



# Investec

## INVESTEC BANK (MAURITIUS) LIMITED

(Incorporated in the Republic of Mauritius with limited liability under business registration number 8752/3362)

ZAR6,000,000,000

### Medium Term Note and Preference Share Programme

Under this ZAR6,000,000,000 Medium Term Note and Preference Share Programme (the "Programme"), Investec Bank (Mauritius) Limited (the "Issuer" or "Investor") may from time to time issue notes ("Notes") or preference shares ("Programme Preference Shares"), and together with the Notes, "Securities") denominated in South African Rand or, subject to Applicable Law (as defined herein), such other currency agreed by the Issuer and the relevant Dealer(s) (as defined herein). Any Notes issued under the Programme are issued subject to the provisions described in the section of this programme memorandum (the "Programme Memorandum") headed "Note Terms and Conditions" (the "Note Terms and Conditions") and any Programme Preference Shares issued under the Programme are issued subject to the provisions described in the section of this Programme Memorandum headed "Programme Preference Share Terms and Conditions" (the "Preference Share Terms and Conditions"). In addition, any Securities issued are subject to all Applicable Law (as defined herein) and, in the case of Securities listed on the JSE (as defined herein) or such other Financial Exchange(s) (as defined herein) as may be determined by the Issuer, in accordance with the listing requirements of the JSE or such other Financial Exchange(s), as the case may be.

As at 9 October 2014 (the "Programme Date"), the Programme Amount (as defined herein) is ZAR6,000,000,000. This Programme Memorandum will apply to Notes issued under the Programme in an aggregate outstanding Nominal Amount (as defined in the Note Terms and Conditions) and Programme Preference Shares issued under the Programme in an aggregate Calculation Amount (as defined in the Programme Preference Share Terms and Conditions) which do not exceed ZAR6,000,000,000 unless such amount is increased by the Issuer pursuant to the section of this Programme Memorandum headed "General Description of the Programme".

Notes to be issued under the Programme may comprise (i) senior notes (the "Senior Notes"), and/or (ii) Notes which are subordinated to the Senior Notes (the "Subordinated Notes"), and/or (iii) Notes which are subordinated Notes and with terms capable of qualifying the proceeds of such Notes as Regulatory Capital (as defined herein) (the "Subordinated Capital Notes"). A Tranche (as defined herein) of Notes may comprise, without limitation, Fixed Rate Notes, Floating Rate Notes, Mixed Rate Notes, Zero Coupon Notes and/or such combination of the foregoing Notes and/or such other type of Notes as may be determined by the Issuer and the relevant Dealer(s) and specified in the Applicable Pricing Supplement (Notes). Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. A Tranche of Notes will be issued on, and subject to, the Note 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).

A Tranche of Programme Preference Shares may comprise, without limitation, Fixed Rate Programme Preference Shares, Floating Rate Programme Preference Shares, Indexed Programme Preference Shares, Mixed Rate Programme Preference Shares and/or such other type of Programme Preference Shares as may be determined by the Issuer and the relevant Dealer(s) and specified in the Applicable Pricing Supplement (Preference Shares). Programme Preference Shares will be issued in individual Tranches which, together with other Tranches, may form a Class of Programme Preference Shares. A Tranche of Programme Preference Shares will be issued on, and subject to, the Programme Preference Share Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Tranche of Programme Preference Shares set out in the Applicable Pricing Supplement (Preference Shares).

Any reference in this Programme Memorandum to "Applicable Terms and Conditions" shall be (i) in relation to Notes, the Note Terms and Conditions and (ii) in relation to Programme Preference Shares, the Programme Preference Share Terms and Conditions.

The Programme has been approved by the JSE. A Tranche of Securities may be listed on the Interest Rate Market of the JSE or on the Main board of the JSE (each as defined herein) or on such other or additional Financial Exchange(s) as may be determined by the Issuer and the relevant authority and subject to the Applicable Law. Unlisted Securities may also be issued under this Programme. Unlisted Securities are not regulated by the JSE. Claims against the BESA Guarantee Fund Trust and/or the JSE Guarantee Fund (each as defined herein) may only be made in respect of the trading of Securities listed on the JSE in accordance with the rules of the BESA Guarantee Fund Trust or the JSE Guarantee Fund, as applicable. The holders of Securities that are not listed on the JSE will have no recourse against the JSE, the BESA Guarantee Fund Trust or the JSE Guarantee Fund. Securities which were not originally issued under this Programme may (provided they are amended to be documented in terms of the Programme) be listed under the Programme. Details of the Securities, including the aggregate Nominal Amount of Notes or the aggregate Redemption Amount of Programme Preference Shares, as the case may be, interest (if any) and/or dividend, as the case may be, payable in respect of the Securities and the issue price of the Securities will be specified in the Applicable Pricing Supplement (Notes) or the Applicable Pricing Supplement (Preference Shares), as applicable. A copy of the Applicable Pricing Supplement (Notes) and/or Applicable Pricing Supplement (Preference Shares), as applicable, relating to a Tranche of the Securities which is to be listed on the JSE will specify the relevant platform or sub-market of the JSE on which such Tranche of Securities is to be listed and be delivered to the JSE and the CSD, before the Issue Date (as defined herein) of such Tranche. Securities in a Tranche of Securities listed on the JSE may be traded by or through members of the JSE from the date specified in the Applicable Pricing Supplement (Notes) and/or the Applicable Pricing Supplement (Preference Shares), as applicable, in accordance with the Applicable Procedures (as defined herein). The Issuer may determine that particular Securities will not be listed on the JSE or such other or additional Financial Exchange and in that case, neither an Applicable Pricing Supplement (Notes) nor an Applicable Pricing Supplement (Preference Shares) will be delivered to the JSE.

As at the Programme Date, the Issuer is not rated. A Tranche of Securities may, on or before the Issue Date, be rated by a Rating Agency. Unrated Tranches of Securities may also be issued. The Applicable Pricing Supplement (Notes) and/or the Applicable Pricing Supplement (Preference Shares), as applicable, will reflect the Rating which has been assigned to the Issuer and/or a Tranche of Securities, as applicable, as well as the Rating Agency(s) which assigned such Rating(s).

The Issuer may determine that Securities may be issued in a form and on terms not contemplated by the Applicable Terms and Conditions, in which case a supplementary programme memorandum, if appropriate, will be made available which will describe the terms and conditions upon which such Securities will be issued.

Arranger, Dealer and Debt Sponsor

INVESTEC BANK LIMITED

Programme Memorandum dated 9 October 2014

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## GENERAL

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*Capitalised terms used in this section headed "General" shall bear the same meanings as used in the Applicable Terms and Conditions, except to the extent that they are separately defined in this section or it is clearly inappropriate from the context.*

The Issuer accepts full responsibility for the accuracy of the information contained in this Programme Memorandum and all documents incorporated by reference (see the section of this Programme Memorandum headed "*Documents Incorporated by Reference*"). To the best of the knowledge and belief of the Issuer, the Issuer having taken all reasonable care to ensure that such is the case, the information contained in this Programme Memorandum is in accordance with the facts and does not omit anything which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made. This Programme Memorandum contains all information required by law and the relevant listing requirements of the JSE.

The JSE takes no responsibility for the contents of this Programme Memorandum, the Applicable Pricing Supplements (Notes), the Applicable Pricing Supplements (Preference Shares) or the annual report (as amended or restated from time to time), makes no representation as to the accuracy or completeness of any of the foregoing documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of this Programme Memorandum, the Applicable Pricing Supplements (Notes), the Applicable Pricing Supplements (Preference Shares) or the annual report (as amended or restated from time to time). The Issuer shall accept full responsibility for the accuracy of the information contained in this Programme Memorandum, the Applicable Pricing Supplements (Notes), the Applicable Pricing Supplements (Preference Shares) and the annual report (as amended or restated from time to time), except as otherwise stated herein. This Programme Memorandum is to be read in conjunction with all documents which are deemed to be incorporated by reference. Any reference in this section of the Programme Memorandum shall be read and construed as including the documents incorporated by reference.

The Issuer, having made all reasonable enquiries, and having taken all reasonable care, confirms that this Programme Memorandum contains or incorporates all information which is material in the context of the issue and the offering of Securities, that the information contained or incorporated in this Programme Memorandum is true and accurate in all material respects and is not intended to be misleading, that the opinions and the intentions expressed in this Programme Memorandum are honestly held and that there are no other facts, the omission of which would make this Programme Memorandum or any of such information or expression of any such opinions or intentions misleading in any material respect.

This Programme Memorandum is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see the section of this Programme Memorandum headed "*Documents Incorporated by Reference*") and, in relation to any Tranche of Securities, should be read and construed together with the Applicable Pricing Supplement (Notes) and/or the Applicable Pricing Supplement (Preference Shares), as the case may be. This Programme Memorandum shall be read and construed on the basis that such documents are incorporated into and form part of this Programme Memorandum.

The Arranger, the Dealer(s), the Debt Sponsor and the other professional advisers named herein have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Arranger, the Dealer(s), the Debt Sponsor and the other professional advisers as to the accuracy or completeness of the information contained in this Programme Memorandum or any other information provided by the Issuer. The Arranger, the Dealer(s), the Debt Sponsor and the other professional advisers do not accept any liability in relation to the information contained in this Programme Memorandum or any other information provided by the Issuer in connection with the Programme.

No Person has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Programme Memorandum or any other information supplied in connection with the Programme and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger, the Dealer(s) or the other professional advisers.

Neither this Programme Memorandum nor any other information supplied in connection with the Programme is intended to provide a basis for any credit or other evaluation, or should be considered as a recommendation by the Issuer, the Arranger, the Dealer(s) and the other professional advisers that any recipient of this Programme Memorandum, or any other information supplied in connection with the Programme, should subscribe for, or purchase, any Securities.

Each Person contemplating the subscription for, or purchase of, any Securities should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and its subscription for, or purchase of, Securities should be based upon any such investigation as it deems necessary. None of the Programme Memorandum, the Applicable Pricing Supplement(s) (Notes), the Applicable Pricing Supplement(s) (Preference Shares) or any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuer, the Arranger, the Dealer(s) or the Debt Sponsor to any Person to subscribe for, or purchase, any Securities.

The delivery of this Programme Memorandum does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other financial statements or other information supplied in connection with the Programme is correct as at any time subsequent to the date indicated in the document containing the same. Investors should review, among others, the most recent non-consolidated and/or consolidated financial statements of the Issuer when deciding whether or not to purchase any Securities.

None of the Programme Memorandum, the Applicable Pricing Supplement(s) (Notes) or the Applicable Pricing Supplement(s) (Preference Shares) constitutes an offer to sell or the solicitation of an offer to buy or an invitation to subscribe for or purchase of any Securities in any jurisdiction to any Person to whom it is unlawful to make the offer or solicitation in such jurisdiction (see the section of this Programme Memorandum headed "*Subscription and Sale*").

The distribution of this Programme Memorandum, any Applicable Pricing Supplement (Notes) and/or any Applicable Pricing Supplement (Preference Shares), as the case may be, and the issue, sale or offer of Securities may be restricted by law in certain jurisdictions. Persons into whose possession this Programme Memorandum or any Securities come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Programme Memorandum and the offer or sale of Securities in the United States of America, the European Economic Area, the United Kingdom, South Africa, Mauritius and certain other jurisdictions (see the section headed "*Subscription and Sale*"). The Issuer, the Arranger, the Dealer(s), the Debt Sponsor and the other professional advisers do not represent that this Programme Memorandum may be lawfully distributed, or that any Securities may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger, the Dealer(s), the Debt Sponsor and the other professional advisers which would permit a public offering of any Securities or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Securities may 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 all applicable laws and regulations.

Securities have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "Securities Act"). Securities may not be offered, sold or delivered within the United States of America or to U.S. Persons except in accordance with Regulation S (as defined in the Securities Act) under the Securities Act.

All references in this document to "Rand", "ZAR", "South African Rand", "R" and "cent" refer to the currency of South Africa and all references to "U.S. Dollar", "US\$" or "Dollars" shall be a reference to the currency of the United States of America.

Where any term is defined within the context of any particular clause or section in this Programme Memorandum, the term so defined, 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 qualified by the terms and conditions of any particular Tranche of Securities as set out in the Applicable Pricing Supplement (Notes) and/or the Applicable Pricing Supplement (Preference Shares), as applicable, 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.

In connection with the issue and distribution of any Tranche of Securities under the Programme, the Issuer or any Dealer, if any, that is specified in the Applicable Pricing Supplement (Notes) or the Applicable Pricing Supplement (Preference Shares), as applicable, as the Stabilising Manager (or any Person acting for the Stabilising Manager) may, if specified in that Applicable Pricing Supplement (Notes) or Applicable Pricing Supplement (Preference Shares), as applicable, and only if such stabilising is permitted by the relevant listings requirements of the JSE and approved by the JSE, over-allot or effect

transactions with a view to supporting the market price of the Securities at a level higher than that which might otherwise prevail for a limited period. However, there may be no obligation on the Stabilising Manager (or any agent of the Stabilising Manager) to do this. Such stabilising, if commenced, may be discontinued at any time. Such stabilising shall be carried out in accordance with all Applicable Law.

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## DOCUMENTS INCORPORATED BY REFERENCE

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

The following documents shall be deemed to be incorporated in, and to form part of, this Programme Memorandum:

- (a) all amendments and supplements to the Programme Memorandum prepared by the Issuer from time to time;
- (b) each Applicable Pricing Supplement (Notes) relating to any Tranche of Notes issued under the Programme;
- (c) each Applicable Pricing Supplement (Preference Shares) relating to any Tranche of Programme Preference Shares issued under the Programme;
- (d) as at the Programme Date, the published consolidated audited financial statements (incorporating the Issuer's audited annual financial statement, together with the reports and notes thereto) of the Issuer for the financial years ended 31 March 2012, 2013 and 2014 and the published consolidated audited annual financial statements (incorporating the Issuer's consolidated audited annual financial statement, together with the reports and notes thereto) of the Issuer, as and when such audited financial statements become available;
- (e) as at the Programme Date, the published annual report (incorporating the Issuer's annual financial statements, together with reports and notes attached to or intended to be read with such financial statements) of the Issuer for the financial periods ended 31 March 2012, 2013 and 2014 and the published annual report of the Issuer in respect of further financial years, as and when such published annual report becomes available;
- (f) each Authorising Resolution passed in respect of a Tranche of Programme Preference Shares issued under the Programme; and
- (g) all information pertaining to the Issuer which is relevant to the Programme and/or this Programme Memorandum which is electronically submitted by the Stock Exchange News Service (SENS) established by the JSE, to SENS subscribers, if required,

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

The Issuer will provide, free of charge, to any Person, upon request of such Person, a copy of any of the documents which are incorporated herein by reference, unless such documents have been modified or superseded. Requests for such documents should be directed to the Issuer at its registered office as set out at the end of this Programme Memorandum. This Programme Memorandum, any amendments and/or supplements to this Programme Memorandum, all Applicable Pricing Supplements (Notes) relating to Notes in issue under the Programme, all Applicable Pricing Supplements (Preference Shares) relating to Programme Preference Shares in issue under the Programme and the audited annual financial statements of the Issuer are also available for inspection, upon request, (or will be available for inspection, upon request) at the registered office of the Issuer as set out at the end of this Programme Memorandum and on the Issuer's website, [www.investec.com](http://www.investec.com). In addition, this Programme Memorandum, any amendments and/or supplements to this Programme Memorandum, any Applicable Pricing Supplement (Notes) and/or the Applicable Pricing Supplement (Preference Shares), as applicable, relating to any Tranche of Securities which is to be listed on the JSE will be filed with the JSE which will publish such document on its website at [www.jse.co.za](http://www.jse.co.za). This Programme Memorandum does not constitute an offer or invitation by or on behalf of the Issuer, the Arranger and the Dealer, the Debt Sponsor, other professional advisors or the JSE to any Person in any jurisdiction to subscribe for or purchase any Securities.

The Issuer will, for so long as any Securities remain outstanding and listed on the JSE, publish a new Programme Memorandum or a supplement to the Programme Memorandum, as the case may be, if:

- (a) a change in the condition (financial or otherwise) of the Issuer has occurred which is material in the context of the Securities and the Issuer's payment obligations thereunder; or

- (b) an event has occurred which affects any matter contained in this Programme Memorandum, the disclosure of which would reasonably be required by holders of Securities and/or potential investors in the Securities; or
- (c) any of the information contained in this Programme Memorandum becomes outdated in a material respect; or
- (d) this Programme Memorandum no longer contains all the materially correct information required by the Applicable Procedures,

provided that, in the circumstances set out in paragraphs (c) and (d) above, no new Programme Memorandum or supplement to this Programme Memorandum, as the case may be, is required in respect of the Issuer's audited annual financial statements if such audited annual financial statements are incorporated by reference into this Programme Memorandum.

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## GENERAL DESCRIPTION OF THE PROGRAMME

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*Capitalised terms used in this section entitled "General Description of the Programme" shall bear the same meanings as used in the Applicable Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.*

Under the Programme, the Issuer may from time to time issue Securities denominated in the currency specified in the Applicable Pricing Supplement (Notes) and/or the Applicable Pricing Supplement (Preference Shares), as the case may be. The applicable terms of any Securities will be set out in the Applicable Terms and Conditions incorporated by reference into the Securities, as modified and supplemented by the Applicable Pricing Supplement (Notes) relating to any Tranche of Notes issued under the Programme or the Applicable Pricing Supplement (Preference Shares) relating to any Tranche of Programme Preference Shares issued under the Programme and any supplementary Programme Memorandum. A summary of the Programme and the Applicable Terms and Conditions appears in the section of this Programme Memorandum headed "Summary of the Programme".

As at the Programme Date, the Programme Amount is ZAR6,000,000,000 (or its equivalent in such other currency or currencies as Securities are issued). This Programme Memorandum will only apply to Notes Outstanding issued under the Programme in an aggregate Nominal Amount and Programme Preference Shares issued under the Programme in an aggregate Calculation Amount (as defined in the Programme Preference Share Terms and Conditions) which do not exceed the Programme Amount, unless such amount is increased as set out below. For the purpose of calculating the aggregate Nominal Amount of Notes Outstanding and/or the aggregate Calculation Amount (as defined in the Programme Preference Share Terms and Conditions) of Programme Preference Shares, as the case may be, issued under the Programme from time to time:

- (a) the ZAR equivalent of Securities denominated in another currency shall be determined at or about the time at which an agreement is reached for the issue of such Securities as between the Issuer and the relevant Dealer(s) on the basis of the spot rate at such time for the sale of such ZAR amount against the purchase of such currency or unit of account in the Johannesburg inter-bank foreign exchange markets, as quoted by the Issuer or by any leading bank selected by the Issuer;
- (b) the amount of Indexed Notes and Partly Paid Notes shall be calculated by reference to the original nominal amount of such Notes (and, in the case of Partly Paid Notes, regardless of the subscription price paid);
- (c) the amount of Indexed Programme Preference Shares shall be calculated in the manner specified in the Applicable Pricing Supplement (Programme Preference Shares); and
- (d) the amount of Zero Coupon Notes and Other Notes issued at a discount or premium shall be calculated by reference to the Nominal Amount received by the Issuer for the relevant issue.

A Tranche of Securities may be listed on the Interest Rate Market of the JSE or on the Main Board of the JSE or on such other or additional Financial Exchange(s) as may be determined by the Issuer, subject to Applicable Law. Unlisted Securities may also be issued under the Programme. The Applicable Pricing Supplement (Notes) and/or the Applicable Pricing Supplement (Preference Shares), as the case may be, will specify whether or not a Tranche of Securities will be listed and, if so, on which Financial Exchange. If the Issuer issues a Tranche of unlisted Securities or a Tranche of Securities is listed on any Financial Exchange other than (or in addition to) the JSE, the Issuer will, by no later than the last day of the month of issue of that Tranche of Securities, inform the JSE in writing of (i) in relation to a Tranche of Notes, the aggregate Nominal Amount and the Maturity Date (if any) of that Tranche of Notes and (ii) in relation to a Tranche of Programme Preference Shares, the aggregate Redemption Amount and the Redemption Date of that Tranche of Programme Preference Shares.

From time to time, the Issuer may wish to increase the Programme Amount. Subject to the Applicable Procedures and all Applicable Law, the Issuer may, without the consent of Noteholders and/or Programme Preference Shareholders, increase the Programme Amount by delivering notice thereof to (i) the Debt Sponsor, (ii) Noteholders and Programme Preference Shareholders, (iii) the relevant Financial Exchange(s), (iv) the Transfer, Paying and Calculation Agents and (v) the Arranger and (vi) the Dealers in accordance with the Applicable Terms and Conditions and the Applicable Procedures. Upon such notices being given, all references in the Programme Memorandum or any other agreement, deed or document in relation to the Programme, to the Programme Amount, shall be, and shall be deemed to be, references to the increased Programme Amount.

Claims against the BESA Guarantee Fund Trust and/or the JSE Guarantee Fund, as the case may be, may only be made in respect of trading in Securities listed on the JSE and in accordance with the rules of the BESA



Guarantee Fund Trust and/or the JSE Guarantee Fund, as the case may be. Unlisted Securities are not regulated by the JSE.

Investing in the Securities involves certain risks (see the section of this Programme Memorandum headed “*Risk Factors*”).

A summary of the Programme and the Applicable Terms and Conditions appears below.

This Programme Memorandum will only apply to Securities issued under the Programme.

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## RISK FACTORS

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*The Issuer believes that the following factors may affect its ability to fulfil its obligations under Securities issued under the Programme. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.*

*In addition, factors which are material for the purpose of assessing the market risks associated with Securities issued under the Programme are also described below.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in Securities issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Securities may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate.*

*Prospective investors should also read the detailed information set out elsewhere in this Programme Memorandum to reach their own views prior to making any investment decision. The information given below is as at the Programme Date.*

### **Factors that may affect the Issuer's ability to fulfil its obligations under Securities issued under the Programme**

#### ***Credit risk exposes the Issuer to losses caused by financial or other problems experienced by its clients or other third parties***

Risks arising from changes in credit quality and the recoverability of loans and amounts due from counterparties are inherent in a wide range of the Issuer's businesses. The Issuer is exposed to the risk that third parties that owe it money, securities or other assets will not perform, or will be unable to perform their obligations which could adversely affect the Issuer's results of operations or financial condition.

These parties include clients, governments, trading or reinsurance counterparties, clearing agents, exchanges, other financial intermediaries or institutions, as well as issuers whose securities Investec holds, who may default on their obligations to the Issuer due to bankruptcy, lack of liquidity, operational failure, economic or political conditions or other reasons. The occurrence of such events has led and may lead to future impairment charges and additional write-downs and losses for the Issuer. In addition, the information that the Issuer uses to manage its credit risk may be inaccurate or incomplete, leading to an inability on the part of the Issuer to manage its credit risk effectively.

