation unless the Issuer has furnished the Rating Agency (if applicable) with 10 (ten) Business Days' prior written notice of the proposed amendment, and the Rating Agency has not informed the Issuer that its respective current ratings of Notes in issue will be adversely affected by such amendment;

7.1.10. other

permit the validity or effectiveness of any of the Series Transaction Documents or the priority of any of the Security Interests created thereby to be amended, terminated or discharged, or consent to any variation of, or exercise of, any powers of consent or waiver pursuant to the terms of any of the Series Transaction Documents, or permit any party to any of the Series Transaction Documents or any other person whose obligations form part of any Series Security to be released from such obligations.

7.2. In giving any consent to the foregoing, the Series Security Trust may require the Issuer to make such modifications or additions to the provisions of any of the Series Transaction Documents or may impose such other conditions or requirements as the Series Security Trust may deem expedient (in its absolute discretion) in the interests of the relevant Series Secured Creditors, which may include some or all of the Series Noteholders.

8. INTEREST

8.1. Interest on Floating Rate Notes

- 8.1.1. Each Floating Rate Note bears interest on its Principal Amount Outstanding from (and including) the Issue Date to (but excluding) the Actual Redemption Date at the Floating Interest Rate(s). Such interest shall be calculated and fall due for payment in arrear on each Interest Payment Date(s) in relation to each Interest Period. The first payment of interest will be made on the Interest Payment Date following the Issue Date.
- 8.1.2. The amount of interest payable on any Floating Rate Note for each Interest Period shall be calculated by multiplying the applicable Floating Interest Rate by the Principal Amount Outstanding of such Note and by multiplying the product by the actual number of days (including the first day and excluding the last day) elapsed in such Interest Period and then dividing that product by 365 (three hundred and sixty five) irrespective of whether it is a leap year or not. The resultant Interest Amount shall be rounded to the nearest cent, with amounts of half a cent or more being rounded upwards to the nearest cent. If interest is required to be calculated for a period other than a full Interest Period, such interest shall be calculated on the basis of a 365 (three hundred and sixty five) day year and the actual number of days elapsed in such Interest Period.
- 8.1.3. If any Interest Payment Date falls on a day which is not a Business Day then such date shall be adjusted in accordance with the Business Day Convention specified in the Applicable Pricing Supplement, provided that for the purposes of determining an Interest Period, no adjustment will be made to such Interest Payment Date.
- 8.1.4. The Administrator will on each Rate Determination Date determine the Interest Rate applicable to each Tranche of Floating Rate Notes for the Interest Period commencing on such Rate Determination Date and calculate the Interest Amount for such Interest Period.
- 8.1.5. The Administrator will cause the Floating Interest Rate and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Transfer Agent, any financial or stock exchange on which the relevant Floating Rate Notes are for the time

being listed and any central securities depository in which Individual Certificates in respect of such Notes are immobilised and, in the case of unlisted Notes, the relevant Series Noteholders in accordance with Condition 18, as soon as possible after their determination but not later than the fourth Business Day thereafter.

- 8.1.6. All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purpose of this Condition 8, whether by a bank (for the purposes of determining JIBAR) or the Administrator shall (in the absence of breach, negligence, bad faith or manifest error) be binding on the Issuer, the Series Security Trust and the Series Noteholders and the Administrator shall not be liable to the Issuer, the Series Security Trust or the Series Noteholders in connection with the exercise or non-exercise by the Administrator of its powers, duties and discretions under the Terms and Conditions and the Administration Agreement.

8.2. Interest on Fixed Rate Notes

- 8.2.1. Each Fixed Rate Note bears interest on its Principal Amount Outstanding from (and including) the Issue Date to (but excluding) the Actual Redemption Date at the rate(s) per annum equal to the Fixed Interest Rate(s). Such interest shall be calculated and fall due for payment in arrear on each Interest Payment Date(s) in relation to each Interest Period. The first payment of interest will be made on the Interest Payment Date following the Issue Date.
- 8.2.2. The Calculation Agent will calculate the Interest Amount payable in respect of each Tranche of Fixed Rate Notes for each Interest Period. Unless otherwise specified in the Applicable Pricing Supplement, the Interest Amount shall be calculated by either the Fixed Rate Calculation Method or the Fixed Coupon Calculation Method, as specified in the Applicable Pricing Supplement and the resultant amount shall be rounded to the nearest cent, with amounts of half a cent or more being rounded upwards provided that if:
- 8.2.2.1. an Initial Broken Amount is specified in the Applicable Pricing Supplement, then the first Interest Amount shall equal such Initial Broken Amount; and

8.2.2.2. a Final Broken Amount is specified in the Applicable Pricing Supplement, then the final Interest Amount shall equal such Final Broken Amount.

8.2.3. Save as provided in the preceding paragraphs, if interest is required to be calculated for a period of other than one year (in the case of annual interest payments) or other than 3 (three) months (in the case of quarterly interest payments), as the case may be, such interest shall be calculated on the basis of the actual number of days (including the first day and excluding the last day) in such period divided by 365 (three hundred and sixty five).