#### ***Market risks, business and general economic conditions and fluctuations could adversely affect the Issuer's business in many ways***

The Issuer's businesses and revenues are materially affected by the conditions in the financial markets and economic conditions generally around the world. Changes in underlying market risks, business and general economic conditions may have an adverse effect on the Issuer's results of operations and financial condition.

#### ***Trading and investment activities***

The Issuer maintains trading and investment positions in various financial and other assets, including equity, fixed income, currency and related derivative instruments and real estate. At any point in time these positions could be either long positions, such that the Issuer will benefit from upward movements in the market prices of these assets, or short positions, such that it will benefit from downward movements in the market prices of these assets. These financial markets are sometimes subject to significant stress conditions where steep falls in perceived or actual asset values are accompanied by severe reductions in market liquidity. In dislocated markets, hedging and other risk management strategies may not be as effective as they are in normal market conditions. Market instability of this nature could result in the Issuer incurring losses.

#### ***Investment banking and corporate banking revenues***

The Issuer's investment banking revenues and corporate banking are directly related to the number and size of the transactions in which the Issuer participates and general corporate and institutional activity. Accordingly, any reduction in the number and/or size of such transactions and a slowdown in corporate activity will adversely affect its results of operations. Some of the Issuer's investment banking division's revenues are derived from direct or principal investments or from the management of private equity portfolios. These revenues are dependent upon the performance of the underlying investments and the ability to realise value upon exit from the

investments and, as such, revenues, returns and profitability may fluctuate impacting the Issuer's results of operations and financial condition.

*Private client banking revenues*

The Issuer's private client banking business has a predominance towards lending and related activity. A deterioration in the property market, which could occur as a result of the unstable market conditions, could affect the quality of the Issuer's security relating to such loans and could negatively impact on the level of impairments required to be recorded in the event that a borrower defaults.

*Net interest earnings*

The Issuer is exposed to the risk that interest rates paid to depositors and yields earned from loans change at different times with varying degrees of predictability. If the interest rates paid to depositors rise at a faster rate than the yields earned from loans, then the Issuer's results of operations may be adversely affected. In certain circumstances, the drive to raise deposits can result in deposit takers, such as the Issuer, offering attractive interest rates potentially at a rate that is fixed for a prescribed period. Such measures, in turn, can negatively impact net interest earnings if there is no corresponding increase in the scale or pricing of lending activities. As such, the Issuer's exposure to sudden movements in the pricing of interest rates and of credit may have a negative impact on the Issuer's net interest earnings and, in turn, its results of operation and financial conditions. In addition, the Issuer's results are affected by the return earned on its capital base, which in turn, is significantly influenced by the level of interest rates and further reductions in interest rates could adversely affect the Issuer's results of operations.

*Operational risks may disrupt the Issuer's business or result in regulatory action*

Operational losses can result, for example, from fraud, errors by employees, failure to document transactions properly or to obtain proper authorisation, failure to comply with regulatory requirements and conduct of business rules, equipment failures, natural disasters or the failure of systems and controls, including those of the Issuer's suppliers or counterparties. Although the Issuer has implemented risk controls and loss mitigation actions, and substantial resources are devoted to developing efficient procedures, reporting systems and to staff training, it is not possible to be certain that such actions have been or will be effective in controlling each of the operational risks faced by the Issuer. Notwithstanding anything contained in this risk factor, it should not be taken as implying that the Issuer will be unable to comply with its obligations.

Any operational failure may cause serious reputational or financial harm and could have a material adverse effect on the bank's results of operations, reputation and financial condition.

*Liquidity risk may adversely affect the Issuer's profitability and results while excess liquidity may negatively impact the Issuer's returns*

Ready access to funds is essential to any banking business, including those operated by the Issuer. An inability on the part of the Issuer to access funds or to access the markets from which it raises funds may lead to the Issuer being unable to finance its operations adequately, which in turn could materially adversely affect its results of operations and financial condition. In particular, the Issuer takes deposits with maturities which are shorter than the loans it makes. This exposes the Issuer to the risk that depositors could withdraw their funds at a rate faster than the rate at which borrowers repay their loans, thus causing liquidity strains. Additionally, the Issuer's ability to raise or access funds may be impaired by factors that are not specific to it, such as general market conditions, severe disruption of the financial markets or negative views about the prospects for the industries or regions in which the Issuer operates.

The Issuer's ability to raise deposits in hard currencies at competitive pricing is heavily linked to the attractiveness of Mauritius as an international financial centre of repute. Mauritius is on the Organization for Economic Co-operation and Development ("OECD") white list and has forged a solid reputation as a jurisdiction of substance and choice based on sound regulatory practices, international norms, political and economic stability and a conducive business environment. There are no exchange control restrictions applicable in Mauritius and funds may be freely repatriated. Mauritius offers a very favourable tax regime to international investors, with a wide network of double taxation treaties, low taxes for global businesses and no withholding taxes on dividends, interest and royalties. In addition, Mauritius has also entered into more than 30 (thirty) bilateral Investment Promotion and Protection Agreements ("IPPA"), mainly with countries on the African continent. These IPPA provide significant protection to investors using Mauritius to route their cross border investments. An adverse change in the reputation of Mauritius as an international centre or in the tax environment may negatively impact on the business of the Issuer.

***The Issuer's risk management policies and procedures may leave it exposed to risks which have not been identified by such policies or procedures***

The Issuer has devoted significant resources to developing its risk management policies and procedures, particularly in connection with credit, market and other banking risks and expects to continue to do so in the future. Nonetheless, its risk management techniques may not be fully effective in mitigating its risk exposure in all market environments or against all types of risk. Some of the Issuer's methods of managing risk are based upon its use of observed historical market behaviour. As a result, these methods may not predict future risk exposures, which could be significantly greater than historical measures indicate. Other risk management methods depend upon evaluation of information regarding the markets in which the Issuer operates, its clients or other matters that are publicly available or otherwise accessible by the Issuer. This information may not be accurate in all cases, complete, up-to-date or properly evaluated. Any failure by the Issuer's risk management techniques may have a material adverse effect on its results of operations and financial condition.

***The financial services industry in which the Issuer operates is intensely competitive***

The financial services industry in which the Issuer's businesses operate is highly competitive. The Issuer competes on the basis of a number of factors, including customer services and quality, transaction execution, its products and services, innovation, reputation and price. New competitors, including companies other than banks, may disintermediate the market and as a result they may acquire significant market share. Some of the Issuer's competitors also offer a wider range of services and products than the Issuer offers and have greater name recognition, greater financial resources and more extensive customer bases. These competitors may be able to respond more quickly to new or evolving opportunities, technologies and customer requirements than the Issuer and may be able to undertake more extensive promotional activities. If the Issuer is unable to compete successfully, its future revenue and profit growth could be materially adversely affected.

***Failing infrastructure systems may negatively impact the economy generally and the business and results of operations of the Issuer***

Events such as electricity supply failures, the shut-down of transport systems due to inclement weather (such as cyclones, flash floods or extreme heat) or postal, transport or other strikes have a negative impact on the ability of most firms, including the Issuer, to do business. The regular occurrence of such events or timing of the occurrence of such events could have an adverse effect on the Issuer's operations.

***The Issuer may be unable to recruit, retain and motivate key personnel***

The Issuer's performance is largely dependent on the talents and efforts of key personnel, many of whom have been employed by the Issuer for a substantial period of time and have developed with the business. In addition, while the Issuer is covered by a general director's and officer's insurance policy, it does not maintain any "key man" insurance in respect of any management employees. Competition in the financial services industry for qualified employees is intense. Further, the Issuer's ability to implement its strategy depends on the ability and experience of its senior management and other key employees. The loss of the services of certain key employees, particularly to competitors, could have a negative impact on the Issuer's business. The Issuer's continued ability to compete effectively and further develop its businesses depends on its ability to retain, remunerate and motivate its existing employees and to attract new employees and qualified personnel competitively with its peers.

***The Issuer may be vulnerable to the failure of its information and operating systems and breaches of its security systems***

The Issuer relies on the proper functioning of its information and operating systems which may fail as a result of hardware or software failure or power or telecommunications failure. The occurrence of such a failure may not be adequately covered by its business continuity planning. Any significant degradation, failure or lack of capacity of the Issuer's information systems or any other systems in the trading process could therefore cause it to fail to complete transactions on a timely basis, could have an adverse effect on its business, results of operations and financial condition or could give rise to adverse regulatory and reputational consequences for the Issuer's business.

The secure transmission of confidential information is a critical element of the Issuer's operations. The Issuer's networks and systems may be vulnerable to unauthorised access and other security problems. The Issuer cannot be certain that its existing security measures will prevent security breaches including break-ins, viruses or disruptions. Persons that circumvent the security measures could use the Issuer's or its client's confidential information wrongfully which could expose it to a risk of loss, adverse regulatory consequences or litigation.

The Issuer's future success will depend in part on its ability to respond to changing technologies and demands of the market place. The Issuer's failure to upgrade its information and communications system on a time or cost-

effective basis could have an adverse effect on its business, financial condition and/or operating results and could damage its relationships with its clients and counterparties.

***The Issuer may be adversely affected if its reputation is harmed***

The Issuer is subject to the risk of loss due to customer or staff misconduct. The Issuer's ability to attract and retain customers and employees and raise appropriate financing or capital may be adversely affected to the extent its reputation is damaged. If it fails to deal with various issues that may give rise to reputational risk, its reputation and in turn its business prospects may be harmed. These issues include, but are not limited to, appropriately dealing with potential conflicts of interest, legal and regulatory requirements, customer management and communication, discrimination issues, money-laundering, privacy, record-keeping, sales and trading practices, and the proper identification of the legal, reputational, credit, liquidity and market risks inherent in its business. Failure to address these issues appropriately could give rise to litigation and regulatory risk to the Issuer.

There have been a number of highly publicised cases involving fraud or other misconduct by employees of financial services firms in recent years. The Issuer's reputation could be damaged by an allegation or finding, even where the associated fine or penalty is not material. Misconduct could include hiding unauthorised activities from the Issuer, improper or unauthorised activities on behalf of customers, improper use of confidential information or use of improper marketing materials. The Issuer has systems and controls in place to prevent and detect misconduct; however, the risks posed by misconduct may not be entirely eliminated through controls.

***Terrorist acts and other acts of war could have a negative impact on the business and results of operations of the Issuer***

Terrorist acts, and other acts of war or hostility and responses to those acts, may create economic and political uncertainties, which could have a negative impact on global economic conditions generally and may directly affect the countries in which the Issuer operates, and more specifically on the business and results of operations of the Issuer in ways that cannot be predicted.

***Future growth in the Issuer's earnings depends on strategic decisions regarding organic growth***

The Issuer devotes substantial management and planning resources to the development of strategic plans for organic growth by developing more business from existing customers. If these expenditures and efforts do not meet with success, the Issuer's results of operations may grow more slowly or decline.

***The Issuer's business performance could be affected if its capital resources and liquidity are not managed effectively***

The Issuer's capital and liquidity is critical to its ability to operate its businesses, to grow organically and to take advantage of strategic opportunities. The Issuer mitigates capital and liquidity risk by careful management of its balance sheet, through, for example, capital and other fund-raising activities, disciplined capital allocation, maintaining surplus liquidity buffers and diversifying its funding sources. The Issuer is required by regulators in the jurisdictions in which it undertakes regulated activities, to maintain adequate capital and liquidity. The maintenance of adequate capital and liquidity is also necessary for the Issuer's financial flexibility in the face of any turbulence and uncertainty in the global economy.

Extreme and unanticipated market circumstances, may cause exceptional changes in the Issuer's markets, products and other businesses. Any exceptional changes, including, for example, substantial reductions in profits and retained earnings as a result of write-downs or otherwise, delays in the disposal of certain assets or the ability to access sources of liability, including customer deposits and wholesale funding, as a result of these circumstances, or otherwise, that limit the Issuer's ability effectively to manage its capital resources could have a material adverse impact on the Issuer's profitability and results. If such exceptional changes persist, the Issuer may not have sufficient financing available to it on a timely basis or on terms that are favourable to it to develop or enhance its businesses or services take advantage of business opportunities or respond to competitive pressures.

The regulation and supervision of financial institutions is currently undergoing a period of significant change in response to the global financial crisis. The Issuer is subject to government regulation in South Africa, Mauritius and other jurisdictions within which it operates. Regulatory agencies have broad jurisdiction over many aspects of the Issuer's business, which may range from capital adequacy, funding and liquidity risk management and credit risk management to practices relating to marketing and selling, advertising, licensing agents, policy forms, terms of business and permitted investments.

The Issuer is subject to capital adequacy guidelines adopted by the Bank of Mauritius (the “BoM”) and the South African Reserve Bank, which provide for a minimum target ratio of capital to risk-adjusted assets. Any failure by the Issuer to maintain its ratios may result in sanctions against the Issuer which may in turn impact on its ability to fulfil its obligations under the Securities.

The Basel III proposals agreed by the Governors and Heads of the Basel committee on Banking Supervision, and endorsed by the G20 leaders at their November 2010 Seoul summit. In May 2013, BoM issued Draft Guidelines setting out its proposals for the implementation of Basel III in Mauritius. The rules have not yet been finalised by BoM and it is expected that the implications for local banks will follow the Basel III proposals. From a capital perspective the most heavily impacted banks are those with relatively large capital market businesses, particularly trading activities, complex securitisations, over-the-counter derivatives (counterparty credit risk) and securities lending. The Issuer has a relatively small capital markets business and therefore the overall impact is manageable. From a liquidity perspective most banks, domestically and abroad, generally fall short of the two new liquidity ratios (the liquidity coverage ratio (“LCR”) and the net stable funding ratio (“NSFR”)), with shortfalls in high-quality liquid assets and stable funding presenting significant business model implications. Both ratios will be subject to an initial observation period and banks will have several years before full compliance becomes mandatory.

#### ***Mauritian Regulatory developments***

Amendments brought to the Mauritian Income Tax Act in November 2013 include the change in the basis of calculating the special levy for banks on Segment A banking income – being income derived by banks from transactions with parties other than non-residents and corporations holding a Global Business Licence under the Financial Services Act 2007. The special levy which was 1% of operating income and 3.4% of book profits on all income source shall, in respect of Segment A banking income, be 10% of chargeable income from that source for the financial years starting 1 January 2014 and 1 January 2015. Thereafter, the formula for calculating the special levy will revert to the prescribed 1.7% of book profit and 0.5% of operating income on all income source. The Issuer does not anticipate that these changes will have any material impact on its results.

To ensure adherence to international standards with respect to exchange of information, Mauritius will adopt the Multilateral Convention on Mutual Administrative Assistance in tax matters developed jointly by the Council of Europe and the OECD.

The Minister of Finance, in his budget speech 2014, announced the setting up of a Serious Fraud Office to strengthen the financial regulatory framework in Mauritius and a Coordination Committee among all agencies combating financial crime.

#### ***Political, social and economic risk outside of the Issuer’s control may adversely affect its business and results of operations***

Unfavourable economic, political, military and diplomatic developments producing social instability or legal uncertainty may affect both the performance and demand for the Issuer’s products and services. The Issuer’s businesses, results of operations and financial condition could be materially adversely affected by changes in government or the economic, regulatory or other policies of the governments of the jurisdictions in which the Issuer operates. Among others, the actions of such governments in relation to employee relations, salaries, the setting of interest rates, or in relation to exerting controls on prices, exchange rates or local and foreign investment, may adversely affect the Issuer’s business and results of operations.

#### ***Regulatory risks***

The Issuer is regulated by both the Bank of Mauritius and the South African Reserve Bank. In addition, the Issuer is subject to extensive and increasing legislation, regulation, accounting standards and changing interpretations thereof in the various countries in which it operates. The requirements imposed by the Issuer’s regulators, including capital adequacy, are designed to ensure the integrity of financial markets and to protect customers and other third parties who deal with the Issuer. These requirements are not in all cases designed to protect the Issuer’s shareholders.

In addition, new laws are introduced, and existing laws are amended from time to time, including Tax, consumer protection, privacy and other legislation, which affect the environment in which the Issuer operates. Governmental policies and regulatory changes in the other areas which could affect the Issuer, include:

- the monetary, interest rate and other policies of central banks and regulatory authorities;
- general changes in government or regulatory policy or changes in regulatory regimes that may significantly influence investor decisions in particular markets in which the Issuer operates or may increase the costs of doing business in those markets;

- other general changes in the regulatory requirements, such as prudential rules relating to the capital adequacy and liquidity framework;
- changes in competition and pricing environments;
- further developments in the financial reporting environment;
- further developments in the corporate governance, conduct of business and employee compensation environments; and
- other unfavourable political or diplomatic developments or legal uncertainty which, in turn, may affect demand for the Issuer's products and services.

Consequently, changes in these governmental policies and regulation may limit the Issuer's activities, which could have an adverse effect on the Issuer's results.

***The response of governments and regulators to instability in the global financial markets may not be effective***

In times of economic instability, governments and regulators are faced with pressure from a variety of sources, including market participants, the media, investor organisations and others, to reform the existing financial and regulatory system. There can be no guarantee that the response of governments and regulators in the jurisdictions in which the Issuer operates, and the reforms proposed thereby, will be effective or that the timing of responses (which might otherwise have been effective) will be appropriate. In addition, any such measures taken may negatively impact the Issuer's business even when they achieve their policy goals.

In the past, governments and regulators in some jurisdictions have responded to pressure of the kind referred to above by greatly increasing regulation. Reforms which increase the compliance and reporting burdens of companies can have unintended effects on the environment within which companies operate. There can be no guarantee that the governments and regulators in the jurisdictions in which the Issuer operates will not make policy decisions to implement reforms which increase the burdens faced by the Issuer in relation to compliance and reporting. This could increase the costs the Issuer has to devote to compliance and reporting and, in turn, could have a negative effect on the Issuer's financial condition and results of operations.

***Certain financial instruments are recorded at fair value under relevant accounting rules. To determine fair value, the Issuer uses financial models which require it to make certain assumptions and judgments and estimates which may change over time***

Under IFRS, the Issuer is required to carry certain financial instruments on its balance sheet at fair value, including, among others, trading assets (which include certain retained interests in loans that have been securitised), available-for-sale securities and derivatives. Generally, in order to establish the fair value of these instruments, the Issuer relies on quoted market prices or internal valuation models that utilise observable market data. In certain circumstances and over the last year in particular, however, the ability of the Issuer and other financial institutions to establish fair values has been influenced by the lack of readily available observable market prices and data and the fact that the availability or reliability of such information has diminished due to market conditions. Furthermore, in common with other financial institutions, the Issuer's processes and procedures governing internal valuation models are complex, and require the Issuer to make assumptions, judgments and estimates in relation to matters that are inherently uncertain, such as expected cash flows from a particular asset class, the ability of borrowers to service debt, house price appreciation and depreciation, and relative levels of defaults and deficiencies. Such assumptions, judgments and estimates may need to be updated to reflect changing trends in relation to such matters. To the extent the Issuer's assumptions, judgments or estimates change over time in response to market conditions or otherwise, the resulting change in the fair value of the financial instruments reported on the Issuer's balance sheet could have a material adverse effect on the Issuer's earnings.

Financial instruments are valued differently under relevant applicable accounting rules depending upon how they are classified. For example, assets classified as held-to-maturity are carried at cost (less provisions for permanent impairment) while trading assets are carried at fair value. Similar financial instruments can be classified differently by a financial institution depending upon the purpose for which they are held and different financial institutions may classify the same instrument differently. In addition, financial institutions may use different valuation methodologies which may result in different fair values for the same instruments. Accordingly, the Issuer's carrying value for an instrument may be materially different from another financial institution's valuation of that instrument or class of similar instruments.

Furthermore, a fair value determination does not necessarily reflect the value that can be realised for a financial instrument on a given date. As a result, assets and liabilities carried at fair value may not actually be able to be sold or settled for that value. If such assets are ultimately sold or settled for a lower or greater value, the

difference would be reflected in a write-down or gain. The difference between the fair value determined at a particular point in time and the ultimate sale or settlement value can be more pronounced in volatile market conditions or during periods when there is only limited trading of a particular asset class from which to establish fair value. This can result in a significant negative impact on the Issuer's financial condition and results of operations due to an obligation arising to revalue assets at a fair value significantly below the value at which the Issuer believes it could ultimately be realised.

#### ***Legal liability***

The Issuer faces significant legal risks, and the volume and amount of damages claimed in litigation against financial intermediaries generally is increasing. These risks include potential liability under securities or other laws for materially false or misleading statements made in connection with the sale of securities and other transactions, potential liability for advice the Issuer provides to participants in corporate transactions and disputes over the terms and conditions of complex trading arrangements. The Issuer also faces the possibility that counterparties in complex or risky trading transactions will claim that the Issuer improperly failed to inform them of the risks or that they were not authorised or permitted to enter into these transactions with the Issuer and that their obligations to the Issuer are not enforceable.

The Issuer may also be subject to claims arising from disputes with employees for, among other things, alleged discrimination or harassment. These risks may often be difficult to assess or quantify and their existence and magnitude often remain unknown for substantial periods of time. Liability resulting from any of the foregoing or other claims could have a material adverse effect on the Issuer's results of operations and financial condition.

These issues require the Issuer to deal appropriately with, *inter alia*, potential conflicts of interest; legal and regulatory requirements; ethical issues; anti-money laundering laws or regulations; privacy laws; information security policies; sales and trading practices; and conduct by companies with which it is associated. Failure to address these issues appropriately may give rise to additional legal and compliance risk to the Issuer, with an increase in the number of litigation claims and the amount of damages asserted against the Issuer, or subject the Issuer to regulatory enforcement actions, fines, penalties or reputational damage.

#### **Factors which are material for the purpose of assessing the market risks associated with Securities issued under the Programme**

##### ***The Securities may not be a suitable investment for all investors***

Each potential investor in the Securities must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Securities it wishes to subscribe for, the merits and risks of investing in such Securities and the information contained or incorporated by reference in this Programme Memorandum and/or any Applicable Pricing Supplement (Notes) and/or Applicable Pricing Supplement (Preference Shares);
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Securities and the impact the Securities in question will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Securities, including Securities with principal or interest or dividends (as applicable) payable in one or more currencies, or where the currency for principal or interest or dividends (as applicable) payments is different from the potential Investor's currency;
- understand thoroughly the terms of the Securities and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Securities are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Securities will perform under changing conditions, the resulting effects on the value of the Securities and the impact this investment will have on the potential Investor's overall investment portfolio.