8.2.4. If any Interest Payment Date falls on a day which is not a Business Day then such date shall be adjusted in accordance with the Business Day Convention specified in the Applicable Pricing Supplement, provided that for the purposes of determining an Interest Period, no adjustment will be made to such Interest Payment Date.

8.3. Interest on Mixed Rate Notes

8.3.1. Each Tranche of Mixed Rate Notes will bear interest on its Principal Amount Outstanding at (i) a Fixed Interest Rate for such Interest Period(s) as is/are specified for this purpose in the Applicable Pricing Supplement and (ii) a Floating Interest Rate for such Interest Period(s), as is/are specified for this purpose in the Applicable Pricing Supplement, from and including the Issue Date to but excluding the Actual Redemption Date.

8.3.2. Unless otherwise specified in this Programme Memorandum and/or the Applicable Pricing Supplement, a Tranche of Mixed Rate Notes shall (i) for the Interest Period(s) during which such Tranche bears interest at a Fixed Interest Rate, be construed for all purposes as a Tranche of Fixed Rate Notes and (ii) for the Interest Period(s) during which such Tranche bears interest at a Floating Interest Rate, be construed for all purposes as a Tranche of Floating Rate Notes.

8.4. Interest on Index-linked Notes

8.4.1. Interest will accrue on the Principal Amount Outstanding of Index-linked Notes at a rate determined in accordance with the index and/or formula specified in the Applicable Pricing Supplement.

8.4.2. Such interest will otherwise accrue in accordance with the applicable provisions of this Condition 8.

9. REDEMPTION AND PURCHASE

9.1. Call

9.1.1. In relation to a Series Transaction, the Applicable Pricing Supplement may provide for a Call in relation to a Class of Notes ("Callable Notes") which may be exercised in the circumstances set out in the Applicable Pricing Supplement. If a Call is provided for and the relevant circumstances exist, the Issuer may at its option, subject to the Terms and Conditions and to any Non-Call Period, and on not more than 30 (thirty) nor less than 20 (twenty) days' (or such other notice period specified in the Applicable Pricing Supplement) irrevocable notice to the relevant Series Security Trust and the applicable Series Noteholders (a "Call Notice"), redeem all of the Callable Notes in whole or in part, on any Optional Redemption Date, at the Optional Redemption Amount together with interest accrued to but excluding the Optional Redemption Date specified in the Call Notice. If the Callable Notes are to be redeemed in part only, each Callable Note shall be redeemed in part in the proportion which the aggregate Principal Amount Outstanding of the Callable Notes to be redeemed on the Optional Redemption Date bears to the aggregate Principal Amount Outstanding of all Tranches of Notes issued in respect of that Series Transaction on the Optional Redemption Date.

9.2. Put

9.2.1. In relation to a Series Transaction, the Applicable Pricing Supplement may provide for a Put in relation to a Class of Notes, which may be exercised in the circumstances set out in the Applicable Pricing Supplement. If a Put is provided for and the relevant circumstances exist, any Series Noteholder may at its option, subject to the Terms and Conditions and to any Non-Put Period, and on not more than 30 (thirty) nor less than 20 (twenty) days' (or such other notice period specified in the Applicable Pricing Supplement) irrevocable notice (a "Put Notice"), require that the Issuer redeem the Notes of that Class held by that Series Noteholder on any Optional Redemption Date, at the Optional

Redemption Amount together with interest accrued to but excluding the Optional Redemption Date specified in the Put Notice.

9.3. **Prepayment Option**

In relation to a Series Transaction, the Issuer may at its instance, upon giving not more than 20 nor less than 10 days' notice to the Series Security Trust and the relevant Series Noteholders, redeem all of the Notes in whole or in part ("**Pre-Paid Notes**") on any Business Day prior to the Final Maturity Date ("**Early Redemption Date**") at the Principal Amount Outstanding together with interest accrued to but excluding the Early Redemption Date. provided that, prior to giving such notice, the Issuer shall have provided to the Series Security Trust a certificate signed by two directors of the Issuer to the effect that it will have the funds, not subject to any interest of any other person, to redeem the Pre-Paid Notes. If the Pre-Paid Notes are to be redeemed in part only, each Pre-Paid Note shall be redeemed in part in the proportion which the aggregate Principal Amount Outstanding of the Pre-Paid Notes to be redeemed on the Early Redemption Date bears to the aggregate Principal Amount Outstanding of all Tranches of Notes issued in respect of that Series Transaction on the Early Redemption Date.

9.4. **In instalments**

If any Tranche of Notes is redeemable in two or more instalments, the Applicable Pricing Supplement issued in respect of such Tranche of Notes will set out the dates on which, and the amounts in which, such Notes will be redeemed. The aggregate of the redemption instalments will be the Principal Amount of the Notes.

9.5. **At maturity**

Each Tranche of Notes will, subject to the Terms and Conditions, be redeemed by the Issuer at their aggregate Principal Amount Outstanding on the Final Maturity Date of such Notes, together with interest accrued to but excluding the Final Maturity Date.