### *Risks related to the structure of a particular issue of Securities*

A wide range of Securities may be issued under the Programme. A number of these Securities may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

#### *Securities subject to optional redemption by the Issuer*

If specified as applicable in the Applicable Pricing Supplement (Notes) or Applicable Pricing Supplement (Preference Shares), as the case may be, in respect of a Tranche of Securities, the Issuer may, at its option, redeem that Tranche of Securities (in whole or in part) on the Optional Redemption Date as set out in Condition 9.3 (*Early Redemption at the option of the Issuer*) of the Note Terms and Conditions or Condition 10.3 (*Early Redemption at the option of the Issuer*) of the Programme Preference Share Terms and Conditions, as applicable. In addition, the Issuer may, at its option, redeem Tranche(s) of Notes in a Series (in whole but not in part) in the circumstances set out in Condition 9.2 (*Redemption following the occurrence of a Tax Event (Gross Up) or Tax Event (Deductibility) or Change in Law*) of the Note Terms and Conditions and Tranche(s) of Programme Preference Shares in a Class (in whole but not in part) in the circumstances set out in Condition 10.2 (*Early Redemption following a Regulatory Event*), as the case may be.

An optional redemption feature of Securities is likely to limit their market value. During any period when the Issuer may elect to redeem Securities, the market value of those Securities generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

#### *Index Linked Securities and Dual Currency Notes*

The Issuer may issue Securities with principal or interest or redemption amount or dividend, as the case may be, determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a “**Relevant Factor**”).

In addition, the Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- the market price of such Securities may be volatile;
- they may receive no interest;
- payment of principal or interest may occur at a different time or in a different currency than expected;
- they may lose all or a substantial portion of their principal;
- a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- if a Relevant Factor is applied to Securities in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest or redemption amount or dividend, as applicable, payable likely will be magnified; and
- the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

The historical experience of an index should not be viewed as an indication of the future performance of such index during the term of any Index Linked Securities. Accordingly, you should consult your own financial and legal advisers about the risk entailed by an investment in any Index Linked Securities and the suitability of such Securities in light of their particular circumstances.

#### *Variable rate Securities with a multiplier or other leverage factor*

Securities with variable interest rates or dividend rates, as applicable, can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

#### *Fixed/Floating Rate Securities*

Fixed/Floating Rate Securities may bear interest and/or dividends, as the case may be, at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Securities since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Securities may be less favourable than then prevailing spreads on comparable Floating Rate Securities tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Securities. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Securities.

#### *Inverse Floating Rate Notes*

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as JIBAR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

#### *Partly-paid Notes*

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of his investment.

#### *Notes issued at a substantial discount or premium*

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

#### *The Issuer's obligations under Subordinated Notes are subordinated*

The payment obligations of the Issuer under Subordinated Notes will rank behind Senior Notes. Subordinated Notes constitute direct, unconditional, unsecured, subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and (save for certain debts accorded preferential rights by law) and at least *pari passu* with all other Subordinated Indebtedness of the Issuer.

See Condition 6.2 (*Status of Subordinated Notes*) of the Note Terms and Conditions of the Notes for a full description of subordination and the payment obligations of the Issuer under Subordinated Notes.

With regard to any Subordinated Notes, in the event of the dissolution of the Issuer or if the Issuer is placed into liquidation, administration or wound-up or if business rescue proceedings are commenced in respect of the Issuer, the Issuer will be required to pay or discharge the claims of the holders of Senior Notes and other unsubordinated creditors in full before it can make any payments in respect of such Subordinated Notes. If this occurs, the Issuer may not have enough assets remaining after these payments to pay amounts due under such Subordinated Notes.

#### *The ranking of the Programme Preference Shares*

Each Programme Preference Share will rank as regards to the payment of dividends and a return of capital on the winding-up of the Issuer in accordance with the Issuer's Constitution.

#### *Capital Regulations*

In order for the proceeds of the issuance of any Class of Programme Preference Shares to qualify as Regulatory Capital, the Class of Programme Preference Shares must comply with the applicable Regulatory Capital Requirements, where "**Regulatory Capital Requirements**" means, at any time, any legislation, regulations, requirements, guidelines and policies relating to capital adequacy then in effect in South Africa and Mauritius in relation to banks registered under the South African Banks Act, 1990 and the Mauritius Banking Act, 2004, and licensed to conduct the business of a bank in Mauritius and/or South Africa or the controlling companies of such banks.

#### ***Risks related to Securities generally***

Set out below is a brief description of certain risks relating to the Securities generally:

*Because the Uncertificated Securities are held by or on behalf of CSD, investors will have to rely on their procedures for transfers, payments and communications with the Issuer*

Securities issued under the Programme may be issued in uncertificated form and will in such cases be deposited with the CSD. Except in the circumstances described in Condition 14 (*Exchange of Beneficial Interests and Replacement of Certificates*) of the Note Terms and Conditions and Condition 14 (*Exchange of Beneficial Interests and Replacement of Certificates*) of the Programme Preference Share Terms and Conditions, investors will not be entitled to receive Individual Certificates. The CSD will maintain records of the Beneficial Interests in the Uncertificated Notes. Investors will be able to trade their Beneficial Interests in such uncertificated Securities only through CSD.

While any Securities are issued in uncertificated form, the Issuer will discharge its payment obligations under such Securities by making payments to the CSD for distribution to their account holders. A holder of a Beneficial Interest must rely on the procedures of the CSD to receive payments under the relevant Securities. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, Beneficial Interests in the uncertificated Securities.

Holders of Beneficial Interests in uncertificated Securities will not have a direct right to vote in respect of the relevant Securities. Instead, such holders will be permitted to act only to the extent that they are enabled by the CSD to appoint appropriate proxies.

*Compliance with the Mauritian Companies Act in relation to the payment of any Preference Dividend and/or Redemption Amount under the Programme Preference Shares*

The payment of any Preference Dividend and/or Redemption Amount under the Programme Preference Share is subject to the relevant provisions of section 61, 76 and 80 of the Mauritian Companies Act. Failure by the Issuer to satisfy the requirements of the Mauritius Companies Act at any time when the Preference Dividend and/or Redemption Amount, as the case may be, is due to be paid under the Preference Share Terms shall not relieve the Issuer of its obligation to pay such Preference Dividend and/or Redemption Amount, as applicable, at any time when it is lawfully able to do so.

#### ***Modification and waivers and substitution***

The Applicable Terms and Conditions contain provisions for calling meetings of holders of Securities respectively, to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders or Programme Preference Shareholders, as the case may be, including holders who did not attend and vote at the relevant meeting and holders of Securities who voted in a manner contrary to the majority.

#### ***Change of law***

This Programme Memorandum, the Securities and the Applicable Terms and Conditions, are governed by, and will be construed in accordance with, the laws of South Africa. No assurance can be given as to the impact of any possible judicial decision or change to the laws of South Africa or administrative practice in South Africa after the Programme Date.

#### ***Taxation***

A general guide of the relevant tax laws is set out in that section of this Programme Memorandum headed "*Taxation*".

#### ***Risks related to the market generally***

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

#### ***The secondary market generally***

Securities may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Securities easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Securities that are especially sensitive to interest or dividend rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Securities generally would have a more limited secondary market and more price volatility than conventional debt or equity securities. Illiquidity

may have a severely adverse effect on the market value of Securities. To the extent required by a Financial Exchange and/or the listings requirements of such Financial Exchange, as the case may be, on which a Tranche of Securities is listed, the Issuer may procure that a third party provide liquidity by appointing a third party as a market maker. However, to the extent not required by the Financial Exchange or the listings requirements of that Financial Exchange on which the Tranche of Securities is listed, the decision to appoint a market maker is voluntary and there can be no guarantee or assurance that a market maker will be appointed.

#### *Exchange rate risks and exchange controls*

The Issuer will pay principal and interest on the Securities in the Specified Currency. This presents certain risks relating to currency conversions if an Investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Securities and (3) the Investor's Currency-equivalent market value of the Securities. Similarly, the Issuer may be exposed to potential losses if the Specified Currency was to depreciate against key currencies in which the Issuer's revenues are based, which may have an adverse effect on its financial condition and results of operations.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Dealings in the Securities and the performance by the Issuer of its obligations under any of the Securities may be subject to the South African Exchange Control Regulations. In particular, no Security may be (a) subscribed for, or purchased, by a Resident (as defined in "*South African Exchange Control Regulations*"); or (b) sold to a Resident; or (c) beneficially held, or owned, by a Resident, other than in strict compliance with the South African Exchange Control Regulations in effect from time to time. A summary of the South African Exchange Control Regulations is set out in that section of this Programme Memorandum headed "*South African Exchange Control Regulations*".

#### *Interest rate and/or dividend rate risks*

Investment in Fixed Rate Notes and/or Fixed Rate Preference Shares, as the case may be, involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes and/or Fixed Rate Preference Shares, as the case may be.

#### *Credit ratings may not reflect all risks*

One or more independent credit rating agencies may assign credit ratings to the Securities. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Securities. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

#### *Legal investment considerations may restrict certain investments*

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Securities are legal investments for it, (2) Securities can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Securities. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Securities under any applicable risk-based capital or similar rules.

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## SUMMARY OF THE PROGRAMME

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*The following summary does not purport to be complete and is taken from, and is qualified by, the remainder of this Programme Memorandum and, in relation to the terms and conditions of any particular Tranche of Notes, the Applicable Pricing Supplement (Notes) and, in relation to the terms and conditions of any particular Tranche of Programme Preference Shares, the Applicable Pricing Supplement (Preference Shares). Words and expressions defined in the Applicable Terms and Conditions shall have the same meanings in this summary.*

### PARTIES

<b>Issuer</b>	Investec Bank (Mauritius) Limited (business registration number 8752/3362).
<b>Arranger</b>	Investec Bank Limited (registration number 1969/004763/06) ("IBL").
<b>Dealer(s)</b>	IBL and/or any other additional Dealer appointed under the Programme from time to time by the Issuer, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the appointment of any Dealer.
<b>Debt Sponsor</b>	IBL, unless the Issuer elects to appoint another entity as a Debt Sponsor, in which event that other entity will act as a Debt Sponsor, as specified in the Applicable Pricing Supplement (Notes) and/or the Applicable Pricing Supplement (Preference Shares), as the case may be.
<b>Calculation Agent, Paying Agent and Transfer Agent</b>	IBL unless the Issuer elects to appoint, in relation to a particular Tranche of Securities, another entity as Calculation Agent, Paying Agent or Transfer Agent, as the case may be, in the place of the Issuer, in which event the other entity shall act in such capacity in respect of that Tranche of Securities as specified in the Applicable Pricing Supplement (Notes) and/or the Applicable Pricing Supplement (Preference Shares), as the case may be.
<b>CSD</b>	Strate Limited (registration number 1998/022242/06), or its nominee, a public company with limited liability incorporated in accordance with the company laws of South Africa and registered as a central securities depository in terms of the South African Financial Markets Act or any additional, alternative or successor central securities depository as may be agreed between the Issuer and the relevant Dealer(s).
<b>JSE</b>	JSE Limited (registration number 2005/022939/06), a public company with limited liability incorporated in accordance with the laws of South Africa and licensed as an exchange under the South African Financial Markets Act or any exchange which operates as a successor exchange to the JSE.

### GENERAL

<b>BSEA Guarantee Fund Trust and/or JSE Guarantee Fund</b>	<p>Claims against the BESA Guarantee Fund Trust may only be made in respect of the trading of Securities which are listed on the separate platform or sub-market of the JSE designated as the "<i>Interest Rates Market</i>" and in accordance with the rules of the BESA Guarantee Fund Trust. The holders of Securities that are not listed on the separate platform or sub-market of the JSE designated as the "<i>Interest Rate Market</i>" will have no recourse against the JSE or the BESA Guarantee Fund Trust.</p> <p>Claims against the JSE Guarantee Fund may only be made in respect of the trading of Securities which are listed on the JSE (other than on the separate platform or sub-market of the JSE designated as the "<i>Interest Rates Market</i>") and in accordance with the rules of the JSE Guarantee Fund.</p> <p>The holders of Securities that are not listed on the JSE will have no recourse against the JSE or the JSE Guarantee Fund.</p> <p>Unlisted Securities are not regulated by the JSE.</p>
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<b>Cross Default</b>	<p><i>Notes:</i> The Note Terms and Conditions contain a cross default provision as further described in Condition 13.1.1.5 of the Note Terms and Conditions. The cross default provision is applicable to the Senior Notes only.</p> <p><i>Programme Preference Shares:</i> If specified in the Applicable Pricing Supplement (Preference Shares) as being applicable, the Programme Preference Shares may contain a cross default provision (as further described in Condition 14.1.6 of the Programme Preference Share Terms and Conditions).</p>
<b>Denomination</b>	Notes will be issued in such denominations as may be indicated in the Applicable Pricing Supplement (Notes).
<b>Description of Programme</b>	Investec Bank (Mauritius) Limited ZAR6,000,000,000 Medium Term Note and Preference Share Programme.
<b>Distribution</b>	Securities may be offered by way of private placement, auction, bookbuild or by any other means permitted by Applicable Law as determined by the Issuer and reflected in the Applicable Pricing Supplement (Notes) and/or the Applicable Pricing Supplement (Preference Shares), as the case may be.
<b>Emigrant Blocked Rand</b>	Emigrant Blocked Rand may be used for the purchase of Securities, subject to South African Exchange Control Regulations.
<b>Form of Securities</b>	<p><i>Notes:</i> Notes may be issued in the form of Registered Notes as described in the section entitled “<i>Form of Securities</i>”. In the case of Registered Notes, each Tranche of Notes which is listed on the JSE will be issued in uncertificated form and each Tranche of unlisted Notes may be issued in certificated form or electronically in uncertificated form as described in the section of this Programme Memorandum headed “<i>Form of Securities</i>”.</p> <p><i>Programme Preference Shares:</i> Programme Preference Shares shall be issued in the form of registered Programme Preference Shares and each Tranche of Registered Programme Preference Shares which is listed on the JSE will be issued in uncertificated form and each Tranche of unlisted Programme Preference Shares may be issued in certificated form or electronically in uncertificated form as described in the section of this Programme Memorandum headed “<i>Form of Securities</i>”.</p>
<b>Governing Law</b>	The Applicable Terms and Conditions and the Securities will be governed by, and construed in accordance with the laws of South Africa, subject to mandatory provisions of the laws of Mauritius applicable to the Issuer.
<b>Holder(s)</b>	<p><i>Notes:</i> The holders of Notes who are recorded as the holders of the Registered Notes (as recorded in the Register).</p> <p><i>Programme Preference Shares:</i> The holders of Programme Preference Shares who are recorded as such in the Register.</p>
<b>Interest Period(s) or Interest Payment Date(s) and Dividend Period(s) or Dividend Payment Date(s)</b>	<p><i>Notes:</i> Such period(s) or date(s) as may be indicated in the Applicable Pricing Supplement (Notes).</p> <p><i>Programme Preference Shares:</i> Such period(s) or date(s) as may be indicated in the Applicable Pricing Supplement (Preference Shares).</p>
<b>Issue Price</b>	<p><i>Notes:</i> Notes may be issued on a fully-paid or a partly-paid basis and at an issue price which is at their principal amount or at a discount to, or premium over, their principal amount as indicated in the Applicable Pricing Supplement (Notes).</p> <p><i>Programme Preference Shares:</i> Programme Preference Shares shall be issued at the price specified in the Applicable Pricing Supplement (Preference Shares).</p>
<b>Issue and Transfer Taxes</b>	<i>Notes:</i> As at the Programme Date, no securities transfer tax or any similar Tax is payable in South Africa or Mauritius in respect of the issue, transfer or redemption of the Notes (see the section of this Programme Memorandum headed “ <i>Taxation</i> ”). Any future transfer duties and/or Taxes that may be

	<p>introduced in respect of (or may be applicable to) the transfer of Securities will be for the account of Noteholders.</p> <p><i>Programme Preference Shares:</i> As at the Programme Date, the South African Securities Transfer Tax Act, 2007 (the “<b>South African Securities Transfer Tax Act</b>”), imposes securities transfer tax in South Africa (subject to certain exemptions stipulated in the South African Securities Transfer Tax Act) on the transfer and/or redemption of a Programme Preference Share (see section of this Programme Memorandum headed “<i>Taxation</i>”).</p> <p>As at the Programme Date, the Mauritius Registration Duty Act, 1804, imposes registration duty in Mauritius on the issue or transfer of the Programme Preference Share. Stamp duty is also payable in Mauritius on the issue or the transfer of the Programme Preference Share under the Mauritius Stamp Duty Act, 1990 (see section of this Programme Memorandum headed “<i>Taxation</i>”).</p>
<b>Listing</b>	<p>The Programme has been approved by the JSE. Securities issued under the Programme may be listed on the JSE (or on such other or additional Financial Exchange(s) as may be selected by the Issuer in relation to such issue).</p> <p>Unlisted Securities may also be issued under the Programme. Unlisted Securities are not regulated by the JSE.</p> <p>Securities which were not originally issued under this Programme may (provided they are amended to be documented in terms of the Programme) be listed under the Programme. The Applicable Pricing Supplement (Notes) in respect of a Tranche of Notes and/or the Applicable Pricing Supplement (Preference Shares) in respect of a Tranche of Programme Preference Shares, as the case may be, will specify whether or not such Securities will be listed, on which Financial Exchange they are to be listed (if applicable) and, if such Tranche of Securities is to be listed on the JSE, the relevant platform or sub-market of the JSE on which such Tranche of Securities is to be listed.</p>
<b>Maturities</b>	<p><i>Notes:</i> Notes may be issued with such maturity(ies) as specified in the Applicable Pricing Supplement (Notes), subject, in relation to Subordinated Capital Notes, to such minimum maturities as may be required from time to time by the applicable Regulatory Capital Requirements, that are specified in the Applicable Pricing Supplement (Notes) and, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.</p> <p><i>Programme Preference Shares:</i> In relation to Redeemable Programme Preference Shares, such maturity(ies) as specified in the Applicable Pricing Supplement (Preference Shares), subject, in relation to any Programme Preference Shares the proceeds of which are intended to qualify as Regulatory Capital, to such minimum maturities as may be required from time to time by the applicable Regulatory Capital Requirements. Each Tranche of Redeemable Programme Preference Shares will, subject to Condition 25 (<i>Programme Preference Shares and the Mauritian Companies Act</i>) of the Programme Preference Share Terms and Conditions, be redeemable and be issued with an Applicable Redemption Date which falls more than three years after the Issue Date of such Tranche of Redeemable Programme Preference Shares, as indicated in the Applicable Pricing Supplement (Preference Shares).</p>
<b>Negative Pledge</b>	<p><i>Notes:</i> The Note Terms and Conditions contain a negative pledge provision as further described in Condition 7 (<i>Negative Pledge</i>). The negative pledge provision is applicable to the Senior Notes only.</p> <p><i>Programme Preference Shares:</i> The Programme Preference Share Terms and Conditions do not contain negative pledge provisions.</p>
<b>Notes</b>	<p><b>Fixed Rate Notes:</b> Fixed Rate Notes will bear interest at a fixed interest rate, as indicated in the Applicable Pricing Supplement (Notes), and more fully described in Condition 8.1 (<i>Interest on Fixed Rates Notes</i>) of the Note Terms and Conditions;</p>

**Floating Rate Notes:** Floating Rate Notes will bear interest as indicated in the Applicable Pricing Supplement (Notes) and more fully described in Condition 8.2 (*Interest on Floating Rate and Indexed Interest Note*) of the Note Terms and Conditions;

**Zero Coupon Notes:** Zero Coupon Notes will be offered and sold at a discount to their principal amount or at par and will not bear interest other than in the case of late payment;

**Indexed Notes:** payments, in respect of interest on Indexed Interest Notes or in respect of principal on Indexed Redemption Amount Notes, will be calculated by reference to such index and/or formula as may be indicated in the Applicable Pricing Supplement (Notes);

**Mixed Rate Notes:** Mixed Rate Notes will bear interest over respective periods at the rates applicable for any combination of Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or Indexed Notes, each as specified in the Applicable Pricing Supplement (Notes);

**Instalment Notes:** the Applicable Pricing Supplement (Notes) in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed;

**Partly Paid Notes:** the Issue Price of Partly Paid Notes will be payable in two or more instalments as set out in the Applicable Pricing Supplement (Notes);

**Exchangeable Notes:** Notes which may be redeemed by the Issuer in cash or by the delivery of securities as specified in the Applicable Pricing Supplement (Notes);

**Senior Notes:** Notes bearing the characteristics described under “*Status of Senior Notes*” below; and

**Other Notes:** terms applicable to Notes other than those specifically contemplated under this Programme Memorandum will be set out in the Applicable Pricing Supplement (Notes).

#### **Programme Preference Shares**

**Fixed Rate Programme Preference Shares:** Fixed Rate Programme Preference Shares will accrue dividends at a fixed rate, as indicated in the Applicable Pricing Supplement (Preference Shares), and more fully described in Condition 7.2 (*Dividends on Fixed Rate Programme Preference Shares*) of the Programme Preference Share Terms and Conditions;

**Floating Rate Programme Preference Shares:** Floating Rate Programme Preference Shares will accrue dividends as indicated in the Applicable Pricing Supplement (Preference Shares) and more fully described in Condition 7.3 (*Dividends on Floating Rate and Indexed Programme Preference Shares*) of the Programme Preference Share Terms and Conditions;

**Indexed Programme Preference Shares:** dividends in respect of Indexed Dividend Amount Programme Preference Shares or the redemption amount on Indexed Redemption Amount Programme Preference Shares, will be calculated by reference to such index and/or formula as may be indicated in the Applicable Pricing Supplement (Preference Shares);

**Mixed Rate Programme Preference Shares:** Mixed Rate Programme Preference Shares will accrue dividends over respective periods at the rates applicable for any combination of Fixed Rate Programme Preference Shares, Floating Rate Programme Preference Shares or Indexed Programme Preference Shares, each as specified in the Applicable Pricing Supplement (Preference Shares);

**Other Programme Preference Shares:** terms applicable to Programme Preference Shares other than those specifically contemplated under this Programme Memorandum will be set out in the Applicable Pricing Supplement (Preference Shares).



## Rating

As at the Programme Date, the Issuer is not rated. A Tranche of Securities may, on or before the Issue Date, be rated by a Rating Agency. Unrated Tranches of Securities may also be issued. The Applicable Pricing Supplement (Notes) and/or the Applicable Pricing Supplement (Preference Shares), as the case may be, will reflect the Rating which has been assigned to the Issuer and/or a Tranche of Securities, as the case may be, as well as the Rating Agency(s) which assigned such Rating(s), the date on which such rating was assigned and the date on which any such rating will expire or fall due for renewal.

A Rating is not a recommendation to subscribe for, buy, sell or hold Securities and may be subject to revision, suspension or withdrawal at any time by the Rating Agency. Any amendment in the Rating of the Issuer and/or the Programme and/or a Tranche of Securities, as the case may be, after the Programme Date, will be announced on SENS.