9.6. **Redemption for tax reasons**

9.6.1. If the Issuer, immediately prior to the giving of the notice referred to below, satisfies the Series Security Trust that as a result of any change in, or amendment to, the laws or regulations of South Africa or any political sub-division of, or any authority in, or of, South Africa having power to Tax becoming effective after the first Issue Date of any Notes under the Programme, the Issuer is or would be required to deduct or

withhold from any payment of principal or interest on the Notes any amounts referred to in Condition 11 (*Taxation*) and such requirement cannot be avoided by the Issuer taking reasonable measures available to it then, at any time, (in the case of Notes other than Floating Rate Notes) or on any Interest Payment Date (in the case of Floating Rate Notes), the Issuer may at its option, having given not more than 30 (thirty) and not less than 20 (twenty) days' notice to the Series Security Trust and Series Noteholders in accordance with Condition 18 (which notice shall be irrevocable), redeem all, but not some only of the Notes, provided that no notice of redemption shall be given earlier than 90 (ninety) days before the earliest date on which the Issuer would incur the obligation to make such deduction or would necessarily receive such lesser amount for interest or principal.

9.6.2. Prior to giving such notice of redemption, the Issuer shall have provided to the Series Security Trust:

9.6.2.1. a certificate signed by two directors of the Issuer to the effect that it will have the funds, not subject to any interest of any other person, to redeem all the Notes as set out above; and

9.6.2.2. a legal opinion (in form and substance satisfactory to the Series Security Trust) from a firm of lawyers in South Africa (approved in writing by the Series Security Trust) opining on the relevant event.

9.7. Cancellation

9.7.1. All Notes which are redeemed in full will be cancelled forthwith. Each Individual Certificate representing any Tranche of Notes so redeemed in full shall be forwarded to the Transfer Agent for cancellation. All Notes so cancelled shall be held by the Issuer and cannot be re-issued or resold. The Transfer Agent shall notify the Central Depository and the JSE of any cancellation or partial redemption of Notes so that such entities can record the reduction in the aggregate Principal Amount Outstanding of the Notes in issue. Where only a portion of Notes represented by an Individual Certificate is cancelled, the Transfer Agent shall deliver an Individual Certificate to the Series Noteholder in respect of the balance of the Notes.

9.7.2. Any Individual Certificate surrendered to the Transfer Agent and evidencing any Note redeemable in instalments which is to be redeemed in part shall be cancelled by the Transfer Agent and a new Individual Certificate for the balance of the Principal Amount Outstanding after such partial redemption will be delivered to the relevant Series Noteholder. The partial redemption of such Notes listed on the Interest Rate Market of the JSE will be dealt with in accordance with the Applicable Procedures.

9.7.3. All uncertificated Notes which are redeemed by the Issuer and submitted for cancellation will forthwith be cancelled.

10. PAYMENTS

10.1. General

10.1.1. The Issuer shall not be obliged to make payment of, and Series Noteholders shall not be entitled to receive payment of, any amount due and payable under the Notes by the Issuer, except in accordance with the Series Priority of Payments and unless and until all sums required to be paid or provided for in terms of the Series Priority of Payments in priority thereto have been paid, or provided for, or discharged in full.

10.1.2. Payments of interest and principal in respect of Notes held in uncertificated form in the Central Depository will be made to the Central Depository's Nominee, as the registered holder of such Notes, which in turn will transfer such funds, via the Participants, to the holders of Beneficial Interests. Each of the persons reflected in the records of the Central Depository or the relevant Participants, as the case may be, as the holders of Beneficial Interests shall look solely to the Central Depository or the relevant Participant, as the case may be, for such person's share of each payment so made by the Issuer to, or for the order of, the registered holder of the Notes held in uncertificated form. The Issuer will not 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 such Beneficial Interests. Payments of interest and principal in respect of Notes held in the Central Depository in uncertificated form shall be recorded by the Central Depository's Nominee, as the registered holder of the Notes, distinguishing between interest and principal, and

such record of payments by the registered holder of the Notes shall be *prima facie* proof of such payments.

- 10.1.3. Payments of principal and/or interest on an Individual Certificate shall be made to the Transfer Agent, who will in turn, acting on behalf of the Issuer in accordance with the terms and conditions of the Transfer Agent Agreement, make payment to the registered holder of such Note, as set forth in the Register on the close of business on the Last Day to Register (as specified in the Applicable Pricing Supplement). In addition to the above, in the case of a final redemption payment, the holder of the Individual Certificate shall be required, on or before the Last Day to Register prior to the Final Maturity Date, to surrender such Individual Certificate at the offices of the Transfer Agent.
- 10.1.4. All monies payable on or in respect of each Note shall be paid by electronic funds transfer to the account of the relevant Series Noteholder as set forth in the Register at 17h00 (Johannesburg time) on the Last Day to Register (whether or not such day is a Business Day) preceding the relevant Interest Payment Date or Actual Redemption Date, as the case may be, or, in the case of joint Series Noteholders, the account of that one of them who is first named in the Register in respect of that Note.
- 10.1.5. If several persons are entered into the Register as joint Series Noteholders then, without affecting the provisions of Condition 10.1.4, payment to any one of them of any monies payable on or in respect of the Note shall be an effective and complete discharge by the Issuer of the amount so paid, notwithstanding any notice (express or otherwise) which the Issuer may have of the right, title, interest or claim of any other person to or in any Note or interest therein.

10.2. Method of Payment

- 10.2.1. Payments of interest and principal in respect of each Tranche of Notes will be made in Rand by electronic funds transfer to the bank account of the relevant Series Noteholder.
- 10.2.2. If the Issuer is prevented or restricted directly or indirectly from making any payment by electronic funds transfer in accordance with the preceding paragraph (whether by reason of strike, lockout, fire,

explosion, floods, riot, war, accident, act of God, embargo, legislation, shortage of or breakdown in facilities, civil commotion, unrest or disturbances, cessation of labour, Government interference or control or any other cause or contingency beyond the reasonable control of the Issuer) such inability will not constitute an Issuer Programme Event of Default and the Issuer shall make such payment by cheque (or by such number of cheques as may be required in accordance with applicable banking law and practice). Such payments by cheque shall be made available for collection at the office of the Transfer Agent or sent by post to the address of the Series Noteholder as set forth in the Register or, in the case of joint Series Noteholders, the address set forth in the Register of that one of them who is first named in the Register in respect of that Note, or the address provided to the Transfer Agent, by the relevant Series Noteholder for such purpose.

10.2.3. Each such cheque shall be made payable to the relevant Series Noteholder or, in the case of joint Series Noteholders, the first one of them named in the Register. Cheques may be posted by ordinary post, provided that the Issuer shall not be responsible for any loss in transmission and the postal authorities shall be deemed to be the agent of the Series Noteholders for the purposes of all cheques posted in terms of this Condition 10.2.

10.2.4. Payments will be subject in all cases to any taxation or other laws, directives and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 11.

10.2.5. Any payment in respect of the partial redemption of a Note listed on the Interest Rate Market of the JSE will be made in accordance with the Applicable Procedures.

10.3. Surrender of Individual Certificates

10.3.1. No payment in respect of the full or, in the case of Notes redeemable in instalments, partial, redemption of a Note shall be made unless the holder of the Note to be fully or partially redeemed, as the case may be, has surrendered to the Transfer Agent the relevant Individual Certificate.

10.3.2. Should the holder of an Individual Certificate refuse or fail to surrender the relevant Individual Certificate for endorsement or cancellation on or

before the partial or full redemption of the Notes evidenced by that Individual Certificate, the interest on such Notes (if any) will cease to accrue to such holder from the date on which such holder is required to surrender such Individual Certificate.

10.3.3. Documents required to be presented and/or surrendered to the Transfer Agent in accordance with these Terms and Conditions shall be so presented and/or surrendered at the office of the Transfer Agent specified in the Applicable Pricing Supplement.

10.4. Payment Day

If the date for payment of any amount in respect of any Note is not a Business Day and is not subject to adjustment in accordance with a Business Day Convention specified in the Applicable Pricing Supplement, the holder thereof shall not be entitled to payment until the following Business Day in the relevant place for payment and shall not be entitled to further interest or other payment in respect of such delay.

11. **TAXATION**

All payments (whether in respect of principal, interest or otherwise) in respect of the Notes (subject to the section below titled "South African Taxation") will be made free and clear of and without withholding or deduction for or on account of any present or future Taxes, unless the withholding or deduction of such Taxes is required by law. In that event, the Issuer shall make such payments after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. The Issuer shall not be obliged to make any additional payments to Series Noteholders in respect of such withholding or deduction.

12. **SERIES TRANSACTION CLEAN-UP OPTION**

12.1. General Provisions

12.1.1. If applicable in terms of and subject to, the provisions of the Applicable Pricing Supplement and/or the Applicable Transaction Supplement and in accordance with the provisions of the Administration Agreement, upon the occurrence of a Non-Performing Asset Trigger Event:

12.1.1.1. the Administrator shall deliver a Non-Performing Asset Trigger Notice to the relevant Series Security Trust and the

relevant Series Noteholders within 5 days after the occurrence of the Non-Performing Asset Trigger Event;

12.1.1.2. the relevant Series Noteholders shall determine by means of a Special Resolution passed by the relevant Series Noteholders within 60 days after the delivery of the Non-Performing Asset Trigger Notice, which of the Non-Performing Asset Clean-Up Options (including the option contemplated in Conditions 12.2 and 12.3 below) they wish to exercise;

12.1.2. Should the relevant Series Noteholders elect not to exercise a Non-Performing Asset Clean-Up Option or should the relevant Series Noteholders fail to pass a Special Resolution to that effect within 60 days after the delivery of Non-Performing Asset Trigger Notice or at all, then the Issuer shall be entitled in its sole discretion to sell or otherwise deal with the Non-Performing Assets in accordance with the provisions of Condition 12.4;

12.1.3. In the event that the relevant Series Noteholders exercise a Non-Performing Asset Clean-Up Option or the Issuer has exercised the Issuer Non-Performing Clean-Up Option, any Series Security held by the Series Security Trust relating to the relevant Non-Performing Assets shall be released by the Series Security Trust with effect from the date of disposal or delivery, as the case may be, of the relevant Non-Performing Assets and the relevant Series Noteholders shall have no claim against the Series Security Trust or the Issuer arising from the Series Security or otherwise of any nature whatsoever.