## Redemption of Notes

*Scheduled Redemption:* A Tranche of Notes will, subject to the Note Terms and Conditions, be redeemed on the Maturity Date, as set out in Condition 9.1 (*Scheduled Redemption*) of the Note Terms and Conditions.

*Early Redemption at the option of the Issuer:* If specified as being applicable in the Applicable Pricing Supplement (Notes), the Issuer may (having given not less than 30 (thirty) and not more than 60 (sixty) days' notice to the Noteholders in accordance with Condition 18 (*Notices*) of the Note Terms and Conditions) redeem the Notes in whole, or if so specified in the Applicable Pricing Supplement (Notes), in part on the Optional Redemption Dates, in accordance with Condition 9.3 (*Early Redemption at the option of the Issuer*) of the Note Terms and Conditions).

*Early Redemption at the option of Noteholders of Senior Notes:* If specified as being applicable in the Applicable Pricing Supplement (Notes), the Noteholders of any such Tranche of Senior Notes may, by delivering, amongst other things, a duly completed Put Notice in accordance with Condition 9.4 (*Early Redemption at the option of the Noteholders of Senior Notes*) of the Note Terms and Conditions, require the Issuer to redeem such Tranche of Senior Notes on the Optional Redemption Dates specified in the relevant Put Notice in the manner set out in, and in accordance with, Condition 9.4 (*Early Redemption at the option of the Noteholders of Senior Notes*) of the Note Terms and Conditions.

*Early Redemption following the occurrence of a Tax Event (Gross up) or Tax Event (Deductibility) or Change in Law:* If so specified in the Applicable Pricing Supplement (Notes), the Issuer may redeem any Tranche of Notes prior to the Maturity Date following the occurrence of a Tax Event and/or a Change in Law as set out in Condition 9.2 (*Redemption following the occurrence of a Tax Event (Gross up) or Tax Event (Deductibility) or Change in Law*) of the Note Terms and Conditions.

*Early Redemption following an Event of Default:* Upon the occurrence of an Event of Default and receipt by the Issuer of a written notice declaring Notes held by the relevant Noteholder to be forthwith due and payable in accordance with Condition 13.1.2, such Notes shall become forthwith due and payable at the Early Redemption Amount in the manner set out in Condition 9.8 (*Early Redemption Amounts*), together with interest (if any) to the date of payment, in accordance with Condition 13 (*Events of Default*) of the Note Terms and Conditions.

*Redemption of Subordinated Notes:* For so long as the applicable Regulatory Capital Requirements so require, Subordinated Notes that are also Subordinated Capital Notes may be redeemed, or purchased and cancelled by the Issuer prior to the Maturity Date, only at the option of the Issuer and with the prior written approval of the Central Bank and in accordance with any additional conditions approved by the Central Bank, even where an Event of Default has occurred.

**Redemption of  
Programme Preference  
Shares**

*Redemption for Regulatory Change reasons:* Subject to Condition 9.4 (*Redemption of Subordinated Notes*), the Issuer may redeem Subordinated Notes at their Early Redemption Amount, together with interest accrued (if any) to the Regulatory Capital Redemption Date, if a Regulatory Capital Event occurs and is continuing in accordance with Condition 9.6 (*Redemption for Regulatory Capital reasons*) of the Note Terms and Conditions.

Notes may be redeemable at par or at such other Redemption Amount (detailed in a formula, index or otherwise) as may be specified in the Applicable Pricing Supplement (Notes). Notes may also be redeemable in two or more instalments on such dates and in such manner as may be specified in the Applicable Pricing Supplement (Notes) relating to the relevant Tranche of Notes.

The Issuer may issue redeemable or non-redeemable Programme Preference Shares, as specified in the Applicable Pricing Supplement (Preference Shares).

If the Programme Preference Shares are specified as being redeemable, the following provisions may apply:

*Final Redemption:* Unless previously redeemed or purchased and cancelled and subject to the Mauritian Companies Act, a Tranche of Redeemable Programme Preference Shares will be redeemed by the Issuer, on the Final Redemption Date, at par or at such other Final Redemption Amount as specified in the Applicable Pricing Supplement (Preference Shares).

*Early Redemption following a Regulatory Event:* If a Regulatory Event occurs and as a consequence of that Regulatory Event, the Issuer suffers or incurs an Increased Cost and to the extent the Issuer delivers an Adjustment Notice but such decrease in the Dividend Rate is not sanctioned by the relevant Class of Programme Preference Shareholders as contemplated by Condition 7.7.2 of the Programme Preference Share Terms and Conditions, the Issuer may redeem the relevant Programme Preference Shares, in whole, but not in part, prior to the Final Redemption Date as set out in Condition 10.2 (*Early Redemption following a Regulatory Event*) of the Programme Preference Share Terms and Conditions.

*Early Redemption at the option of the Issuer:* If specified as being applicable in the Applicable Pricing Supplement (Preference Shares), the Issuer may (having given not less than 30 (thirty) and not more than 60 (sixty) days' notice to the Programme Preference Shareholders in accordance with Condition 19 (*Notices*) of the Programme Preference Share Terms and Conditions) redeem the Programme Preference Shares in whole, or if so specified in the Applicable Pricing Supplement (Preference Shares), in part on the Optional Redemption Dates, in accordance with Condition 10.3 (*Early Redemption at the option of the Issuer*) of the Programme Preference Share Terms and Conditions.

*Early Redemption following a Redemption Event:* If specified as being applicable in the Applicable Pricing Supplement (Preference Shares), upon the occurrence of a Redemption Event and receipt by the Issuer of a resolution of Programme Preference Shareholders passed pursuant to Conditions 14.2 and 14.3 of the Programme Preference Share Terms and Conditions or a written notice delivered declaring Programme Preference Shares held by the relevant Programme Preference Shareholder(s) to be forthwith due and payable, such Programme Preference Shares shall become forthwith due and payable in accordance with Condition 10.4 (*Early Redemption following a Redemption Event*) of the Programme Preference Share Terms and Conditions.

**Redemption of  
Programme Preference  
Shares, the proceeds of  
which are intended to  
qualify as Regulatory  
Capital**

Subject to the applicable Regulatory Capital Requirements, Programme Preference Shares the proceeds of which are intended to qualify as Regulatory Capital may be redeemed or purchased and cancelled at the option of the Issuer at their Calculation Amount if (i) the Issuer has received the prior written approval of the Central Bank (where applicable), (ii) the redemption is effected in accordance with the conditions (if any) approved by the Central Bank in

	<p>writing, and (iii) the Issuer is in compliance with the capital adequacy requirements that are applicable to it both at the time notice of the redemption is given to the Central Bank and immediately following such redemption, as described in Condition 11 (<i>Redemption or Purchase of Programme Preference Shares the proceeds of which are intended to qualify as Regulatory Capital</i>) of the Programme Preference Share Terms and Conditions.</p>
<b>Register</b>	<p>The Register of Noteholders and Programme Preference Shareholders maintained by the Transfer Agent in terms of the Applicable Terms and Conditions.</p>
<b>Regulatory Event</b>	<p>Subject to the prior sanction of Programme Preference Shareholders or a Class of Programme Preference Shareholders, as the case may be, by Special Resolution, if a Regulatory Event occurs and as a consequence of that Regulatory Event, the Issuer suffers or incurs an Increased Cost, the Issuer may propose a decrease in the Dividend Rate. If a decrease in the Dividend Rate is not sanctioned by the Programme Preference Shareholders or the relevant Class of Programme Preference Shareholders, the Issuer may redeem the relevant Programme Preference Shares or Class of Programme Preference Shares in accordance with Condition 10.2 (<i>Early Redemption following a Regulatory Event</i>) of the Programme Preference Share Terms and Conditions.</p>
<b>Selling Restrictions</b>	<p>The distribution of this Programme Memorandum and/or any Applicable Pricing Supplement (Notes) and/or any Applicable Pricing Supplement (Preference Shares), as applicable, and any offering or sale of or subscription for a Tranche of Securities may be restricted by law in certain jurisdictions, and is restricted by law in the United States of America, the European Economic Area, the United Kingdom, South Africa and Mauritius (see the section of this Programme Memorandum headed "<i>Subscription and Sale</i>"). Any other or additional restrictions which are applicable to the placing of a Tranche of Securities will be set out in the Applicable Pricing Supplement (Notes) and/or the Applicable Pricing Supplement (Preference Shares), as the case may be. Persons who come into possession of this Programme Memorandum and/or any Applicable Pricing Supplement (Notes) and/or any Applicable Pricing Supplement (Preference Shares) must inform themselves about and observe all applicable selling restrictions.</p>
<b>Settlement</b>	<p>Listed Securities will be cleared and settled in accordance with the relevant listings requirements of the JSE or such other or additional Financial Exchange(s) and the rules of the CSD. Listed Securities have been accepted for clearance through the CSD, which forms part of the JSE clearing system that is managed by the CSD and may be accepted for clearing through any additional clearing system as may be agreed. As of the Programme Date, the Participants who are also the approved Settlement Agents are FirstRand Bank Limited, Nedbank Limited, Citibank N.A. South Africa Branch, Standard Chartered Bank, Johannesburg Branch, Société Générale, Johannesburg Branch, The Standard Bank of South Africa Limited and the South African Reserve Bank. If applicable, Euroclear Bank S.A./N.V. as operator of the Euroclear System ("<i>Euroclear</i>") and Clearstream Banking, société anonyme (Clearstream Luxembourg) ("<i>Clearstream</i>") may hold Securities through their participant).</p>
<b>Size of the Programme</b>	<p>Up to ZAR6,000,000,000 outstanding at any time. The Issuer may increase the Programme Amount in the manner set out in the section of this Programme Memorandum headed "<i>General Description of the Programme</i>".</p>
<b>Specified Currency</b>	<p>South African Rand or, subject to all Applicable Law and, in the case of Securities listed on the JSE, the relevant listings requirements of the JSE, in such other currency as specified in the Applicable Pricing Supplement (Notes) and/or the Applicable Pricing Supplement (Preference Shares), as the case may be.</p>
<b>Status of Securities</b>	<p><i>Notes:</i> Notes may be issued on a subordinated or unsubordinated basis, as specified in the Applicable Pricing Supplement (Notes).</p>

Subordinated Notes will constitute direct, unsecured and subordinated obligations of the Issuer, all as described in Condition 6.2 (*Status of the Subordinated Notes*) of the Note Terms and Conditions and the Applicable Pricing Supplement (Notes).

In order for the proceeds of the issue of a Tranche of Subordinated Notes to qualify as Regulatory Capital, Subordinated Notes must comply with the applicable Regulatory Capital Requirements and such additional conditions as are prescribed by the Central Bank in respect of that Tranche of Subordinated Notes. The Issuer will specify in the Applicable Pricing Supplement (Notes) whether any issue of Subordinated Notes is an issue of Notes the proceeds of which are intended to qualify as Regulatory Capital. Any additional conditions prescribed by the Central Bank in respect of Subordinated Notes, the proceeds of which are intended to qualify as Regulatory Capital, will be specified in the Applicable Pricing Supplement (Notes) or a supplement to the Programme Memorandum.

Unless otherwise specified in the Applicable Pricing Supplement (Notes), Senior Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will rank *pari passu* among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding.

*Programme Preference Shares:* Each Programme Preference Share will rank as regards to the payment of dividends and a return of capital on the winding-up of the Issuer in accordance with the Issuer's Constitution.

#### **Taxation**

A summary of the applicable tax legislation in respect of the Securities as at the Programme Date, is set out in the section of this Programme Memorandum headed "*Taxation*". The summary does not constitute tax advice. Potential investors in the Securities should, before making an investment in the Securities, consult their own professional advisors as to the potential tax consequences of, and their tax positions in respect of, an investment in the Securities.

#### **Use of Proceeds**

The Issuer will use the issue proceeds of the Securities for its general corporate purposes, or as may otherwise be described in the Applicable Pricing Supplement (Notes) and/or the Applicable Pricing Supplement (Preference Shares), as the case may be.

#### **Withholding Taxes**

##### South Africa:

*Notes:* As at the Programme Date, all payments in respect of the Notes will be made without withholding or deduction for or on account of Taxes levied in South Africa.

In the event that withholding tax or such other deduction is required by law, then the Issuer will, subject to the exceptions in Condition 11 (*Taxation*) of the Note Terms and Conditions, pay such additional amounts as shall be necessary in order that the net amounts received by the Noteholders after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been payable in respect of the Notes in the absence of such withholding or deduction.

*Programme Preference Shares:* Part VIII of Chapter III of the South African Income Tax Act imposes a withholding tax on dividends declared by (i) a company which is a resident in South Africa, and (ii) a company which is not a resident in South Africa, if the share in respect of which that dividend is paid is listed on the JSE. Section 64F of the South African Income Tax Act exempts various entities from the withholding tax on dividends. Amongst others, companies and pension funds resident in South Africa are exempt from the dividends tax. Non-residents of South Africa are, however, subject to the dividends tax although it is possible that in specific instances a non-resident of

South Africa could obtain limited relief from the dividends tax in terms of a double taxation agreement.

Mauritius:

*Notes:* Interests paid by the Issuer to a Noteholder which is a company resident in Mauritius will be subject to Income Tax under the Mauritian Income Tax Act, to the extent that the recipient is not exempt from tax on its income. Gains or losses made by the Noteholder who is an individual, a Société or a Succession resident in Mauritius are considered as capital gains/losses and are not subject to Income Tax. Gains or losses derived by a Noteholder which is a company resident in Mauritius, except a company holding a Category 1 Global Business Licence, from the sale of the Notes held for a period of less than 6 months are subject to Income Tax if these are held as trading assets. A Noteholder who is resident in Mauritius is not subject to any withholding tax.

Interests payable to a Noteholder which is a non-resident of Mauritius (other than an individual) will be subject to withholding taxes in Mauritius at a rate of 15% or the rate specified under the applicable Double Taxation Agreement whichever is lower. This will be considered as final payment. In so far as the non-resident Noteholder is not carrying out any business in Mauritius and the interest is paid out of the foreign source income of the Issuer, the interest would be exempt from income tax.

*Programme Preference Shares:* Under the Mauritian Income Tax Act, dividends paid by a company resident in Mauritius are exempt from withholding tax or taxes.

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## FORM OF SECURITIES

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*Capitalised terms used in this section entitled "Form of Securities" shall bear the same meanings as used in the Applicable Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.*

### FORM OF THE NOTES

Notes may be issued in registered, unlisted registered form, as specified in the Applicable Pricing Supplement (Notes).

#### Registered Notes

A Tranche of Registered Notes may be issued in certificated form, but will be unlisted, or uncertificated form as specified in the Applicable Pricing Supplement (Notes). Each Tranche of Notes which is listed on the JSE will be held in the CSD in the name of, and for the account of, the CSD's Nominee. A Tranche of unlisted Notes may also be held in the CSD.

#### *Notes issued in certificated form*

All certificated Registered Notes will be represented by a single Individual Certificate in registered form. Notes represented by Individual Certificates will be registered in the Register in the name of the individual Noteholders of such Notes and will be unlisted.

Subject to Applicable Law, title to Notes represented by Individual Certificates will pass upon registration of transfer in accordance with Condition 15.1.2 (*Transfer of Registered Notes represented by Individual Certificates*) of the Note Terms and Conditions.

The Issuer shall regard the Register as the conclusive record of title to the Notes represented by Individual Certificates.

Payments of all amounts due and payable in respect of Notes represented by Individual Certificates will be made in accordance with Condition 10 (*Payments*) of the Note Terms and Conditions to the Person reflected as the registered Noteholder of such Notes in the Register at 17h00 (South African time) on the Last Day to Register, and the payment obligations of the Issuer will be discharged by proper payment to or to the order of such registered holder in respect of each amount so paid.

#### *Notes issued in uncertificated form*

A Tranche of Registered Notes which is listed on the JSE must, subject to Applicable Law and Applicable Procedures, be issued in uncertificated form in terms of section 33 of the South African Financial Markets Act.

Registered Notes issued in uncertificated form will not be represented by any certificate or written instrument. A Tranche of Registered Notes issued in uncertificated form will be held by the CSD, and the CSD's Nominee will be named in the Register as the registered Noteholder of that Tranche of Notes.

Subject to Applicable Law, title to Notes represented by Individual Certificates will pass upon registration of transfer in accordance with Condition 15.1.1 (*Transfer of Beneficial Interests in Registered Notes*) of the Note Terms and Conditions.

Payments of all amounts due and payable in respect of Notes represented by Individual Certificates will be made in accordance with Condition 10 (*Payments*) of the Note Terms and Conditions to the Person reflected as the registered Noteholder of such Notes in the Register at 17h00 (South African time) on the Last Day to Register, and the payment obligations of the Issuer will be discharged by proper payment to or to the order of such registered holder in respect of each amount so paid.

#### *Beneficial Interests in Notes held in the CSD*

A Tranche of Notes which is listed on the JSE will be issued in uncertificated form and held in the CSD. A Tranche of unlisted Notes may also be lodged in the CSD. While a Tranche of Notes is in the CSD, the CSD's Nominee will be named in the Register as the sole Noteholder of the Notes in that Tranche.

The CSD will hold each Tranche of Notes subject to the South African Financial Markets Act and the Applicable Procedures. All amounts to be paid and all rights to be exercised in respect of Notes held in the CSD will be paid to and may be exercised only by the CSD's Nominee for the holders of Beneficial Interests in such Notes.

The CSD maintains central securities accounts only for Participants. As at the Programme Date, the Participants are Citibank N.A. South Africa Branch, FirstRand Bank Limited; Nedbank Limited; Standard Chartered Bank, Johannesburg Branch; Société Générale, Johannesburg Branch, The Standard Bank of South Africa Limited and the South African Reserve Bank. Beneficial Interests which are held by Participants will be held directly through the CSD, and the CSD will hold such Beneficial Interests, on behalf of such Participants, through the central securities accounts maintained by the CSD for such Participants.

The Participants are in turn required to maintain securities accounts for their clients. Beneficial Interests which are held by clients of Participants will be held indirectly through such Participants, and such Participants will hold such Beneficial Interests, on behalf of such clients, through the securities accounts maintained by such Participants for such clients. The clients of Participants may include the holders of Beneficial Interests in the Notes or 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 CSD only through their Participants. Euroclear Bank S.A./N.V. as operator of the Euroclear System ("Euroclear") and Clearstream Banking, société anonyme, (Clearstream Luxembourg) ("Clearstream") may hold Notes through their Participant.

In relation to each Person shown in the records of the CSD or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular outstanding Nominal Amount of Notes, a certificate or other document issued by the CSD or the relevant Participant, as the case may be, as to the outstanding Nominal Amount of such Notes standing to the account of any Person shall be *prima facie* proof of such Beneficial Interest. The CSD's Nominee (as the registered Notchholder of such Notes named in the Register) will be treated by the Issuer, the Paying Agent, the Transfer Agent and the relevant Participant as the holder of that outstanding Nominal Amount of such Notes for all purposes.

Subject to Applicable Law, title to Beneficial Interests held by Participants directly through the CSD will pass on transfer thereof by electronic book entry in the central securities accounts maintained by the CSD for such Participants. Subject to Applicable Law, title to Beneficial Interests held by clients of Participants indirectly through such Participants will pass on transfer thereof by electronic book entry in the security accounts maintained by such Participants for such clients. Beneficial Interests may be transferred only in accordance with the Applicable Procedures. Holders of Beneficial Interests vote in accordance with the Applicable Procedures.

The holder of a Beneficial Interest will only be entitled to exchange such Beneficial Interest for Notes represented by an Individual Certificate in accordance with Condition 13.1 (*Exchange of Beneficial Interest and Replacement of Certificates*) of the Note Terms and Conditions.

#### **FORM OF THE PROGRAMME PREFERENCE SHARES**

Each Tranche of Programme Preference Shares shall be issued in the registered form.

##### **Registered Programme Preference Shares**

###### *Programme Preference Shares issued in uncertificated form*

Each Tranche of Programme Preference Shares which is listed on the Main Board of the JSE and each Tranche of unlisted Programme Preference Shares will be issued in registered uncertificated form in terms of section 33 of the South African Financial Markets Act and will be held in the CSD. Programme Preference Shares issued in uncertificated form will not be represented by any certificate or written instrument.

###### *Beneficial Interests in Programme Preference Shares held in the CSD*

All Programme Preference Shares which are held in the CSD will be held subject to the South African Financial Markets Act and the Applicable Procedures. All amounts to be paid and all rights to be exercised in respect of Programme Preference Shares held in the CSD will be paid to and may be exercised only by the CSD's Nominee for the holders of Beneficial Interests in such Programme Preference Shares.

While a Tranche of Programme Preference Shares is held in its entirety in the CSD, the CSD's Nominee will be named in the Register as the sole Programme Preference Shareholder of the Programme Preference Shares in that Tranche.

All amounts to be paid and all rights to be exercised in respect of Programme Preference Shares held in the CSD will be paid to and may be exercised only by the CSD's Nominee for the holders of Beneficial Interests in such Programme Preference Shares.

The CSD maintains central securities accounts only for Participants. As at the Programme Date, the Participants are FirstRand Bank Limited, Nedbank Limited, Citibank N.A. South Africa Branch, Standard Chartered Bank, Johannesburg Branch, Société Générale, Johannesburg Branch, The Standard Bank of South Africa Limited and

the South African Reserve Bank.

Beneficial Interests which are held by Participants will be held directly through the CSD, and the CSD will hold such Beneficial Interests, on behalf of such Participants, through the central securities accounts maintained by the CSD for such Participants.

The Participants are in turn required to maintain securities accounts for their clients. Beneficial Interests which are held by clients of Participants will be held indirectly through such Participants, and such Participants will hold such Beneficial Interests, on behalf of such clients, through the securities accounts maintained by such Participants for such clients. The clients of Participants may include the holders of Beneficial Interests in the Programme Preference Shares or 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 Programme Preference Shares held by them in the CSD only through their Participants. Euroclear and Clearstream Banking may hold Programme Preference Shares through their Participant.

In relation to each person shown in the records of the CSD or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in Programme Preference Shares, a certificate or other document issued by the CSD or the relevant Participant, as the case may be, as to the aggregate Calculation Amount of such Programme Preference Shares standing to the account of any person shall be *prima facie* proof of such Beneficial Interest. The CSD's Nominee (as the registered Programme Preference Shareholder of such Programme Preference Shares named in the Register) will be treated by the Issuer, the Paying Agent, the Transfer Agent and the relevant Participant as the holder of the aggregate Calculation Amount of such Programme Preference Shares for all purposes.