12.2. Non-Performing Asset Sale Option

12.2.1. Subject to the provisions of Condition 12.1, in the event that the relevant Series Noteholders exercise the Non-Performing Asset Sale Option, the Issuer, assisted by the Administrator, shall within 60 days of the passing of the relevant Special Resolution, take all such steps as may be reasonable in the prevailing circumstances to sell the relevant Non-Performing Assets (together with any related Series Security) ("**Auction Assets**") to the most favourable bidder as determined by the Administrator by means of an auction process as provided for in the Administration Agreement ("**Auction Process**"). In terms of the Auction

Process, the Administrator will, *inter alia*, solicit offers from interested parties selected by the Administrator, evaluate such offers in accordance with certain minimum criteria set out in the Administration Agreement (“**Auction Criteria**”) and select the most favourable offer complying with the Auction Criteria. The Administrator will thereupon take all such steps as may be required to procure the sale of the Auction Assets to the successful bidder.

12.2.2. The relevant Series Noteholders agree that their rights under the relevant Notes shall be limited to their pro-rata share of the proceeds of the sale of the Auction Assets (“**Sale Proceeds**”) pursuant to the Auction Process; and

12.2.3. upon payment of the Sale Proceeds to the relevant Series Noteholders as contemplated in Condition 12.2.2, the relevant Series Noteholders’ claims under the Notes shall be deemed to have been settled in full and the relevant Notes shall be cancelled in accordance with Condition 9.7.

12.3. Non-Performing Asset Delivery Option

12.3.1. Subject to the provisions of Condition 12.1 and provided the Administrator has confirmed in the Non-Performing Asset Trigger Notice that it is legally permissible taking into account the prevailing circumstances, should the relevant Series Noteholders exercise the Non-Performing Asset Delivery Option, then the Issuer, assisted by the Administrator, shall within 60 days of the passing of the relevant Special Resolution, take all such reasonable steps as may be reasonably required to procure that the relevant Non-Performing Assets are transferred and delivered to the relevant Series Noteholder(s) or its/their appointed nominee (which may include the Series Security Trust) in accordance with the provisions of the Administration Agreement;

12.3.2. Upon delivery to the relevant Series Noteholder of the relevant Non-Performing Assets as contemplated in Condition 12.3.1, the relevant Series Noteholders’ claims under the Notes shall be deemed to have been settled in full and the relevant Notes shall be cancelled in accordance with Condition 9.7.

12.4. Issuer Non-Performing Asset Clean-Up Option

Should the relevant Noteholders elect not to exercise any of the Non-Performing Asset Clean-Up Options or should the relevant Series Noteholders fail to pass a Special Resolution to that effect within 60 days after the delivery of a Non-Performing Asset Trigger Notice or at all, then the Issuer shall be entitled, in its sole discretion, to dispose of the relevant Non-Performing Assets in such manner and on such terms as the Issuer may deem fit, in which event:

- 12.4.1. the relevant Series Noteholders agree that their rights under the relevant Notes shall be limited to their pro-rata share of the proceeds of the sale of the relevant Non-Performing Assets ("**Sale Proceeds**"); and
- 12.4.2. upon payment of the Sale Proceeds to the relevant Noteholders as contemplated in Condition 12.4.1, the relevant Series Noteholders' claims under the Notes shall be deemed to have been settled in full and the relevant Notes shall be cancelled in accordance with Condition 9.7.

13. **ISSUER PROGRAMME EVENTS OF DEFAULT**

13.1. An Issuer Programme Event of Default shall occur should:

- 13.1.1. save to the extent that such failure arises from the occurrence of a Non-Performing Asset Trigger Event, the Issuer fail to pay any amount, whether in respect of principal, interest or otherwise, due and payable to any Series Noteholders, or where there is more than one Class, any Series Noteholders of the Controlling Class, to the extent that such payment is permitted in terms of the relevant Series Priority of Payments unless the Issuer is prevented from making such payment as a result of any circumstance or event beyond its reasonable control in which case an Issuer Programme Event of Default shall occur if the Issuer fails to pay any such amount within 3 (three) Business Days of the due date for the payment in question; or
- 13.1.2. the Issuer fail duly to perform or observe any other obligation binding on it under any of the Notes, the Terms and Conditions or any of the other Series Transaction Documents, which breach is not remedied within the grace period permitted in terms of the relevant Series Transaction Document or if no such grace period is provided, within 10 (ten) days after receiving written notice from either the Series Security Trust or the counterparty to the relevant Series Transaction Document requiring such