Title to Beneficial Interests held by Participants directly through the CSD will pass on transfer thereof by electronic book entry in the central securities accounts maintained by the CSD for such Participants. Title to Beneficial Interests held by clients of Participants indirectly through such Participants will pass on transfer thereof by electronic book entry in the securities accounts maintained by such Participants for such clients. Beneficial Interests may be transferred only in accordance with the Applicable Procedures. Holders of Beneficial Interests vote in accordance with the Applicable Procedures.

*Programme Preference Shares represented by Individual Certificates*

A holder of a Beneficial Interest shall only be entitled to exchange such Beneficial Interest for Programme Preference Shares represented by an Individual Certificate in accordance with Condition 16.1 (*Transfer of Beneficial Interests in Programme Preference Shares held in the CSD*) of the Programme Preference Share Terms and Conditions.

Title to Programme Preference Shares represented by Individual Certificates will pass upon registration of transfer in accordance with Condition 16.2 (*Transfer of Programme Preference Shares represented by Individual Certificates*) of the Programme Preference Share Terms and Conditions.

The Issuer, the Paying Agent and the Transfer Agent shall regard the Register as the conclusive record of title to the Programme Preference Shares represented by Individual Certificates.

Payments of all amounts due and payable in respect of Programme Preference Shares represented by Individual Certificates will be made in accordance with Condition 12 (*Payments*) of the Programme Preference Share Terms and Conditions to the person reflected as the registered Programme Preference Shareholder of such Programme Preference Shares in the Register at 17h00 (South African time) on the Last Day to Register.



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## NOTE TERMS AND CONDITIONS

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*The following are the terms and conditions of the Notes (the “**Note Terms and Conditions**”) to be issued by the Issuer pursuant to this Programme Memorandum. Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. Before the Issuer issues any Tranche of Notes, the Issuer shall complete and sign the Applicable Pricing Supplement (Notes), based on the Pro Forma Pricing Supplement (Notes) included in the Programme Memorandum, setting out details of such Notes. The Applicable Pricing Supplement (Notes) in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Note Terms and Conditions, replace or modify the following Note Terms and Conditions for the purpose of such Tranche of Notes.*

*Any reference in this Programme Memorandum to any statute, regulation or other legislation shall be a reference to that statute, regulation or other legislation at the Programme Date, as amended or substituted from time to time.*

### 1. DEFINITIONS

In these Note Terms and Conditions, unless inconsistent with the context or separately defined in the Applicable Pricing Supplement (Notes), the following expressions shall have the following meanings:

“ <b>Additional Business Centre(s)</b> ”	in relation to a Tranche of Notes, the city or cities specified as such in the Applicable Pricing Supplement (Notes);
“ <b>Applicable Law</b> ”	any law (including statutory, common or customary law), statute, constitution, decree, treaty, regulation, judgment, directive, by-law, order, other legislative measure, requirement, request or guideline (whether or not having the force of law but, if not having the force of law, is generally complied with by the person to whom it is addressed or applied) of any government (including without limitation South Africa and/or Mauritius), supranational, local government, statutory or regulatory or self-regulatory or similar body or authority or court;
“ <b>Applicable Pricing Supplement</b> ”	the pricing supplement relating to a Tranche of Notes, based upon the <i>pro forma</i> Applicable Pricing Supplement which is set out in the section of the Programme Memorandum headed “ <i>Pro Forma Applicable Pricing Supplement</i> ”;
“ <b>Applicable Procedures</b> ”	the rules, listing requirements and operating procedures from time to time of the CSD, Settlement Agents, JSE and/or any Financial Exchange, as the case may be;
“ <b>Applicable Redemption Amount</b> ”	in relation to a Tranche of Notes, the Final Redemption Amount, the Optional Redemption Amount, the Early Redemption Amount or such other amount in the nature of a redemption amount, as appropriate, as may be specified in, or determined in accordance with the provisions of, the relevant Applicable Pricing Supplement (Notes) relating to that Tranche;
“ <b>Applicable Redemption Date</b> ”	in relation to a Tranche of Notes, the Maturity Date or the relevant Early Redemption Date, as applicable;
“ <b>Beneficial Interest</b> ”	in relation to a Tranche of Notes which is held in the CSD, the beneficial interest as a co-owner of an undivided share of all of the Notes in that Tranche, as contemplated in section 37(1) of the South African Financial Markets Act, the nominal value of which beneficial interest, in relation to any number of Notes in that Tranche, is determined by reference to the portion that the aggregate Nominal Amount of such number of Notes Outstanding bears to the aggregate Nominal Amount of all of the Notes in that Tranche Outstanding, as provided in section 37(3) of the South African Financial Markets Act;

<b>“BESA Guarantee Fund Trust”</b>	the guarantee fund trust operated by the JSE as a separate guarantee fund in terms of sections 8(1)(h) and 17(1)(w) of the South African Financial Markets Act or any successor fund;
<b>“Books Closed Period”</b>	in relation to a Tranche of Notes, the period, as specified in the Applicable Pricing Supplement (Notes) relating to that Tranche, commencing after the Last Day to Register, during which transfers of that Tranche of Notes will not be registered;
<b>“Business Day”</b>	a day (other than a Saturday or Sunday or public holiday within the meaning of the South African Public Holidays Act, 1994 and/or the Public Holidays Act 1968 of Mauritius, as applicable) which is a day on which commercial banks settle payments in Johannesburg, Port Louis or any Additional Business Centre specified in the Applicable Pricing Supplement (Notes) save that if the Specified Currency is not ZAR or MUR, <b>“Business Day”</b> shall mean a day (other than a Saturday or Sunday) which is a day on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the Specified Currency and in each (if any) Additional Business Centre, save further that if the Applicable Pricing Supplement (Notes) so provides, <b>“Business Day”</b> shall include a Saturday;
<b>“Calculation Agent”</b>	IBL, unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Notes, another entity as Calculation Agent, in which event that other entity shall act as a Calculation Agent in respect of that Tranche or Series of Notes;
<b>“Calculation Amount”</b>	in relation to a Tranche of Notes, the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to that Tranche;
<b>“Central Bank”</b>	the Bank of Mauritius, established in accordance with the Bank of Mauritius Act, 2004, as amended from time to time;
<b>“Change in Law”</b>	on, or after the Issue Date of the first Tranche of Notes in any Series of Notes, (a) due to the adoption of or any change in any Applicable Law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any Applicable Law or regulation (including any action taken by a taxing authority), the Issuer determines in good faith that it will incur a materially increased cost in performing its obligations under such Notes (including, without limitation, due to any tax liability, decrease in tax benefit or other adverse effect on its tax position);
<b>“Class of Noteholders”</b>	the holders of a Series of Notes or, where appropriate, the holders of different Series of Notes;
<b>“Commercial Paper Regulations”</b>	the commercial paper regulations of 14 December 1994 issued pursuant to paragraph (cc) of the definition of “the business of a bank” in the South African Banks Act, set out in Government Notice 2172 and published in South African Government Gazette 16167 of 14 December 1994;
<b>“Concurrent Claims”</b>	means all unsecured, non-preferent, unsubordinated claims of creditors of the Issuer including, without limiting the generality of the foregoing, the claims of the holders of Senior Notes, proved in the dissolution, winding-up or liquidation of the Issuer;
<b>“CSD”</b>	Strate Limited (registration number 1998/022242/06), or its nominee, a public company registered as a central securities depository in terms of the South African Financial Markets Act (or any successor legislation thereto), or any additional or

	alternate depository approved by the Issuer;
<b>"CSD's Nominee"</b>	a wholly owned subsidiary of the CSD approved by the Registrar of Securities Services in terms of the South African Financial Markets Act, and any reference to " <i>CSD's Nominee</i> " shall, whenever the context permits, be deemed to include any successor nominee operating in terms of the South African Financial Markets Act;
<b>"Day Count Fraction"</b>	<p>in respect of the calculation of an amount for any period of time (the "<b>Calculation Period</b>"), such day count fraction as may be specified in these Note Terms and Conditions or the Applicable Pricing Supplement (Notes):</p> <p>(a) if "<b>Actual/Actual (ICMA)</b>" is so specified, means:</p> <ul style="list-style-type: none"> <li>(i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and</li> <li>(ii) where the Calculation Period is longer than one Regular Period, the sum of: <ul style="list-style-type: none"> <li>(1) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and</li> <li>(2) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;</li> </ul> </li> </ul> <p>(b) if "<b>Actual/365</b>" or "<b>Actual/Actual (ISDA)</b>" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);</p> <p>(c) if "<b>Actual/365 (Fixed)</b>" is so specified, means the actual number of days in the Calculation Period divided by 365;</p> <p>(d) "<b>Actual/360</b>" is so specified, means the number of days in the Calculation Period divided by 360;</p> <p>(e) if "<b>30/360</b>" is so specified, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30 day months (unless (i) the last day of the Calculation Period is the 31<sup>st</sup> day of a month but the first day of the Calculation Period is a day other than the 30<sup>th</sup> or 31<sup>st</sup> day of a month, in which case the month that included the last day shall not be considered to be shortened to a 30 day month, or (ii) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a</p>

	30 day month)); and
	(f) if “30E/360” or “Eurobond Basis” is so specified means, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30 day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the date of final maturity is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30 day month;
“Dealer(s)”	IBL and/or any other additional Dealer appointed under the Programme from time to time by the Issuer, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer’s right to terminate the appointment of any Dealer;
“Designated Maturity”	has the meaning ascribed thereto in the Applicable Pricing Supplement (Notes);
“Early Redemption Amount”	the amount at which the Notes will be redeemed by the Issuer pursuant to the provisions of Conditions 9.2 ( <i>Redemption following the occurrence of a Tax Event (Gross up) or Tax Event (Deductibility) or Change in Law</i> ), 9.6 ( <i>Redemption for Regulatory Capital reasons</i> ) and/or Condition 13 ( <i>Events of Default</i> ), determined in accordance with Condition 9.8 ( <i>Early Redemption Amounts</i> ) or as set out in the Applicable Pricing Supplement (Notes);
“Early Redemption Date”	<p>(a) the date on which the Issuer elects to redeem Notes as contemplated in Condition 9.2 (<i>Redemption following the occurrence of a Tax Event (Gross up) or Tax Event (Deductibility) or Change in Law</i>), Condition 9.3 (<i>Early Redemption at the option of the Issuer</i>) or Condition 9.6 (<i>Redemption for Regulatory Capital reasons</i>); and/or</p> <p>(b) the date on which the Issuer is obliged to redeem that Programme Preference Share in accordance with Condition 10.4 (<i>Early Redemption following a Redemption Event</i>);</p>
“Event of Default”	an event of default as set out in Condition 13 ( <i>Events of Default</i> );
“Exchangeable Notes”	Notes which may be redeemed by the Issuer in the manner specified in the Applicable Pricing Supplement (Notes) by the delivery to the Noteholders of cash or of so many of the Exchange Securities as are determined in accordance with the Applicable Pricing Supplement (Notes);
“Exchange Period”	in respect of Exchangeable Notes to which the Noteholders’ Exchange Right applies (as specified in the Applicable Pricing Supplement (Notes)), the period specified in the Applicable Pricing Supplement (Notes) during which such right may be exercised;
“Exchange Price”	the value specified in the Applicable Pricing Supplement (Notes) according to which the number of Exchange Securities which may be delivered in redemption of an Exchangeable Note will be determined;
“Exchange Securities”	the securities specified in the Applicable Pricing Supplement (Notes) which may be delivered by the Issuer in redemption of Exchangeable Notes to the value of the Exchange Price;
“Extraordinary Resolution”	a resolution passed at a meeting (duly convened) of the Noteholders by a majority consisting of not less than 66.67%

	(sixty-six point six seven percent). of the persons voting thereat upon a show of hands or if a poll be duly demanded, then by a majority consisting of not less than 66.67% (sixty-six point six seven percent) of the votes given on such poll;
<b>"Final Redemption Amount"</b>	the amount of principal payable in respect of each Note upon final redemption thereof, as specified in the Applicable Pricing Supplement (Notes);
<b>"Financial Exchange"</b>	the JSE and/or such other or further financial exchange(s) as may be selected by the Issuer and the relevant Dealer, subject to Applicable Law;
<b>"Financial Indebtedness"</b>	<p>any indebtedness of any Person for money borrowed or raised including (without limitation) any indebtedness for or in respect of:</p> <ul style="list-style-type: none"> <li>(a) amounts raised by acceptance under any acceptance credit facility;</li> <li>(b) amount raised under any note purchase facility;</li> <li>(c) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with the Applicable Law and generally accepted accounting principles, be treated as finance and capital leases;</li> <li>(d) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 90 (ninety) days; and</li> <li>(e) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;</li> </ul>
<b>"Fixed Coupon Amount"</b>	the fixed coupon amount specified as such in the Applicable Pricing Supplement (Notes);
<b>"Fixed Rate Notes"</b>	Notes which will bear interest at a fixed interest rate, as specified in the Applicable Pricing Supplement (Notes) and more fully described in Condition 8.1 ( <i>Interest on Fixed Rate Notes</i> );
<b>"Floating Rate Notes"</b>	Notes which will bear interest at a floating rate as specified in the Applicable Pricing Supplement (Notes) and more fully described in Condition 8.2 ( <i>Interest on Floating Rate Notes and Indexed Notes</i> );
<b>"Higher Redemption Amount"</b>	has the meaning ascribed thereto in the Applicable Pricing Supplement (Notes);
<b>"IBL"</b>	Investec Bank Limited (registration number 1969/004763/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa;
<b>"IFRS"</b>	the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB (as amended, supplemented or re-issued from time to time);
<b>"Implied Yield"</b>	the yield accruing on the Issue Price of Zero Coupon Notes, as specified in the Applicable Pricing Supplement (Notes);
<b>"Indexed Interest Notes"</b>	Notes in respect of which the Interest Amount is calculated by reference to such index and/or formula as specified in the Applicable Pricing Supplement (Notes);

<b>“Indexed Notes”</b>	an Indexed Interest Note and/or an Indexed Redemption Amount Note, as applicable;
<b>“Indexed Redemption Amount Notes”</b>	Notes in respect of which the Final Redemption Amount is calculated by reference to an index and/or a formula as specified in the Applicable Pricing Supplement (Notes);
<b>“Individual Certificate”</b>	in respect of Registered Notes: a Registered Note in the definitive registered form of a single certificate and, in respect of Registered Notes issued in uncertificated form, a certificate exchanged for a Beneficial Interest in the Notes in accordance with Condition 13.1 ( <i>Exchange of Beneficial Interests and Replacement of Certificates</i> ) and any further certificate issued in consequence of a transfer thereof;
<b>“Instalment Amount”</b>	the amount expressed as a percentage of the Nominal Amount of an Instalment Note, being an instalment of principal (other than the final instalment) on an Instalment Note;
<b>“Instalment Notes”</b>	Notes redeemable in Instalment Amounts by the Issuer on an amortised basis on different Instalment Dates, as specified in the Applicable Pricing Supplement (Notes);
<b>“Interest Amount”</b>	in relation to a Tranche of Notes and an Interest Period, the amount of interest payable on the Calculation Amount of each Notes in that Tranche, on each Interest Payment Date in respect of such Interest Period, determined by the Calculation Agent in accordance with Condition 8 ( <i>Interest</i> );
<b>“Interest Commencement Date”</b>	in relation to a Tranche of Notes, the first date from which interest on such Tranche, other than Zero Coupon Notes, will accrue, as specified in the Applicable Pricing Supplement (Notes);
<b>“Interest Payment Date”</b>	if applicable in relation to a Tranche of Notes, the date(s) specified in the Applicable Pricing Supplement (Notes);
<b>“Interest Period”</b>	each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date; provided that the first Interest Period shall begin on (and include) the Issue Date and the last Interest Period in respect of such Notes shall end on (but exclude) the Applicable Redemption Date;
<b>“Interest Rate”</b>	the rate or rates of interest applicable to Notes other than Zero Coupon Notes, as specified in the Applicable Pricing Supplement (Notes);
<b>“Interest Rate Determination Date”</b>	if applicable in relation to a Tranche of Notes, the date(s) specified in the Applicable Pricing Supplement (Notes);
<b>“Interest Rate Market of the JSE”</b>	the separate platform or sub-market of the JSE designated as the “ <i>Interest Rate Market</i> ”, or such other platform or submarket designated by the JSE from time to time, and on which Notes (and other debt securities) may be listed;
<b>“Investec Group”</b>	IBL and any other company or entity whose financial results are consolidated with the financial results of IBL in accordance with IFRS;
<b>“ISDA Definitions”</b>	the 2006 ISDA Definitions as published by International Swaps and Derivatives Association, Inc.;
<b>“Issue Date”</b>	in relation to a Tranche of Notes, the date specified as such in the Applicable Pricing Supplement (Notes), being the date upon which such Tranche of Notes is issued by the Issuer;

<b>“Issue Price”</b>	in relation to a Tranche of Notes, the price specified as such in the Applicable Pricing Supplement (Notes);
<b>“Issuer”</b>	Investec Bank (Mauritius) Limited (business registration number 8752/3362), a company with limited liability duly incorporated in accordance with the company laws of Mauritius and a registered bank under the banking laws of Mauritius;
<b>“JSE”</b>	JSE Limited (registration number 2005/022939/06), a public company with limited liability duly incorporated in accordance with the laws of South Africa and licensed as an exchange under the South African Financial Markets Act or any exchange which operates as a successor exchange to the JSE;
<b>“JSE Guarantee Fund”</b>	the guarantee fund established and operated by the JSE as a separate guarantee fund, in terms of the rules of the JSE, as required by sections 8(1)(h) and 17(1)(w) of the South African Financial Markets Act or such other fund of any successor exchange, as the case may be;
<b>“JSE Listings Requirements”</b>	the listings requirements of the JSE in force from time to time;
<b>“Last Day to Register”</b>	with respect to a particular Series of Notes (as specified in the Applicable Pricing Supplement (Notes)), the last date or dates preceding a Books Closed Period on which the Transfer Agent will accept Transfer Forms and record the transfer of Notes in the Register for that particular Series of Notes and whereafter, the Register is closed for further transfers or entries until the Payment Day;
<b>“Mandatory Exchange”</b>	if specified in the Applicable Pricing Supplement (Notes), the obligation of the Issuer to redeem Exchangeable Notes on the Maturity Date by delivery of Exchange Securities to the relevant Noteholders of Exchangeable Notes;
<b>“Margin”</b>	in relation to a Tranche of Floating Rate Notes, the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to that Tranche;
<b>“Maturity Date”</b>	in relation to a Tranche of Notes, the date specified as such in the Applicable Pricing Supplement (Notes) relating to that Tranche;
<b>“Mauritius”</b>	the Republic of Mauritius;
<b>“Mauritian Companies Act”</b>	the Mauritian Companies Act, 2001, as amended from time to time;
<b>“Mauritian Banking Act”</b>	the Mauritian Banking Act, 2004, as amended from time to time;
<b>“Mauritian Income Tax Act”</b>	the Mauritian Income Tax Act, 1995, as amended from time to time;
<b>“Minimum Redemption Amount”</b>	in relation to a Tranche of Notes, the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to that Tranche;
<b>“Mixed Rate Notes”</b>	Notes which will bear interest over respective periods at differing interest rates applicable to any combination of Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or Indexed Notes, each as specified in the Applicable Pricing Supplement (Notes) and as more fully described in Condition 8.3 ( <i>Interest on Mixed Rate Notes</i> );
<b>“MUR”</b>	the lawful currency of Mauritius, being the Mauritian Rupee, or any successor currency;

<b>“Nominal Amount”</b>	in relation to any Note, the total amount, excluding interest owing by the Issuer under the Note, as specified in the Applicable Pricing Supplement (Notes);
<b>“Noteholders”</b>	the holders of the Registered Notes (as recorded in the Register);
<b>“Noteholders' Exchange Right”</b>	if specified in the Applicable Pricing Supplement (Notes), the right of Noteholders of Exchangeable Notes to elect to receive delivery of the Exchange Securities in lieu of cash from the Issuer upon redemption of such Notes;
<b>“Notes”</b>	the notes issued or to be issued by the Issuer under the Programme and represented by an Individual Certificate (if any), or Uncertificated Notes;
<b>“Optional Redemption Amount ”</b>	in respect of any Note, its Nominal Amount or such other amount as may be specified in, or determined in accordance with, the Applicable Pricing Supplement (Notes);
<b>“Optional Redemption Date(s)”</b>	<p>the date(s) specified as such in the Applicable Pricing Supplement (Notes) in relation to a Tranche of Notes pursuant to which:</p> <ul style="list-style-type: none"> <li>(a) the Issuer is specified as having an option to redeem in accordance with Condition 9.3 (<i>Early Redemption at the option of the Issuer</i>). If no such date(s) is/are specified in the Applicable Pricing Supplement (Notes), the Optional Redemption Date(s) shall be the Interest Payment Date(s) (in the case of interest-bearing Notes) or, such other date(s) (in the case of non-interest bearing Notes) stipulated as the date(s) for redemption of such Tranche of Notes or the relevant portion of such Tranche of Notes, as the case may be, in the notice delivered by the Issuer pursuant to Condition 9.3 (<i>Early Redemption at the option of the Issuer</i>); or</li> <li>(b) the Senior Noteholders are specified as having an option to redeem in accordance with Condition 9.6 (<i>Early Redemption at the option of the Noteholders of Senior Notes</i>). If no such date(s) is/are specified in the Applicable Pricing Supplement (Notes), the Optional Redemption Date(s) shall be the Interest Payment Date(s) (in the case of interest-bearing Notes) or such other date(s) (in the case of non-interest bearing Notes) stipulated as the date(s) for redemption of such Tranche of Senior Notes or the relevant portion of such Tranche of Senior Notes, as the case may be, in the Put Notice;</li> </ul>
<b>“Outstanding”</b>	<p>in relation to the Notes, all the Notes issued other than:</p> <ul style="list-style-type: none"> <li>(a) those which have been redeemed in full;</li> <li>(b) those in respect of which the date for redemption in accordance with the Note Terms and Conditions has occurred and the redemption moneys wherefore (including all interest (if any) accrued thereon to the date for such redemption and any interest (if any) payable under the Note Terms and Conditions after such date) remain available for payment against presentation of Individual Certificates;</li> <li>(c) those which have been purchased and cancelled as provided in Condition 9.13 (<i>Cancellation</i>);</li> <li>(d) those which have become void under Condition 12 (<i>Prescription</i>);</li> </ul>



- (e) Notes represented by those mutilated or defaced Individual Certificates which have been surrendered in exchange for replacement Individual Certificates pursuant to Condition 13.1 (*Exchange of Beneficial Interests and Replacement of Certificates*);
- (f) (for the purpose only of determining how many Notes are Outstanding and without prejudice to their status for any other purpose), those Notes represented by Individual Certificates alleged to have been lost, stolen or destroyed and in respect of which replacement Individual Certificates have been issued pursuant to Condition 13.1 (*Exchange of Beneficial Interests and Replacement of Certificates*),

provided that for each of the following purposes, namely:

- (1) the right to attend and vote at any meeting of the Noteholders; and
- (2) the determination of how many and which Notes are for the time being Outstanding for the purposes of Conditions 19 (*Meetings of Noteholders*) and 20 (*Modification*), all:
  - (i) Notes (if any) which are for the time being held by the Issuer (subject to any Applicable Law); or
  - (ii) by any Person for the benefit of the Issuer and not cancelled (unless and until ceasing to be so held).

shall be deemed not to be Outstanding;

<b>“Participants”</b>	depository institutions accepted by the CSD as participants in terms of section 31 of the South African Financial Markets Act, and who are approved by the JSE, in terms of the debt listings requirements of the JSE, as a Settlement Agent to perform electronic settlement of funds and scrip;
<b>“Partly Paid Notes”</b>	Notes which are issued with the Issue Price partly paid and which Issue Price is paid up fully by the Noteholder in instalments (as specified in the Applicable Pricing Supplement (Notes));
<b>“Paying Agent”</b>	IBL, unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Notes, another entity as Paying Agent, in which event that other entity shall act as a Paying Agent in respect of that particular Tranche or Series of Notes;
<b>“Payment Day”</b>	any day which is a Business Day and upon which a payment is due by the Issuer in respect of a Tranche of Notes;
<b>“Person”</b>	any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;
<b>“Programme”</b>	Investec Bank (Mauritius) Limited ZAR6,000,000,000 Medium Term Note and Preference Share Programme;
<b>“Programme Amount”</b>	the maximum aggregate Nominal Amount of all Notes Outstanding and the aggregate Calculation Amount of all Programme Preference Shares that may be issued under the Programme at any one point in time being as at the Programme Date, ZAR6,000,000,000 (or its equivalent in other currencies) or such increased amount as is determined by the Issuer from time to time, subject to the Applicable Procedures and Applicable Law as

	set out in the section of this Programme Memorandum headed “ <i>General Description of the Programme</i> ”);
“Programme Date”	9 October 2014;
“Programme Memorandum”	this programme memorandum dated 9 October 2014 which will apply to all Notes and Programme Preference Shares issued under the Programme on or after the Programme Date;
“Programme Preference Share Terms and Conditions”	the terms and conditions of the Programme Preference Shares set out in the section of this Programme Memorandum headed “ <i>Programme Preference Share Terms and Conditions</i> ”;
“Programme Preference Shares”	the preference shares issued or to be issued by the Issuer under the Programme from time to time;
“Put Notice”	a notice which must be delivered to the Paying Agent by any Noteholder wanting to exercise its option (if applicable) to require the Issuer to redeem the Senior Notes in that Tranche of Notes held by the Noteholder, in whole or in part at the Optional Redemption Amount on the Optional Redemption Date in terms of Condition 9.4 ( <i>Early Redemption at the Option of Noteholders of Senior Notes</i> );;
“Reference Banks”	in relation to a Tranche of Notes, the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to that Tranche;
“Reference Price”	in relation to a Tranche of Notes, the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to that Tranche;
“Reference Rate”	in relation to a Tranche of Notes, the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to that Tranche;
“Register”	the register of Noteholders maintained by the Transfer Agent in terms of Condition 16 ( <i>Register</i> ), including any Uncertificated Securities Register, as the case may be;
“Registrar of Securities Services”	the Registrar of Securities Services designated under the South African Financial Markets Act;
“Registered Note”	a Note issued in registered form and transferable in accordance with Condition 15.1 ( <i>Transfer of Registered Notes</i> ) and which may include Uncertificated Notes;
“Regular Period”	<p>(a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;</p> <p>(b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date, where “<i>Regular Date</i>” means the day and month (but not the year) on which any Interest Payment Date falls; and</p> <p>(c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date to but excluding the next Regular Date, where “<i>Regular Date</i>” means the day and the month (but not the year) on which any Interest</p>

	Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;
<b>“Regulatory Capital”</b>	<i>“Core (Tier 1) Capital”</i> or <i>“Supplementary (Tier 2) Capital”</i> each as defined in the Guideline on Eligible Capital dated April 2008 issued by the Central Bank;
<b>“Regulatory Capital Change”</b>	a change in, or amendment to, the Regulatory Capital Requirements or any change in the application of or official or generally published guidance or interpretation of the Regulatory Capital Requirements, which change or amendment (i) becomes, or would become, effective on or after the Issue Date of the first Tranche of Notes of the relevant Series and (ii) was not, in the opinion of the Issuer, reasonably enforceable as at the Issue Date of the first Tranche of Notes of the relevant Series;
<b>“Regulatory Capital Event”</b>	an event which is deemed to have occurred if, with respect to the Notes of any Series which comprise Subordinated Capital Notes on the Issue Date of the first Tranche of Notes of that Series, the aggregate Outstanding Nominal Amount of the Notes of that Series is, as a result of a Regulatory Capital Change, not fully included in the Regulatory Capital of the Issuer on a solo and/or consolidated basis (save where such non-qualification is only as a result of any applicable limitation on the amount of such capital);
<b>“Regulatory Capital Requirements”</b>	at any time, any legislation, regulations, requirements, guidelines and policies relating to capital adequacy then in effect in South Africa and/or Mauritius in relation to banks registered under the South African Banks Act and/or the Mauritian Banking Act and licensed to conduct the business of a bank in South Africa and/or Mauritius (including any additional conditions prescribed by the registrar of banks in South Africa and/or the Central Bank) or the controlling companies of such banks;
<b>“Relevant Date”</b>	in respect of any payment relating to the Notes, the date on which such payment first becomes due, except that, in relation to monies payable to the CSD in accordance with these Note Terms and Conditions, it means the first date on which: <ul style="list-style-type: none"> <li>(a) the full amount of such monies have been received by the CSD;</li> <li>(b) such monies are available for payment to the holders of Beneficial Interests; and</li> <li>(c) notice to that effect has been duly given to such holders in accordance with the Applicable Procedures;</li> </ul>
<b>“Relevant Screen Page”</b>	the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the Applicable Pricing Supplement (Notes), or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;
<b>“Relevant Time”</b>	in relation to a Tranche of Notes, the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to that Tranche;
<b>“Representative”</b>	a Person duly authorised to act on behalf of a Noteholder, who may be regarded by the Issuer, the Transfer Agent and the Paying Agent (all acting in good faith) as being duly authorised based upon the tacit or express representation thereof by such Representative, in the absence of express notice to the contrary

	from such Noteholder;
“Senior Notes”	Notes issued with the status and characteristics set out in Condition 6.1 ( <i>Status of Senior Notes</i> ) as specified in the Applicable Pricing Supplement (Notes);
“Series”	a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series; and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices;
“Settlement Agent”	a Participant, approved by the JSE or any other Financial Exchange to perform electronic net settlement of both funds and scrip on behalf of market participants;
“South Africa”	the Republic of South Africa;
“South African Banks Act”	the South African Banks Act, 1990;
“South African Companies Act”	the South African Companies Act, 2008;
“South African Exchange Control Regulations”	the South African Exchange Control Regulations, 1961, promulgated pursuant to the South African Currency and Exchanges Act, 1933;
“South African Financial Markets Act”	the South African Financial Markets Act, 2012;
“South African Income Tax Act”	the South African Income Tax Act, 1962;
“Special Resolution”	a resolution approved by a majority of 75% (seventy five percent) of the votes of those Programme Preference Shareholders entitled to vote and voting on that resolution;
“Specified Currency”	in relation to a Tranche of Notes, the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to that Tranche;
“Specified Denomination”	in relation to a Tranche of Notes, the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to that Tranche;
“Specified Office”	the registered address of the Issuer as specified in the Applicable Pricing Supplement (Notes) or such other address as the Issuer may specify by notice to the Noteholders which change of address shall in each case be notified to the Noteholders in accordance with Condition 18 ( <i>Notices</i> );
“Subordinated Capital Notes”	Subordinated Notes the proceeds of which are intended to qualify as Regulatory Capital in accordance with the relevant Regulatory Capital Requirements;
“Subordinated Indebtedness”	any indebtedness of the Issuer in respect of moneys borrowed, including guarantees given by the Issuer in respect of such indebtedness (including indebtedness of the Issuer in respect of the Subordinated Notes), under which the right of payment of the Person(s) entitled thereto is, or is expressed to be, or is required by any present or future agreement of the Issuer to be, subordinated to Concurrent Claims in the event of the dissolution, winding up or liquidation of, or the commencement of business rescue proceedings in respect of, the Issuer;
“Subordinated Notes”	any Notes (including Subordinated Capital Notes) specified as such in the Applicable Pricing Supplement (Notes), issued with the status and characteristics set out in Condition 6.2 ( <i>Status of Subordinated Notes</i> );

“Tax Event (Deductibility)”	an event where, as a result of a Tax Law Change, in respect of the Issuer’s obligation to make any payment of interest on the next following Interest Payment Date or any subsequent Interest Payment Date, the Issuer would not be entitled to claim a deduction in respect of computing its taxation liabilities or such entitlement is materially reduced, and in each case the Issuer cannot avoid the foregoing in connection with the Notes by taking measures reasonably available to it (such reasonable measures to exclude any requirement to instigate litigation in respect of any decision or determination of the Mauritius Revenue Authority or of the South African Revenue Service (as the case may be) that any such interest does not constitute a tax deductible expense);
“Tax Event (Gross up)”	an event where, as a result of a Tax Law Change, (a) the Issuer has paid or will or would on the next Interest Payment Date be required to pay additional amounts as provided or referred to in Condition 11 ( <i>Taxation</i> ); or (b) in respect of the Issuer’s obligation to make any payment of interest on the next following Interest Payment Date or any subsequent Interest Payment Date, the Issuer would not be entitled to claim a deduction in respect of computing its taxation liabilities, or such entitlement is materially reduced, and in each case the Issuer cannot avoid the foregoing in connection with the Notes by taking measures reasonably available to it (such reasonable measures to exclude any requirement to instigate litigation in respect of any decision or determination of the Mauritius Revenue Authority or of the South African Revenue Service (as the case may be) that any such interest does not constitute a tax deductible expense);
“Tax Law Change”	a change or proposed change in, or amendment or proposed amendment to, the tax laws or regulations of South Africa and/or Mauritius, or any political subdivision or any authority thereof or therein having power to Tax, or any change in the application or official interpretation of such tax laws or regulations (including a holding by a court of competent jurisdiction), which actual or proposed change or amendment becomes effective on or after the date of issue of the Notes;
“Taxes”	a change or proposed change in, or amendment or proposed amendment to, the tax laws or regulations of South Africa and/or Mauritius, or any political subdivision or any authority thereof or therein having power to Tax, or any change in the application or official interpretation of such tax laws or regulations (including a holding by a court of competent jurisdiction), which actual or proposed change or amendment becomes effective on or after the date of issue of the Notes; “Tax” and “Taxation” will be construed accordingly;
“Tranche”	in relation to any particular Series, all Notes which are identical in all respects (including as to listing);
“Transfer Agent”	IBI, unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Notes, another entity as Transfer Agent, in which event that other entity shall act as a Transfer Agent in respect of that particular Tranche or Series of Notes;
“Transfer Form”	the written form for the transfer of a Registered Note, in the form approved by the Transfer Agent, and signed by the transferor and transferee;
“Uncertificated Note”	a Note that is an uncertificated security as contemplated in the South African Financial Markets Act;

“ZAR”	the lawful currency of South Africa, being the South African Rand, or any successor currency;
“ZAR-JIBAR-SAFEX”	the mid-market rate for deposits in ZAR for a period of the Designated Maturity which appears on the Reuters Screen SAFEY Page as at 12h00, Johannesburg time on the relevant date, or any successor rate; and
“Zero Coupon Notes”	Notes which will be offered and sold at a discount to their Nominal Amount or at par and will not bear interest other than in the case of late payment.

## 2. INTERPRETATION

### 2.1 In these Note Terms and Conditions:

- 2.1.1 if an expression is stated in Condition 1 (*Definitions*) to have the meaning given in the Applicable Pricing Supplement (Notes), but the Applicable Pricing Supplement (Notes) gives no such meaning or specifies that such expression is “*not applicable*” then such expression is not applicable to the relevant Tranche of Notes;
- 2.1.2 any reference to any statute, regulation or other legislation will be a reference to that statute, regulation or other legislation as at the Programme Date and as amended, re-enacted or replaced and substituted from time to time;
- 2.1.3 any reference to “*Currency*” or “*currency*” means the lawful currency from time to time of a country.
- 2.2 Unless inconsistent with the context or save where the contrary is expressly specified in the Note Terms and Conditions:
  - 2.2.1 references to any Condition are to that Condition of the Note Terms and Conditions;
  - 2.2.2 words denoting the singular only will include the plural also 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;
  - 2.2.3 the use of the word “*including*” followed by a specific example/s will not be construed as limiting the meaning of the general wording preceding it and the *eiusdem generis* rule will not be applied in the interpretation of such general wording or such specific example/s. Such references to “*including*” and “*in particular*” will not be construed restrictively but will mean “*including, without prejudice to the generality of the foregoing*” and “*in particular, but without prejudice to the generality of the foregoing*” respectively;
  - 2.2.4 any reference to days (other than a reference to Business Days), months or years will be a reference to calendar days, months or years, as the case may be;
  - 2.2.5 where any number of days is to be calculated from a particular day, such number shall be calculated as inclusive of the first day and exclusive of the last day. If the last day of such number so calculated falls on a day which is not a Business Day, the last day shall be deemed to be the immediately preceding day which is a Business Day.
- 2.3 If any provision in a definition in the Note Terms and Conditions is a substantive provision conferring a right or imposing an obligation on any party then, notwithstanding that it is only in a definition, effect shall be given to that provision as if it were a substantive provision in the body of the Note Terms and Conditions.
- 2.4 Headings and sub-headings in the Note Terms and Conditions are inserted for convenience only.
- 2.5 Where any term is defined within a particular Condition, that term shall bear the meaning ascribed to it in that Condition wherever it is used in the Note Terms and Conditions.
- 2.6 The rule of construction that, in the event of ambiguity, a contract shall be interpreted against the party responsible for the drafting thereof shall not be applied in the interpretation of the Note Terms and Conditions.

### 3. ISSUE

- 3.1 The Issuer may, at any time and from time to time (without the consent of any Noteholder), issue one or more Tranche(s) of Notes pursuant to the Programme, provided that the aggregate Outstanding Nominal Amount of all of the Notes and the aggregate Calculation Amount (as defined in the Programme Preference Share Terms and Conditions) of all of the Programme Preference Shares issued under the Programme from time to time does not exceed the Programme Amount.
- 3.2 Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. A Tranche of Notes will be issued on, and subject to, the applicable Terms and Conditions of a Tranche of Notes which are the Note 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) relating to that Tranche of Notes.
- 3.3 Copies of the Applicable Pricing Supplement (Notes) are available for inspection at the Specified Office of the Issuer.

### 4. FORM

#### 4.1 General

- 4.1.1 A Tranche of Notes may be issued in the form of listed or unlisted Registered Notes as specified in the Applicable Pricing Supplement (Notes).
- 4.1.2 A Tranche of Notes may be listed on the JSE or on such other or further Financial Exchange(s) as may be determined by the Issuer, subject to any Applicable Law. Unlisted Notes may also be issued under the Programme. Unlisted Notes are not regulated by the JSE. The Applicable Pricing Supplement (Notes) will specify whether or not a Tranche of Notes will be listed, on which Financial Exchange(s) they are to be listed (if applicable) and, if such Tranche of Notes is to be listed on the JSE, the relevant platform or sub-market of the JSE such Tranche of Notes is to be listed.

#### 4.2 Registered Notes

A Tranche of Registered Notes will be issued in certificated form, as contemplated in Condition 4.2.1 (*Notes issued in certificated form*), or in uncertificated form, as contemplated in Condition 4.2.2 (*Notes issued in uncertificated form*), as specified in the Applicable Pricing Supplement (Notes). Each Tranche of Notes which is listed on the JSE whether issued in certificated form or in uncertificated form, will be held in the CSD, as contemplated in Condition 4.2.1 (*Notes issued in certificated form*) and Condition 4.2.2 (*Notes issued in uncertificated form*). A Tranche of unlisted Notes may also be held in the CSD, as contemplated in Condition 4.2.3 (*Beneficial Interests of Notes held in the CSD*).

##### 4.2.1 *Notes issued in certificated form*

Each Tranche of Registered Notes which is not listed on the JSE and lodged and immobilised in the CSD will, subject to Applicable Law and the Applicable Procedures, be issued in certificated form.

All Registered Notes issued in certificated form will be represented by Individual Certificates.

##### 4.2.2 *Notes issued in uncertificated form*

A Tranche of Registered Notes may, subject to Applicable Law and Applicable Procedures, be issued in uncertificated form in terms of section 33 of the South African Financial Markets Act. Registered Notes issued in uncertificated form will be held in the CSD. Registered Notes issued in uncertificated form will not be represented by any certificate or written instrument. A Registered Note which is represented by an Individual Certificate may be replaced by uncertificated securities in terms of section 33 of the South African Financial Markets Act.

##### 4.2.3 *Beneficial Interests in Notes held in the CSD*

The CSD will hold Registered Notes issued in uncertificated form, subject to the South African Financial Markets Act and the Applicable Procedures.

All amounts to be paid and all rights to be exercised in respect of Registered Notes held in the CSD will be paid to and may be exercised only by the CSD's Nominee for the holders of Beneficial Interests in such Registered Notes.

A holder of a Beneficial Interest shall only be entitled to exchange such Beneficial Interest for Registered Notes represented by an Individual Certificate in accordance with Condition 13.1 (*Exchange of Beneficial Interests and Replacement of Certificates*).

**4.2.4 Denomination**

The Aggregate Nominal Amount, Specified Currency and Specified Denomination of a Tranche of Notes will be specified in the Applicable Pricing Supplement (Notes).

**4.2.5 Recourse to the BESA Guarantee Fund Trust and/or the JSE Guarantee Fund**

The holders of Notes that are not listed on the JSE will have no recourse against the JSE, the BESA Guarantee Fund Trust and/or the JSE Guarantee Fund, as applicable. Claims against the BESA Guarantee Fund Trust or the JSE Guarantee Fund, as applicable, may only be made in respect of the trading of Notes listed on the JSE and can in no way relate to a default by the Issuer of its obligations under the Notes listed on the JSE. Any claims against the BESA Guarantee Fund Trust or the JSE Guarantee Fund, as applicable, may only be made in accordance with the rules of the BESA Guarantee Fund Trust or the JSE Guarantee Fund, as the case may be.

Unlisted Notes are not regulated by the JSE.

**4.2.6 Appointment of Noteholders' representative under Mauritian laws**

If at or after any such time more than 25 (twenty five) Noteholders are to appear on the register of holders, the Issuer will appoint such person as the Issuer considers appropriate to act as a "debenture holders' representative" under the Mauritian Companies Act if such a representative is still then required under such legislation and the provisions of section 121 and the Sixth Schedule of the Mauritian Companies Act will apply *mutatis mutandis*.

**5. TITLE**

**5.1 Registered Notes**

**5.1.1 Registered Notes issued in certificated form**

5.1.1.1 Each holder of Registered Notes represented by an Individual Certificate will be named in the Register as the registered holder of such Registered Notes.

5.1.1.2 Title to Registered Notes will pass upon registration of transfer in the Register in accordance with Condition 15.1 (*Transfer of Registered Notes*).

5.1.1.3 The Issuer, the Transfer Agent and the Paying Agent shall recognise a holder of Registered Notes represented by an Individual Certificate as the sole and absolute owner of the Registered Notes registered in that 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 Registered Note may be subject.

**5.1.2 Registered Notes issued in uncertificated form**

5.1.2.1 The CSD's Nominee will be named in the Register as the registered holder of each Tranche of Registered Notes which is issued in uncertificated form.

5.1.2.2 Title to Registered Notes issued in uncertificated form will pass upon registration of transfer in the Register in accordance with Condition 15.1 (*Transfer of Registered Notes*).

5.1.2.3 The CSD's Nominee (as the registered holder of such Registered Uncertificated Notes named in the Register) will be treated by the Issuer, the Paying Agent, the Transfer Agent and the relevant Participant as the holder of that aggregate Nominal Amount of such Registered Uncertificated Notes for all purposes.

**5.1.3 Beneficial Interests in Registered Notes held in the CSD**

5.1.3.1 Beneficial Interests which are held by clients of Participants will be held indirectly through such Participants, and such Participants will hold such Beneficial Interests, on behalf of such clients, through the securities accounts maintained by such Participants for such clients. The clients of Participants may include the holders of Beneficial Interests or 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 CSD only through their



Participants.

- 5.1.3.2 In relation to each Person shown in the records of the CSD or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular Nominal Amount of Registered Notes, a certificate or other document issued by the CSD or the relevant Participant, as the case may be, as to the aggregate Nominal Amount of such Registered Notes standing to the account of such Person shall be prima facie proof of such Beneficial Interest. Transfer of Beneficial Interests in Registered Notes will not be recorded in the Register and the CSD's Nominee will continue to be reflected in the Register as the registered holder of such Registered Notes, notwithstanding such transfers.
- 5.1.3.3 Any reference in the Note Terms and Conditions to the relevant Participant shall, in respect of a Beneficial Interest, be a reference to the Participant appointed to act as such by the holder of such Beneficial Interest.

## **6. STATUS OF NOTES**

### **6.1 Status of Senior Notes**

Unless otherwise specified in the Applicable Pricing Supplement (Notes), the Senior Notes constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 7 (*Negative Pledge*)) unsecured obligations of the Issuer which will at all times rank *pari passu* without preference or priority among themselves and, subject to Condition 7 (*Negative Pledge*) and save for certain debts required to be preferred by law, rank equally with all other present and future unsecured and unsubordinated obligations of the Issuer from time to time owing, save for such obligations as may be preferred by provisions of law that are both mandatory from time to time outstanding and of general application.

### **6.2 Status of Subordinated Notes**

- 6.2.1 Subordinated Notes constitute direct, unsecured and subordinated obligations of the Issuer and rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured and subordinated obligations of the Issuer, save for those which have been accorded preferential rights by law, or as otherwise set out in the Applicable Pricing Supplement (Notes).
- 6.2.2 Subject to Applicable Law and in respect of Subordinated Capital Notes, subject to Conditions 8.1.2 and 8.2.2 and the Regulatory Capital Requirements applicable to such Subordinated Capital Notes, in the event of the dissolution of the Issuer or if the Issuer is placed into liquidation, administration or wound-up or if business rescue proceedings are commenced in respect of the Issuer, the claims of the holders entitled to payment of amounts due in respect of the Subordinated Notes, shall be subordinated to all claims in respect of the Senior Notes and any other indebtedness of the Issuer except for other Subordinated Indebtedness, to the extent that, in any such event, and provided as aforesaid, no amount shall be eligible for setting-off or shall be payable to any or all of the Persons entitled to payment of amounts due in respect of the Subordinated Notes in respect of the obligations of the Issuer thereunder until all other indebtedness of the Issuer which is admissible in any such dissolution, insolvency, business rescue or winding-up (other than Subordinated Indebtedness) has been paid or discharged in full. The payment obligations of the Issuer in respect of Subordinated Notes the proceeds of which are intended to qualify as Regulatory Capital shall rank in accordance with the provisions of the Regulations Relating to Banks as set out in the Applicable Pricing Supplement (Notes) relating to such Notes.

### **6.3 Regulatory Capital Requirements and Additional Conditions**

In order for the proceeds of the issuance of Subordinated Notes to qualify as Regulatory Capital, Subordinated Notes must comply with the applicable Regulatory Capital Requirements and any additional conditions prescribed by the Central Bank in respect of a particular Tranche of Subordinated Notes. The Issuer will specify in the Applicable Pricing Supplement (Notes) whether any issue of Subordinated Notes is an issue of Subordinated Capital Notes the proceeds of which are intended to qualify as Regulatory Capital. Any additional conditions prescribed by the Central Bank in respect of Subordinated Capital Notes will be specified in the Applicable Pricing Supplement (Notes) or a supplement to the Programme Memorandum.

## **7. NEGATIVE PLEDGE**

- 7.1 This Condition 7 shall apply only to Senior Notes. For as long as any Senior Notes remain Outstanding, the Issuer undertakes not to create or permit the creation of any Encumbrance (as defined

below) over any of its present or future assets or revenues to secure any present or future Relevant Debt (as defined below) without at the same time securing all Senior Notes equally and rateably with such Relevant Debt or providing such other security as may be approved by Extraordinary Resolution of the Holders of those Senior Notes, unless the provision of any such security is waived by an Extraordinary Resolution of the Holders of those Senior Notes. The Issuer shall be entitled but not obliged, to form, or procure the formation of, a trust or trusts or appoint, or procure the appointment of, an agent or agents to hold any such rights of security for the benefit or on behalf of such Noteholders.

7.2 For the purposes of this Condition 7:

- (a) “**Encumbrance**” means any mortgage, pledge, hypothecation, assignment, cession-*in-securitatem debiti*, deposit by way of security or any other agreement or arrangement (whether conditional or not and whether relating to existing or to future assets), having the effect of providing a security interest to a creditor or any agreement or arrangement to give any form of security to a creditor but excluding statutory preferences and any security interest arising by operation of law, any Encumbrance on or with respect to the receivables of the Issuer which is created pursuant to any securitisation scheme or like arrangement or any Encumbrance of the Issuer created in the ordinary course of business or any Encumbrance created over any asset acquired, developed or constructed by the Issuer providing that the Relevant Debt so secured shall not exceed the *bona fide* arm’s length market value of such asset or the cost of such acquisition, development or construction (including all interest and other finance charges, any adjustments due to changes in circumstances and other charges reasonably incidental to such cost, whether contingent or otherwise) when such market value or cost both apply, the higher of the two; and
- (b) “**Relevant Debt**” means any present or future indebtedness of the Issuer in the form of, or represented by any bond, note, bill, debenture issued by the Issuer and listed on a financial or stock exchange but excluding any option or warrant in respect of any share or index or any written acknowledgement of indebtedness issued by the Issuer to the Central Bank.

8. **INTEREST**

If the Applicable Pricing Supplement (Notes) so specifies, the Notes of any Tranche will bear interest from the Interest Commencement Date at the Interest Rate(s) specified in, or determined in accordance with, the Applicable Pricing Supplement (Notes) and such interest will be payable in respect of each Interest Period on the Interest Payment Date(s) specified in the Applicable Pricing Supplement (Notes). The interest payable on the Notes of any Tranche for a period other than a full Interest Period shall be determined in accordance with the Applicable Pricing Supplement (Notes).

8.1 **Interest on Fixed Rate Notes**

Unless otherwise specified in the Applicable Pricing Supplement (Notes), interest on Fixed Rate Notes will be paid on a six-monthly basis on the Interest Payment Dates.

8.1.1 *Accrual of Interest*

The Notes bear interest from the Interest Commencement Date at the Interest Rate payable in arrears on each Interest Payment Date, subject as provided in Condition 10 (*Payments*). Each Note will cease to bear interest from the Applicable Redemption Date unless, upon due presentation, payment of the Applicable Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 10 (*Payments*) (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is 7 (seven) days after the Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

8.1.2 *Deferral of Principal and Interest in respect of Subordinated Capital Notes*

In accordance with the Regulatory Capital Requirements applicable to Subordinated Capital Notes, the Issuer may have the right to defer the due date for payment of capital and/or interest in relation to Subordinated Notes the proceeds of which are intended to qualify as Regulatory Capital and the Issuer may have the right to elect not to pay interest in relation to Subordinated Notes the proceeds

of which intended to qualify as Regulatory Capital, as further set out in the Applicable Pricing Supplement (Notes).

8.1.3 *Fixed Coupon Amount*

The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.

8.1.4 *Calculation of Interest Amount*

The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Interest Rate to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount, provided that:

- (a) if an Initial Broken Amount is specified in the Applicable Pricing Supplement (Notes), then the first Interest Amount shall equal the Initial Broken Amount specified in the Applicable Pricing Supplement (Notes); and
- (b) if a Final Broken Amount is specified in the Applicable Pricing Supplement (Notes), then the final Interest Amount shall equal the Final Broken Amount specified in the Applicable Pricing Supplement (Notes).

8.2 **Interest on Floating Rate Notes and Indexed Notes**

8.2.1 *Accrual of Interest*

The Notes bear interest from the Interest Commencement Date at the Interest Rate payable in arrears on each Interest Payment Date, subject as provided in Condition 10 (*Payments*). Each Note will cease to bear interest from the Applicable Redemption Date unless, upon due presentation, payment of the Applicable Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 8.2 (*Interest on Floating Rate Notes and Indexed Notes*) (as well as after as before judgement) until whichever is the earlier of (i) the day on which all sums due in respect of such Notes to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is 7 (seven) days after the Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent there is subsequent default in payment).

8.2.2 *Deferral of Principal and Interest in respect of Subordinated Capital Notes*

In accordance with the Regulatory Capital Requirements applicable to Subordinated Capital Notes, the Issuer may have the right to defer the due date for payment of capital and/or interest in relation to Subordinated Notes the proceeds of which are intended to qualify as Regulatory Capital and the Issuer may have the right to elect not to pay interest in relation to Subordinated Notes the proceeds of which intended to qualify as Regulatory Capital, as further set out in the Applicable Pricing Supplement (Notes).

8.2.3 *Floating Interest Rate*

The Floating Interest Rate which is applicable to a Tranche of Floating Rate Notes for an Interest Period will be determined on the basis of Screen Rate Determination or on the basis of ISDA Determination or on such other basis as may be determined by the Issuer and specified in the Applicable Pricing Supplement (Notes).

8.2.4 *ISDA Determination including fallback provisions*

If ISDA Determination is specified in the Applicable Pricing Supplement (Notes) as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "ISDA Rate" for an Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if that Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the Floating Rate Option is as specified in the Applicable Pricing Supplement (Notes);

- (b) the Designated Maturity is the period specified in the Applicable Pricing Supplement (Notes); and
- (c) the relevant Reset Date is either: (i) if the applicable Floating Rate Option is based on ZAR- JIBAR-SAFEX, the first day of that Interest Period; or (ii) in any other case, as specified in the Applicable Pricing Supplement (Notes).

“Floating Rate”, “Floating Rate Option”, “Designated Maturity” and “Reset Date” have the meanings given to those expressions in the ISDA Definitions and “JIBAR” means the average mid-market yield rate per annum for a period of the Designated Maturity which appears on the Reuters Screen SAFEX page at or about 11h00 (South Africa time) on the relevant date (or any successor rate).

#### 8.2.5 *Screen Rate Determination including fallback provisions*

If Screen Rate Determination is specified in the Applicable Pricing Supplement (Notes) as the manner in which the Interest Rate is to be determined, the Interest Rate applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:

- (a) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Rate Determination Date); or
- (b) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Rate Determination Date;
- (c) if, in the case of (a) above, such rate does not appear on that page or, in the case of (b) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:
  - (A) request the principal Johannesburg office of each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 12h00 (South Africa time) on the Interest Rate Determination Date in question; and
  - (B) determine the arithmetic mean of such quotations; and
- (d) if fewer than 3 (three) such offered quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Johannesburg inter-bank market, selected by the Calculation Agent, at approximately 12h00 (South Africa time) on the first day of the relevant Interest Period for loans in the Specified Currency to leading banks in the Johannesburg inter-bank market for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time;

(and the Interest Rate for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Interest Rate applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

#### 8.2.6 *Indexed Interest*

If the Indexed Interest Note provisions are specified in the Applicable Pricing Supplement (Notes) as being applicable, the Interest Rate(s) applicable to the Notes for each Interest Period will be determined in accordance with the manner specified in the Applicable Pricing Supplement (Notes).

#### 8.2.7 *Maximum and/or Minimum Interest Rate*

If the Applicable Pricing Supplement (Notes) specifies a Maximum Interest Rate for any Interest Period, then the Interest Rate for such Interest Period shall in no event be greater than such Maximum Interest Rate and/or if it specifies a Minimum Interest Rate for any Interest Period, then the Interest Rate for such Interest Period shall in no event be less than such Minimum Interest Rate.

8.2.8 *Determination of Floating Interest Rate and Calculation of Interest Amount*

The Calculation Agent, in the case of Floating Rate Notes will, at or as soon as practicable after each time at which the Interest Rate is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Interest Rate for such Interest Period to the Calculation Amount and multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount.

8.2.9 *Calculation of Other Amounts*

If the Applicable Pricing Supplement (Notes) specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the Applicable Pricing Supplement (Notes).

8.2.10 *Publication*

8.2.10.1 The Calculation Agent will cause each Interest Rate and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it, together with any relevant payment date(s) to be notified to the Issuer, the Paying Agent, the Transfer Agent, the Noteholders in respect of any Floating Rate Notes or Indexed Notes, as the case may be, any Financial Exchange on which the relevant Floating Rate Notes or Indexed Notes, as the case may be, are for the time being listed and any central securities depository in which Individual Certificates in respect of the Notes are immobilised, as soon as practicable after their determination but (in the case of each Interest Rate, Interest Amount and Interest Payment Date) in any event not later than (i) where the Interest Rate is determined with reference to the Prime Rate, the last day of the relevant Interest Period, (ii) in respect of Indexed Notes, the date specified in the Applicable Pricing Supplement (Notes), and (iii) in all other circumstances, the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders in accordance with Condition 18 (Notices).

8.2.10.2 The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. Any such amendment will be promptly notified to the Issuer and to the Noteholders in accordance with Condition 18 (Notices) and, if the relevant Tranche of Notes is listed on the JSE, the JSE and the CSD. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and Interest Amount in respect of a Note having the minimum Specified Denomination.

8.2.11 *Notifications etc. to be final*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the Condition 8.2 (*Interest on Floating Notes and Indexed Notes*) by the Calculation Agent will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Paying Agent and the Noteholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

8.3 **Interest on Mixed Rate Notes**

The interest rate payable from time to time on Mixed Rate Notes shall be the interest rate payable on any combination of Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or Indexed Notes for respective periods, each as specified in the Applicable Pricing Supplement (Notes). During each such applicable period, the interest rate on the Mixed Rate Notes shall be determined and fall due for payment on the basis that and to the extent that such Mixed Rate Notes are Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or Indexed Notes, as the case may be.

**8.4 Interest on Partly Paid Notes**

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue on the paid-up Nominal Amount of such Notes and otherwise as specified in the Applicable Pricing Supplement (Notes).

**8.5 Interest on Instalment Notes**

In the case of Instalment Notes, interest will accrue on the amount outstanding on the relevant Note from time to time and otherwise as specified in the Applicable Pricing Supplement (Notes).

**8.6 Accrual of Interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date of its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will accrue at the SAFEX Overnight Deposit Rate (to be found on the Reuters Screen SAFEY page as at 12h00 (South Africa time) on the presentation date, or any successor rate) until the earlier of:

- 8.6.1 the date on which all amounts due in respect of such Note have been paid; or
- 8.6.2 in respect of Uncertificated Notes, the date on which the full amount of the moneys payable has been received by the Paying Agent and notice to that effect has been given to Noteholders in accordance with Condition 18 (*Notices*).

In the event that the SAFEX Overnight Deposit Rate is not ascertainable from the relevant screen page at the time contemplated above, the Calculation Agent shall follow the procedure contemplated in Condition 8.2.5(c) and/or (d) to ascertain a rate.

**8.7 Business Day Convention**

If any Interest Payment Date (or other date) which is specified in the Applicable Pricing Supplement (Notes) to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (a) the “**Floating Rate Business Day Convention**”, such Interest Payment Date (or other date) shall in any case where Interest Periods are specified in accordance with Condition 7.2, be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event: (i) such Interest Payment Date (or other date) shall be brought forward to the first preceding Business Day; and (ii) each subsequent Interest Payment Date (or other date) shall be the last Business Day in the month which falls the number of months or other period specified as the Interest Period in the Applicable Pricing Supplement (Notes) after the preceding applicable Interest Payment Date (or other date) has occurred; or
- (b) the “**Following Business Day Convention**”, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day; or
- (c) the “**Modified Following Business Day Convention**”, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date (or other such date) shall be brought forward to the first preceding Business Day; or
- (d) the “**Preceding Business Day Convention**”, such Interest Payment Date (or other date) shall be brought forward to the first preceding Business Day.

**9. REDEMPTION AND PURCHASE**

A Tranche of Notes will, subject to as otherwise specified in the Note Terms and Conditions, be redeemed on the Maturity Date in accordance with Condition 9.1 (*Scheduled Redemption*). If the “*Early Redemption at the option of the Issuer*” and/or “*Early Redemption at the option of the Noteholders of Senior Notes*” and/or “*Early Redemption following the occurrence of a Tax Event and/or Change in Law*” is specified as applicable in the Applicable Pricing Supplement (Notes), a Tranche of Notes may, or upon the occurrence of an Event of Default as set out in Condition 13 (*Events of Default*) will, be redeemed prior to its Maturity Date in accordance with this Condition 9 (*Redemption and Purchase*).

9.1 **Scheduled Redemption**

Unless previously redeemed or purchased and cancelled as specified below, the Notes will be redeemed at the Final Redemption Amount, or determined in the manner specified in, the Applicable Pricing Supplement (Notes), on the Maturity Date, subject as provided in Condition 10 (*Payments*).

9.2 **Redemption following the occurrence of a Tax Event (Gross up) or Tax Event (Deductibility) or Change in Law**

9.2.1 If so specified in the Applicable Pricing Supplement (Notes), the Issuer may redeem the Notes of any Tranche of Notes in whole, but not in part:

- (a) at any time (if neither the Floating Rate Note provisions nor the Indexed Note provisions are specified in the Applicable Pricing Supplement (Notes) as being applicable or, if they are, such provisions are not applicable at the time of redemption); or
- (b) on any Interest Payment Date (if the Floating Rate Note Provisions or the Indexed Note provisions are specified in the Applicable Pricing Supplement (Notes) as being applicable and are applicable at the time of redemption).

on giving not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Noteholders and to the Transfer Agent and the Paying Agent (which notice shall be irrevocable in accordance with Condition 18 (*Notices*), at their Early Redemption Amount together with interest (if any) to the date fixed for redemption, following the occurrence of a Tax Event (Gross up) or Tax Event (Deductibility) or Change in Law, provided, however, that no such notice of redemption shall be given earlier than:

- (i) where the Notes may be redeemed at any time, 90 (ninety) days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts; or
- (ii) where the Notes may be redeemed only on an Interest Payment Date, 60 (sixty) days prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay such additional amounts.

9.2.2 Prior to the publication of any notice of redemption pursuant to this Condition 9.2.2, the Issuer shall deliver to the Paying Agent (A) a certificate signed by two authorised officers of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (B) an opinion of independent legal advisers of recognised standing to the effect that a Tax Event and/or Change in Law has occurred. Upon the expiry of any such notice as is referred to in this Condition 9.2 (*Redemption following the occurrence of a Tax Event (Gross up) or Tax Event (Deductibility) or Change in Law*), the Issuer shall be bound to redeem the Notes in accordance with this Condition 9.2 (*Redemption following the occurrence of a Tax Event (Gross up) or Tax Event (Deductibility) or Change in Law*).

9.3 **Early Redemption at the option of the Issuer**

9.3.1 If the Issuer is specified in the Applicable Pricing Supplement (Notes) as having an option to redeem, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the Applicable Pricing Supplement (Notes), in part upon the Issuer having given:

- (a) not less than 30 (thirty) and not more than 60 (sixty) days' notice to the Noteholders in accordance with Condition 18 (*Notices*); and
- (b) not less than 7 (seven) days before giving the notice referred to in (a) above, notice to the Transfer Agent,

(both of which notices shall be irrevocable) to redeem all or some of the Notes then Outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the Applicable Pricing Supplement (Notes) together, if appropriate, with interest accrued up to (but excluding) the Optional Redemption Date(s).

9.3.2 Any such redemption amount must be of a nominal amount equal to or greater than the Minimum Redemption Amount or equal to or less than a Higher Redemption Amount, both as specified in the Applicable Pricing Supplement (Notes), if applicable. In the case of a partial redemption of Notes, the Notes to be redeemed ("Redeemable Notes") will be selected:

- (a) in the case of Redeemable Notes represented by Individual Certificates, individually by lot;

and

- (b) in the case of Redeemable Notes issued in uncertificated form, in accordance with the Applicable Procedures,

and in each such case not more than 30 (thirty) days prior to the date fixed for redemption (such date of selection being hereinafter called the "Selection Date").

- 9.3.3 A list of the serial numbers of the Individual Certificates will be published in accordance with Condition 18 (*Notices*) not less than 15 (fifteen) days prior to the date fixed for redemption. The aggregate Nominal Amount of Redeemable Notes represented by Individual Certificates shall bear the same proportion to the aggregate Nominal Amount of all Redeemable Notes as the aggregate Nominal Amount of Individual Certificates outstanding bears to the aggregate Nominal Amount of the Notes Outstanding, in each case on the Selection Date, provided that such first mentioned Nominal Amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination and the aggregate Nominal Amount of Redeemable Notes issued in uncertificated form shall be equal to the balance of the Redeemable Notes. No exchange of Beneficial Interests in Uncertificated Notes for Individual Certificates will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this Condition 9.3 (*Early Redemption at the option of the Issuer*) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 18 (*Notices*) at least 5 (five) days prior to the Selection Date.

- 9.3.4 Holders of Redeemable Notes shall surrender the Individual Certificates relating to the Notes in accordance with the provisions of the notice given to them by the Issuer as contemplated above. Where only a portion of the Notes represented by such Individual Certificates are redeemed, the Transfer Agent shall deliver new Individual Certificates to such Noteholders in respect of the balance of the Notes.

#### 9.4 Redemption of Subordinated Notes

For so long as the applicable Regulatory Capital Requirements so require, Subordinated Notes that are also Subordinated Capital Notes may be redeemed, or purchased and cancelled by the Issuer, prior to the Maturity Date, only at the option of the Issuer and with the prior written approval of the Central Bank and in accordance with the additional conditions (if any) approved by the Central Bank, even where an Event of Default has occurred.

#### 9.5 Early Redemption at the option of Noteholders of Senior Notes

- 9.5.1 If the Noteholders of Senior Notes are specified in the Applicable Pricing Supplement (Notes) as having an option to put any Senior Notes, the Issuer shall, at the option of the Noteholders of such Tranche of Senior Notes, redeem the Senior Notes on the Optional Redemption Date(s) specified in the relevant Put Notice or in the Applicable Pricing Supplement (Notes), as the case may be, at the relevant Optional Redemption Amount together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 9.4 (*Early Redemption at the option of Noteholders of Senior Notes*), the Noteholders of such Senior Notes must, not less than 30 (thirty) nor more than 60 (sixty) days before the relevant Optional Redemption Date(s), surrender the Individual Certificates (if any) relating to such Senior Notes with the Paying Agent in accordance with Condition 18 (*Notices*), together with a duly completed Put Notice (which Put Notice shall, in respect of Notes represented by an Individual Certificate, specify the payment details of the holder of such Individual Certificate for the purposes of payment of the Optional Redemption Amount). The redemption amount specified in such Put Notice in respect of any such Note must be of a nominal amount equal to or greater than the Minimum Redemption Amount or equal to or less than the Higher Redemption Amount, each as specified in the Applicable Pricing Supplement (Notes), if applicable.
- 9.5.2 The redemption of Senior Notes issued in uncertificated form shall take place in accordance with the Applicable Procedures.
- 9.5.3 The delivery of Put Notices shall be required to take place during normal office hours of the Transfer Agent. Pro forma Put Notices shall be available from the Specified Office of the Issuer.
- 9.5.4 Any Put Notice given by a holder of any Senior Note pursuant to this Condition 9.4 (*Early Redemption at the option of Noteholders of Senior Notes*) shall be irrevocable except where after giving the notice, but prior to the due date of redemption, an Event of Default shall have occurred and be continuing in which event such Noteholder, at its option, may elect by notice to the Issuer



and the Transfer Agent to withdraw the notice given pursuant to this Condition 9.5.4 and instead to declare such Senior Note forthwith due and payable pursuant to Condition 13 (*Events of Default*).

**9.6 Redemption for Regulatory Capital reasons**

9.6.1 Subject to Condition 9.4 (*Redemption of Subordinated Notes*), any Series of Subordinated Capital Notes may be redeemed at the option of the Issuer in whole, but not in part:

9.6.1.1 at any time (if the Floating Rate Note Provisions are not specified in the relevant Applicable Pricing Supplement (Notes) as being applicable or, if they are, such provisions are not applicable at the time of redemption); or

9.6.1.2 on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Applicable Pricing Supplement (Notes) as being applicable and are applicable at the time of redemption),

on giving not less than 30 nor more than 60 days' notice prior to the date of such redemption (the "**Regulatory Capital Redemption Date**") to Noteholders (which notice shall be irrevocable) in accordance with Condition 18 (*Notices*) and to the Transfer Agent, at their Early Redemption Amount, together with interest accrued (if any) to the Regulatory Capital Redemption Date, if a Regulatory Capital Event occurs and is continuing.