- breach to be remedied and the Series Security Trust has certified to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Series Noteholders; or
- 13.1.3. the Issuer cease to be controlled by the Issuer Owner Trust without the prior written consent of the Series Security Trust; or
- 13.1.4. an Issuer Insolvency Event occur; or
- 13.1.5. the Security Interests in favour of the Series Security Trust granted pursuant to any of the Series Security Agreements and/or the Series Indemnity become unenforceable for any reason whatsoever (or be reasonably claimed by the Series Security Trust not to be in full force and effect) or cease to grant the Series Security Trust a first priority Security Interest in respect of the assets, rights and interests of any of the Series Security Agreements and the Series Indemnity; or
- 13.1.6. it be or become unlawful for the Issuer to perform any of its obligations under any of the Series Transaction Documents and the Series Security Trust has certified to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Series Noteholders; or
- 13.1.7. any action, condition or thing (including the obtaining of any consent, licence, approval or authorisation) now or hereafter necessary to enable the Issuer to comply with its obligations under any of the Series Transaction Documents is not taken, fulfilled or done, or any such consent, licence, approval or authorisation shall be revoked, modified, withdrawn or withheld or shall cease to remain in full force and effect, and in either case, the Series Security Trust has certified to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Series Noteholders; or
- 13.1.8. the Issuer alienate, dispose of or Encumber any Series Security (other than pursuant to the Series Transaction Documents) without the prior written consent of the Series Security Trust; or
- 13.1.9. the Issuer cease to carry on its business in a normal and regular manner or materially change the nature of its business, or through an official act of the board of directors of the Issuer, threaten to cease to carry on business.

13.2. If an Issuer Programme Event of Default occurs:

13.2.1. the Administrator shall forthwith inform each Series Security Trust, the JSE and the Rating Agency thereof;

13.2.2. each Series Security Trust shall, as soon as such Issuer Programme Event of Default comes to its notice (whether as a result of having been informed by the Administrator thereof pursuant to the previous sub-clause or otherwise), forthwith call a meeting of all the Series Noteholders or where there is more than one Class of Series Noteholders, of the Controlling Class of Series Noteholders;

13.2.3. if all the Series Noteholders or where there is more than one Class of Series Noteholders, the Controlling Class of Series Noteholders, decide that the Notes shall become immediately due and payable, such Series Noteholders shall notify the Issuer and the Series Security Trust accordingly;

each Series Security Trust if so instructed by a Special Resolution of all the Series Noteholders or where there is more than one Class of Series Noteholders, of each Controlling Class, shall, by written notice to the Issuer (an "Enforcement Notice") declare the Notes, and any amounts owing under any other Series Transaction Document, to be immediately due and payable, and require the Principal Amount Outstanding of all the Notes, together with accrued interest thereon, and the amounts owing under all other Series Transaction Documents, to be forthwith paid, to the extent permitted by and in accordance with the Post-Enforcement Series Priority of Payments. The Issuer shall forthwith do this, failing which the Series Security Trust may take all necessary steps, including legal proceedings, to enforce the rights of the Series Noteholders and other Series Secured Creditors set out in, and the Series Security given in respect of, these Terms and Conditions and the other Series Transaction Documents, subject always to the provisions of the Post-Enforcement Series Priority of Payments.

13.3. The Series Security Trust shall not be required to take any steps to ascertain whether any Issuer Programme Event of Default has occurred and until the Series Security Trust has actual knowledge or has been served with express notice thereof it shall be entitled to assume that no such Issuer Programme Event of Default has taken place.

13.4. If the Notes become immediately due and payable pursuant to the delivery of an Enforcement Notice by the Series Security Trust, they will be redeemed strictly in

accordance with the Post-Enforcement Series Priority of Payments. If the Issuer has insufficient funds to redeem all the Notes of a particular Class (the “**Relevant Notes**”) in full, those Notes shall be redeemed *pro rata* to their Principal Amount Outstanding. If, having redeemed the Relevant Notes in full, the Issuer has insufficient funds to redeem any Class of Notes ranking below the Relevant Notes (if applicable), such Class of Notes shall be redeemed *pro rata* to the Principal Amount Outstanding of such Notes in accordance with the Post-Enforcement Series Priority of Payments.

- 13.5. It is recorded that as security for the due, proper and timeous fulfilment by the Issuer of all its obligations under the Notes, the Series Security Trust shall provide the Series Noteholders with the Series Guarantee. Each Series Noteholder expressly accepts the benefits of the Series Guarantee and acknowledges the limitations on its rights of recourse in terms of such Series Guarantee and the Series Transaction Documents.
- 13.6. The rights of Series Noteholders against the Issuer will be limited to the extent that the Series Noteholders will not be entitled to take any action or proceedings against the Issuer to recover any amounts payable by the Issuer to them under the Notes (including not levying or enforcing any attachment or execution upon the assets of the Issuer), and all rights of enforcement shall be exercised by lodging a claim under the Series Guarantee, provided that:
- 13.6.1. if the Series Security Trust is entitled and obliged to enforce its claim against the Issuer pursuant to the Series Indemnity but fails to do so within 90 (ninety) days of being called upon to do so by a Special Resolution of the Series Noteholders or where there is more than one Class of Series Noteholders, of the Controlling Class; or
- 13.6.2. if the Series Security Trust is sequestrated (whether voluntarily or compulsorily, provisionally or finally) or if the Series Guarantee, Series Indemnity or any of the Series Security Agreements are not enforceable (as finally determined by a judgment of a court of competent jurisdiction after all rights of appeal and review have been exhausted or as agreed by the Series Security Trust, Series Noteholders and other Series Secured Creditors),

then Series Noteholders shall be entitled to take action themselves to enforce their claims directly against the Issuer if an Issuer Programme Event of Default occurs in which event the Series Noteholders shall notify the Issuer, the Administrator and the

Series Security Trust in writing of such claim and any such notice shall be deemed to constitute an Enforcement Notice delivered by the Series Security Trust.

- 13.7. The Series Noteholders shall not institute, or join with any person in instituting, or approve any steps or legal proceedings for the winding-up, liquidation, deregistration or Business Rescue of the Issuer or any compromise or scheme of arrangement with its members or any of its creditors or any related relief, or for the appointment of a liquidator, Business Rescue practitioner or similar officer of the Issuer or of any or all of the Issuer's assets or revenues, until 2 (two) years after the payment of all amounts outstanding and owing by the Issuer under all of the Notes and any other Series Transaction Documents entered into in respect of all Series Transactions in relation to an Issuer Programme and agree not to sue the Issuer except through the applicable Series Security Trust.
- 13.8. Without prejudice to the foregoing provisions of this Condition, each Series Noteholder undertakes to the Issuer and the Series Security Trust that if any payment is received by it other than in accordance with the Series Priority of Payments in respect of sums due to it by the Issuer and/or the Series Security Trust, the amount so paid shall be received and held by such Series Noteholder as agent for the Issuer and/or the Series Security Trust and shall be paid to the Issuer and/or the Series Security Trust immediately on demand.
- 13.9. The Series Security Trust acknowledges that it holds the Series Security created pursuant to the Series Security Agreements to be distributed, on enforcement, in accordance with the provisions of the Post-Enforcement Series Priority of Payments.
- 13.10. Each Series Noteholder undertakes that it will not set off or claim to set off any amounts owed by it to the Issuer or the Series Security Trust against any liability or amount owed to it by the Issuer or the Series Security Trust.
- 13.11. Notwithstanding the provisions of the preceding sub-clauses, in the event of a liquidation or a winding-up of the Issuer or of the Issuer being placed under Business Rescue, Series Secured Creditors ranking prior to others in the Post-Enforcement Series Priority of Payments shall be entitled to receive payment in full from the Series Assets of the Issuer of amounts due and payable to them, before other Series Secured Creditors that rank after them in the Post-Enforcement Series Priority of Payments receive any payment on account of amounts owing to them.
- 13.12. In order to ensure the fulfilment of the provisions regarding Post-Enforcement Series Priority of Payments, each Series Noteholder agrees that in the event of a liquidation

or winding-up of the Issuer or of the Issuer being placed under Business Rescue, it will lodge a claim against the Series Security Trust arising out of the Series Guarantee. The Series Security Trust will, in turn, make a claim in the winding-up, liquidation or Business Rescue proceedings of the Issuer pursuant to the Series Indemnity and pay the Series Secured Creditors out of any amount recovered in such proceedings in accordance with the Post-Enforcement Series Priority of Payments.

13.13. In the event that the Series Security Trust fails, for whatever reason, to make a claim in the liquidation, winding-up or Business Rescue proceedings of the Issuer pursuant to the Series Indemnity or should the liquidator or Business Rescue practitioner not accept a claim tendered for proof by the Series Security Trust pursuant to the Series Indemnity, then, in order to ensure compliance with the Post-Enforcement Series Priority of Payments, each Series Noteholder shall be entitled to lodge such claims itself and each Series Noteholder agrees that:

13.13.1. any claim made or proved by a Series Noteholder in the liquidation, winding-up or Business Rescue proceedings in respect of amounts owing to it by the Issuer shall be subject to the condition that no amount shall be paid in respect thereof to the extent that the effect of such payment would be that the amount payable to the Series Secured Creditors that rank prior to it in terms of the Post-Enforcement Series Priority of Payments would be reduced; and

13.13.2. if the liquidator or Business Rescue practitioner does not accept claims proved subject to the condition contained in the preceding sub-paragraph then each Series Secured Creditor shall be entitled to prove its claims against the Issuer in full, on the basis that any liquidation dividend payable to it is paid to the Series Security Trust for distribution in accordance with the Post-Enforcement Series Priority of Payments.

14. **PRESCRIPTION**

The Notes will become void unless presented for payment of principal and interest within a period of 3 (three) years after the Relevant Date thereof save that any Note constituting a "bill of exchange or other negotiable instrument" in accordance with section 11 of the Prescription Act, 1969, will become void unless presented for payment of principal and interest within a period of 6 (six) years from the Relevant Date thereof.

15. DELIVERY, EXCHANGE AND REPLACEMENT OF INDIVIDUAL CERTIFICATES

15.1. Exchange

- 15.1.1. The holder of a Beneficial Interest in Notes may, in terms of the Applicable Procedures and subject to section 42 of the Financial Markets Act, by written notice to the holder's nominated Participant (or, if such holder is a Participant, the Central Depository), request that such Beneficial Interest be exchanged for Notes in definitive form represented by an Individual Certificate (the "Exchange Notice"). The Exchange Notice shall specify (i) the name, address and bank account details of the holder of the Beneficial Interest and (ii) the day on which such Beneficial Interest is to be exchanged for an Individual Certificate; provided that such day shall be a Business Day and shall fall not less than 30 (thirty) days after the day on which such Exchange Notice is given ("Exchange Date").
- 15.1.2. The holder's nominated Participant will, following receipt of the Exchange Notice, through the Central Depository, notify the Transfer Agent that it is required to exchange such Beneficial Interest for Notes represented by an Individual Certificate. The Transfer Agent will, as soon as is practicable but within 14 (fourteen) days after receiving such notice, in accordance with the Applicable Procedures, procure that an Individual Certificate is prepared, authenticated and made available for delivery, on a Business Day falling within the aforementioned 14 (fourteen) day period, to the holder of the Beneficial Interest at the Specified Office of the Transfer Agent; provided that joint holders of a Beneficial Interest shall be entitled to receive only an Individual Certificate in respect to that joint holding, and delivery to one of those joint holders shall be delivery to all of them.
- 15.1.3. In the case of the exchange of a Beneficial Interest in Notes issued in uncertificated form:
- 15.1.3.1.1. the Central Depository's Nominee shall, prior to the Exchange Date, surrender (through the Central Depository system) such uncertificated Notes to the Transfer Agent at its Specified Office;
 - 15.1.3.1.2. the Transfer Agent will obtain the release of such uncertificated Notes from the Central Depository in accordance with the Applicable Procedures.

15.1.4. An Individual Certificate shall, in relation to a Beneficial Interest in any number of Notes issued in uncertificated form of a particular aggregate nominal amount standing to the account of the holder thereof, represent that number of Notes 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 ZAR1 000 000 or a fraction of any multiple thereof, such Individual Certificate shall be issued in accordance with, and be governed by, the Applicable Procedures.

15.2. Costs

Individual Certificates shall be provided (whether by way of issue, delivery or exchange) by the Issuer without charge, save as otherwise provided in these Conditions. Separate costs and expenses relating to the provisions of Individual Certificates or the transfer of Notes may be levied by other persons such as the Participants, under the Applicable Procedures and such costs and expenses shall not be borne by the Issuer. The costs and expenses of delivery of Individual Certificates by a method other than ordinary post (if any) and, if the Issuer shall so require, taxes or governmental charges or insurance charges that may be imposed in relation to such mode of delivery shall be borne of the Series Noteholder.

15.3. Replacement

If any Individual Certificate is mutilated, defaced, stolen, destroyed or lost it may be replaced at the office of the Transfer Agent on payment by the claimant of such costs and expenses as may be incurred in connection therewith and against the furnishing of such indemnity as the Transfer Agent may reasonably require. Mutilated or defaced Individual Certificates must be surrendered before placements will be issued.

15.4. Death and sequestration or liquidation of Series Noteholders

Any person becoming entitled to Notes in consequence of the death, sequestration or liquidation of the relevant Series Noteholder may, upon producing evidence to the satisfaction of the Issuer that he holds the position in respect of which he proposes to act under this paragraph or of his title, require the Transfer Agent to register such person as the holder of such Notes or subject to the requirements of this Condition, to transfer such Notes to such person.

16. TRANSFER OF NOTES

- 16.1. Beneficial Interests in the Notes may be transferred in terms of the Applicable Procedures through the Central Depository.
- 16.2. The Central Depository maintains accounts only for its Participants. Beneficial Interests which are held by Participants may be held directly through the Central Depository. Participants are in turn required to maintain securities accounts for their clients. Beneficial Interests which are not held by Participants may be held by clients of Participants indirectly through such Participants.
- 16.3. Transfers of Beneficial Interests to and from clients of Participants occur, in terms of existing law and practice by, way of electronic book entry in the securities accounts maintained by the Participants for their clients. Transfers of Beneficial Interests among Participants occur through electronic book entry in the securities accounts maintained by the Central Depository for the Participants. Such transfers of Beneficial Interests will not be recorded in the Register and the Central Depository's Nominee will continue to be reflected in the Register as the Series Noteholder in respect of the Notes. Beneficial Interests may be transferred only in accordance with these Conditions, and the Applicable Procedures.
- 16.4. In order for any transfer of Notes represented by an Individual Certificate to be effected through the Register and for the transfer to be recognised by the Issuer, each transfer of a Note:
 - 16.4.1. must be pursuant to a written Transfer Form signed by the relevant Series Noteholder and the transferee, or any authorised representative of that registered Series Noteholder and/or transferee;
 - 16.4.2. shall only be in respect of minimum denominations equal to or greater than ZAR1 000 000; and
 - 16.4.3. must be made by way of the delivery of the Transfer Form to the Transfer Agent together with the Individual Certificate in question for cancellation and registration of transfer of the Individual Certificate (or the relevant part thereof).
- 16.5. Subject to the above, the Transfer Agent will, within 3 (three) Business Days of receipt by it of the request (or such longer period as may be required to comply with any applicable fiscal or other laws, regulations or the Applicable Procedures), authenticate and deliver at the Transfer Agent's registered office to the transferee or,