9.6.2 Prior to the publication of any notice of redemption pursuant to this Condition 9.6, the Issuer shall deliver to the Transfer Agent a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the right of the Issuer so to redeem has occurred. Upon the expiry of any such notice as is referred to in this Condition 9.6, the Issuer shall be bound to redeem the Notes in accordance with this Condition 9.6.

**9.7 Early Redemption upon the occurrence of an Event of Default**

Upon the occurrence of an Event of Default and receipt by the Issuer of a written notice declaring Notes held by the relevant Noteholder to be forthwith due and payable in accordance with Condition 13 (*Events of Default*), such Notes shall become forthwith due and payable at the Early Redemption Amount in the manner set out in Condition 9.8 (*Early Redemption Amounts*), together with interest (if any) to the date of payment, in accordance with Condition 13 (*Events of Default*).

**9.8 Early Redemption Amounts**

9.8.1 For the purpose of Condition 9.2 (*Redemption following the occurrence of a Tax Event (Gross up) or Tax Event (Deductibility) or Change in Law*), 9.6 (*Redemption for Regulatory Capital reasons*) and Condition 13 (*Events of Default*) (and otherwise as stated herein), the Notes will be redeemed at the Early Redemption Amount calculated as follows:

- (a) in the case of Notes with a Final Redemption Amount equal to the Nominal Amount, at the Final Redemption Amount thereof; or
- (b) in the case of Notes (other than Zero Coupon Notes) with a Final Redemption Amount which is or may be less or greater than the Issue Price (to be determined in the manner specified in the Applicable Pricing Supplement (Notes)), at that Final Redemption Amount or, if no such amount or manner is so specified in the Applicable Pricing Supplement (Notes), at their Nominal Amount; or
- (c) in the case of Zero Coupon Notes, at an amount (the "**Amortised Face Amount**") equal to the sum of:
  - (i) the Reference Price; and
  - (ii) the product of the Implied Yield (compounded semi-annually) being applied to the Reference Price from (and including) the Issue Date up to (but excluding) the date fixed for redemption or, as the case may be, the date upon which such Note becomes due and payable, or such other amount as is specified in the Applicable Pricing Supplement (Notes).

9.8.2 Where such calculation is to be made for a period which is not a whole number of years, it shall be calculated on the basis of actual days elapsed divided by 365, or such other calculation basis as may be specified in the Applicable Pricing Supplement (Notes).

**9.9 Instalment Notes**

Instalment Notes will be redeemed at the Instalment Amounts and on the Instalment Dates. In the case of early redemption in accordance with Conditions 9.2 (*Redemption following the occurrence of a Tax Event (Gross up) or Tax Event (Deductibility) or Change in Law*) or 13 (*Events of Default*), the Early Redemption Amount will be determined pursuant to Condition 9.8 (*Early Redemption Amounts*).

**9.10 Partly Paid Notes**

If the Notes are Partly Paid Notes, they will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 9 (*Redemption and Purchase*) and the Applicable Pricing Supplement (Notes).

**9.11 Exchangeable Notes**

If the Notes are Exchangeable Notes, they will be redeemed, whether at maturity, early redemption or otherwise in the manner specified in the Applicable Pricing Supplement (Notes). Exchangeable Notes, in respect of which Mandatory Exchange is specified in the Applicable Pricing Supplement (Notes) as applying, or upon the exercise by the Noteholder of the Noteholder's Exchange Right (if applicable), will be redeemed by the Issuer delivering to each Noteholder so many of the Exchange Securities as are required in accordance with the Exchange Price. The delivery by the Issuer of the Exchange Securities in the manner specified in the Applicable Pricing Supplement (Notes) shall constitute the in specie redemption in full of such Notes.

**9.12 Purchases**

Subject to Condition 9.4 (*Redemption of Subordinated Notes*), the Issuer or any of its subsidiaries may at any time purchase Notes at any price in the open market or otherwise.

**9.13 Cancellation**

All Notes which are redeemed or purchased by the Issuer or any of its subsidiaries may, at its option be cancelled and may, if cancelled, not be reissued or resold. Where only a portion of Notes represented by an Individual Certificate are cancelled, the Transfer Agent shall deliver an Individual Certificate to such Noteholder in respect of the balance of the Notes.

**9.14 Late payment on Zero Coupon Notes**

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note, pursuant to Condition 9 (*Redemption and Purchase*) or upon its becoming due and repayable as provided in Condition 13 (*Events of Default*), is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 9.8.1(c) (*Early Redemption Amounts*), as though the references therein to the Applicable Redemption Date or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of: (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and (ii) where relevant, 5 (five) days after the date on which the full amount of the moneys payable has been received by the CSD, and notice to that effect has been given to the Noteholders in accordance with Condition 18 (*Notices*).

**10. PAYMENTS**

**10.1 General**

10.1.1 Only Noteholders named in the Register at 17h00 (South Africa time) on the relevant Last Day to Register shall be entitled to payment of amounts due and payable in respect of Registered Notes.

10.1.2 All payments of all amounts (whether in respect of principal, interest or otherwise) due and payable in respect of any Notes shall be made by the Issuer (where the Issuer itself acts as Paying Agent) or the Paying Agent on behalf of the Issuer (where the Issuer has appointed a third party to act as Paying Agent), as the case may be, on the terms and conditions of an agency agreement (if any) and this Condition 10 (*Payments*).

10.1.3 All references in this Condition 10 to "*Paying Agent*" shall be construed as references to the Issuer (where the Issuer itself acts as Paying Agent) or the Paying Agent on behalf of the Issuer (where the Issuer has appointed a third party entity to act as Paying Agent), as the case may be.

10.1.4 Payments will be subject in all cases to any fiscal or other laws, directives and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 11 (*Taxation*).

**10.2 Payments – Registered Notes**

**10.2.1 Method of payment**

The Paying Agent shall pay all amounts due and payable in respect of any Registered Notes:

10.2.1.1 In the case of Notes which are held in the CSD, in immediately available and freely transferable funds, in the Specified Currency, by electronic funds transfer to the bank account of the CSD's Nominee, as the registered Noteholder of such Notes, which in turn will transfer such funds, via the Participants, to the holders of Beneficial Interests in such Notes.

10.2.1.2 In the case of Note(s) which are represented by an Individual Certificate, in immediately available and freely transferable funds, in the Specified Currency, by electronic funds transfer, to the bank account of the Person named as the registered Noteholder of such Notes in the Register or, in the case of joint registered Noteholders, the bank account of the first one of them named in the Register in respect of such Notes; provided that if several persons are entered into the Register as joint registered Noteholders of such Notes then, without affecting the previous provisions of this Condition 10, payment to any one of them shall be an effective and complete discharge by the Issuer of the amount so paid, notwithstanding any notice (express or otherwise) which the Paying Agent and/or the Issuer may have of the right, title, interest or claim of any other Person to or in any such Notes.

Neither the Issuer nor the Paying Agent shall be responsible for the loss in transmission of any such funds, and payment of any amount into the bank accounts referred to above, in accordance with this Condition 10.2.1, shall be satisfaction *pro tanto*, to the extent of such amount, of the Issuer's obligations to the Noteholders under the relevant Registered Notes and the applicable Terms and Conditions.

**10.2.2 Beneficial Interest**

10.2.2.1 Following payment to the CSD's Nominee of amounts due and payable in respect of Notes which are held in the CSD, the relevant funds will be transferred by the CSD's Nominee, via the Participants, to the holders of Beneficial Interest in such Notes.

10.2.2.2 Each of the persons reflected in the records of the CSD or the relevant Participant, as the case may be, as the holders of Beneficial Interests in Notes, will look solely to the CSD or the relevant Participants, as the case may be, for such Person's share of each payment so made by the Paying Agent, on behalf of the Issuer, to or for the order of the CSD's Nominee, as the registered Noteholder of such Notes.

10.2.2.3 Neither the Paying Agent nor the Issuer will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Beneficial Interests or for maintaining, supervising or reviewing any records relating to Beneficial Interests.

10.2.2.4 Payments of amounts due and payable in respect of Beneficial Interests in Notes will be recorded by the CSD's Nominee, as the registered holder of such Notes, distinguishing between interest and principal, and such record of payments by the CSD's Nominee, as the registered Noteholder of such Notes, will be prima facie proof of such payments.

**10.2.3 Surrender of Individual Certificates**

10.2.3.1 Payments of principal in respect of any Registered Note(s) which is/are represented by Individual Certificate(s) shall be made to the Noteholder(s) of such Registered Note(s) only if, prior to the date on which the relevant Tranche of Notes are redeemed, such Individual Certificate(s) shall have been surrendered to the Transfer Agent at its Specified Office.

10.2.3.2 If the relevant Individual Certificate is not surrendered to the Transfer Agent at its Specified Office in accordance with this Condition 10.2.3, the amount of principal payable to the Noteholder of the Registered Note(s) represented by that Individual Certificate shall be retained by the Paying Agent for such Noteholder, at the latter's risk, until that Individual Certificate shall have been surrendered to the Transfer Agent at its Specified Office, and such Noteholder will not be entitled to any interest and/or other payments in respect of any delay in payment occasioned as a result of such failure to surrender such Individual Certificate.

**10.3 Method of Payment**

10.3.1 Payments of interest and principal will be made in the Specified Currency by electronic funds transfer.

- 10.3.2 If the Issuer is prevented or restricted directly or indirectly from making any payment by electronic funds transfer in accordance with the preceding Condition (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 control of the Issuer), 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) of any such amounts. Such payments by cheque shall be sent by post to the address of the Noteholder of Registered Notes as set forth in the Register or, in the case of joint Noteholders of Registered Notes, the address set forth in the Register of that one of them who is first named in the Register in respect of that Note.
- 10.3.3 Each such cheque shall be made payable to the relevant Noteholder or, in the case of joint Noteholders of Registered Notes, the first one of them named in the Register. Cheques may be posted by ordinary post, provided that neither the Issuer nor the Paying Agent shall be responsible for any loss in transmission and the postal authorities shall be deemed to be the agent of the Noteholders for the purposes of all cheques posted in terms of this Condition 10.3 (*Method of Payment*).
- 10.3.4 In the case of joint Noteholders of Registered Notes payment by electronic funds transfer will be made to the account of the Noteholder first named in the Register. Payment by electronic transfer to the Noteholder first named in the Register shall discharge the Issuer of its relevant payment obligations under the Notes.
- 10.3.5 Payments will be subject in all cases to any taxation or other laws, directives and regulations applicable thereto in the place of payment, but subject to the provisions of Condition 11 (*Taxation*).
- 10.4 Surrender of Individual Certificates**
- 10.4.1 No payment in respect of the final redemption of a Registered Note shall be made until 10 (ten) days after the date on which the Individual Certificate in respect of the Note to be redeemed has been surrendered to the Paying Agent.
- 10.4.2 Documents required to be presented and/or surrendered to the Paying Agent in accordance with these Note Terms and Conditions shall be so presented and/or surrendered at the office of the Paying Agent specified in the Applicable Pricing Supplement (Notes).
- 10.4.3 Holders of Uncertificated Notes are not required to present and/or surrender any documents of title.
- 10.5 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, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place for payment and shall not be entitled to further interest or other payment in respect of any such delay.
- 10.6 Interpretation of principal and interest**
- Any reference in these Note Terms and Conditions to principal in respect of the Notes shall include, as applicable:
- (a) any additional amounts which may be payable with respect to principal under Condition 10.3 (*Method of Payment*);
  - (b) the Final Redemption Amount of the Notes or the Early Redemption Amount of the Notes, as the case may be;
  - (c) the Optional Redemption Amount(s) (if any) of the Notes;
  - (d) in relation to Instalment Notes, the Instalment Amounts;
  - (e) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined under Condition 9.8 (*Early Redemption Amounts*)); and
  - (f) any premium and any other amounts which may be payable under or in respect of the Notes, but excluding, for the avoidance of doubt, interest.

Any reference in these Note Terms and Conditions to interest in respect of the Notes shall include, as applicable, any additional amounts which may be payable with respect to interest under Condition 11 (*Taxation*).

## 11. TAXATION

- 11.1 A Noteholder whose Notes are redeemed shall pay all Taxes payable in connection with the payment of the Interest Amount, or the redemption of such Notes and/or the payment of the Final Redemption Amount and/or the Optional Redemption Amount and/or the Early Redemption Amount as a result of such redemption. The Issuer is not liable for or otherwise obliged to pay any Taxes that may arise as a result of the ownership, transfer, redemption or enforcement of any Note.
- 11.2 All payments of principal and interest in respect of the Notes by the Issuer will be made without withholding or deduction for or on account of any present or future Taxes or duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of South Africa, Mauritius or any other jurisdiction in which the Notes are listed or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law.
- 11.3 In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, as the case may be, in the absence of such withholding or deduction except that no such additional amounts shall be payable with respect to any Note:
- 11.3.1 held by or on behalf of a Noteholder, who is liable for such Taxes or duties in respect of such Note by reason of his having some connection with South Africa and/or Mauritius, other than the mere holding of such Note or the receipt of principal or interest in respect thereof; or
- 11.3.2 held by or on behalf of a Noteholder who would not be liable or subject to the withholding or deduction by making a declaration of non-residency or other similar claim for exemption to the relevant tax authority (the effect of which is not to require the disclosure of the identity of the relevant Noteholder); or
- 11.3.3 where such withholding or deduction is in respect of Taxes levied or imposed on interest or principal payments only by virtue of the inclusion of such payments in the taxable income (as defined in the South African Income Tax Act and/or the Mauritian Income Tax Act (as applicable)) or taxable capital gain (as defined in the South African Income Tax Act and/or the Mauritian Income Tax Act (as applicable)) of any Noteholder; or
- 11.3.4 more than 30 (thirty) days after the Relevant Date except to the extent that the Noteholder thereof would have been entitled to an additional amount on presenting the same for payment on such 30<sup>th</sup> (thirtieth) day; or
- 11.3.5 if such withholding or deduction arises through the exercise by revenue authorities of special powers in respect of disputers or alleged tax defaulters.
- 11.4 The issue, transfer and redemption of the Notes in Mauritius will not attract any transfer taxes under the laws of Mauritius. Any future transfer duties and/or taxes that may be introduced in respect of (or applicable to) the transfer of Notes in Mauritius will be for the account of holders of the Notes.
- 11.5 Interest paid by the Issuer to a Noteholder which is a company resident in Mauritius will be subject to Income Tax under the Mauritian Income Tax Act, to the extent that the recipient is not exempt from tax on its income. Gains or losses made by the Noteholder who is an individual, a Société or a Succession resident in Mauritius are considered as capital gains/losses and are not subject to Income Tax. Gains or losses derived by a Noteholder which is a company resident in Mauritius, except a company holding a Category 1 Global Business Licence, from the sale of the Notes held for a period of less than 6 months are subject to Income Tax if these are held as trading assets. A Noteholder who is resident in Mauritius is not subject to any withholding tax. Interest payable to a Noteholder which is a non-resident of Mauritius (other than an individual) will be subject to withholding taxes in Mauritius at a rate of 15 (fifteen) percent or at the rate specified under an applicable Double Taxation Agreement, whichever is the lower. This will be considered as final payment. In so far as the non-resident Noteholder is not carrying out any business in Mauritius and the interest is paid out of the foreign source income of the Issuer, the interest would be exempt from income tax.

Any reference in these Note Terms and Conditions to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under these Note Terms and Conditions or under any undertakings given in addition to, or in substitution for, these Note Terms and Conditions.

## 12. PRESCRIPTION

The Notes will become void unless presented for payment of principal and interest within a period of 3 years after the Relevant Date therefore save that any Individual Certificate constituting a “*bill of exchange or other negotiable instrument*” in accordance with section 11 of the South African Prescription Act, 1969 (as amended from time to time) will become void unless presented for payment of principal and interest within a period of 6 years from the Relevant Date thereof.

## 13. EVENTS OF DEFAULT

### 13.1 Senior Notes

13.1.1 An Event of Default in relation to Senior Notes shall arise if any one or more of the following events shall have occurred and be continuing:

13.1.1.1 the Issuer fails to pay any amount due and payable in respect of any of the Notes and the failure to pay has continued for more than 10 (ten) Business Days following the service on the Issuer of a written notice requiring that breach to be remedied unless such non-payment is caused by an administrative error or technical difficulties affecting the transfer of funds and is remedied within 3 (three) Business Days after the due date; or

13.1.1.2 the Issuer fails to perform or observe any of its other obligations under any of the Notes and such failure has continued for the period of 30 calendar days following the service of the Issuer of a written notice requiring that breach to be remedied. (For these purposes, a failure to perform or observe an obligation shall be deemed to be remediable notwithstanding that the failure results from not doing an act or thing by a particular time); or

13.1.1.3 the Issuer fails to obtain any consent, license, approval or authorisation now or hereafter necessary to enable the Issuer to comply with its obligations under the Programme or any such consent, license, approval or authorisation ceases to remain in full force and effect, resulting in the Issuer being unable to perform any of its obligations under the Notes or the Programme, and such failure or cessation continues for more than 10 (ten) Business Days after the Issuer becomes aware of such event; or

13.1.1.4 the granting of an order by any competent court or authority for the liquidation winding-up, dissolution of, or commencement of business rescue proceedings in respect of, the Issuer, whether provisionally (and not dismissed or withdrawn within 30 (thirty) days thereof) or finally, or the placing of the Issuer under voluntary liquidation or curatorship, provided that no liquidation, curatorship, winding-up dissolution or business rescue is for purposes of effecting an amalgamation, merger, demerger, consolidation, reorganisation or other similar arrangement within the Investec Group; for (ii) the liquidation, winding-up, dissolution or business rescue is for purposes of effecting an amalgamation, merger, demerger, consolidation, reorganisation or other similar arrangement, the terms of which were approved by Extraordinary Resolution of Noteholders before the date of the liquidation, winding-up, dissolution or business rescue; or

13.1.1.5 in respect of any Financial Indebtedness of the Issuer:

- (i) any such Financial Indebtedness is not paid when due or within any originally applicable grace period;
- (ii) any such Financial Indebtedness becomes (or becomes capable of being declared) due and payable prior to its stated maturity otherwise than at the option of the Issuer or (provided that no event of default, howsoever described, has occurred) any Person entitled to such Financial Indebtedness; or
- (iii) the Issuer fails to pay when due any amount payable by it under any guarantee of any Financial Indebtedness;

*provided that* the amount of Financial Indebtedness referred to in sub-paragraph (i) and/or sub-paragraph (ii) above and/or the amount payable under any guarantee referred to in sub-paragraph (iii) above individually or in the aggregate exceeds 5% (five percent) of the total assets of the Issuer as published in its latest audited financial statements (or its equivalent in

any other currency or currencies).

- 13.1.2 Upon the happening of such an Event of Default, then any holder of Senior Notes may, by written notice to the Issuer as its registered office, effective upon the date of receipt thereof by the Issuer, declare the Notes held by such Noteholder to be forthwith due and payable whereupon those Notes shall become forthwith due and payable at:

- 13.1.2.1 the Early Redemption Amount, together with accrued interest (if any) to the date of payment;  
or

- 13.1.2.2 as specified in the Applicable Pricing Supplement (Notes),

provided that, notwithstanding the taking of such action, although an amount will be due it may not be payable and no such action may be taken by a holder of Senior Notes if the Issuer withholds or refuses to make any such payment in order to comply with any law or regulation of South Africa or Mauritius or to comply with any order of a court of competent jurisdiction.

#### 13.2 Subordinated Notes

Subject to Condition 6.3 (*Regulatory Capital Requirements and Additional Conditions*), an Event of Default in relation to Subordinated Notes shall arise if any one or more of the events contemplated in Condition 13.1.1.1 or 13.1.1.4 shall have occurred and be continuing. Upon the happening of such an Event of Default, any holder of Subordinated Notes may, by written notice to the Issuer at its registered office, effective upon the date of receipt thereof by the Issuer, declare the Subordinated Notes held by such holder to be forthwith due and payable whereupon those Subordinated Notes shall become forthwith due and payable at the Early Redemption Amount together with accrued interest (if any) to the date of payment.

### 14. EXCHANGE OF BENEFICIAL INTERESTS AND REPLACEMENT OF CERTIFICATES

#### 14.1 Exchange of Beneficial Interests

- 14.1.1 The holder of a Beneficial Interest in Notes may, in terms of the Applicable Procedures, by written notice to the holder's nominated Participant (or, if such holder is a Participant, the CSD), 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 (a) the name, address and bank account details of the holder of the Beneficial Interest and (b) 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.

- 14.1.2 The holder's nominated Participant will, following receipt of the Exchange Notice, through the CSD, 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 Participant acting on behalf of the holder of the Beneficial Interest in respect of the conversion at the Specified Office of the Transfer Agent; provided that joint holders of a Beneficial Interest shall be entitled to receive only one Individual Certificate in respect of that joint holding, and the delivery to one of those joint holders shall be delivery to all of them.

- 14.1.3 In the case of the exchange of a Beneficial Interest in Notes issued in uncertificated form:

- 14.1.3.1 the CSD's Nominee shall, prior to the Exchange Date, surrender (through the CSD system) such uncertificated Notes to the Transfer Agent at its Specified Office;

- 14.1.3.2 the Transfer Agent will obtain the release of such uncertificated Notes from the CSD in accordance with the Applicable Procedures.

- 14.1.4 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 the Specified Denomination or a fraction of any multiple thereof, such Individual Certificate shall be issued in accordance with, and be governed by, the Applicable Procedures.

#### 14.2 Replacement

If any Individual Certificate, Receipt or Coupon is worn out, mutilated, defaced, stolen, destroyed or lost, it may be replaced at the Specified Office of the Transfer Agent, on payment by the claimant of such costs and expenses as may be incurred in connection therewith and the provision of such indemnity as the Issuer and the Transfer Agent may reasonably require. Worn out, mutilated or defaced Individual Certificates must be surrendered at the Specified Office of the Transfer Agent before replacements will be issued.

#### 14.3 Death and sequestration or liquidation of Noteholder

Any Person becoming entitled to Registered Notes in consequence of the death, sequestration or liquidation of the holder of such Notes 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 Condition 14.3 (*Death and Sequestration or liquidation of Noteholder*) or of his title as the Issuer and the Transfer Agent shall require, be registered himself as the holder of such Notes or, subject to the Applicable Procedures, this Condition 14.3 (*Death and Sequestration or liquidation of Noteholder*) and Condition 15.1 (*Transfer of Registered Notes*), may transfer such Notes. The Issuer and (if applicable) the CSD and the relevant Participant shall be entitled to retain any amount payable upon the Notes to which any Person is so entitled until such Person shall be registered as aforesaid or shall duly transfer the Notes.

#### 14.4 Costs

The costs and expenses of the printing, issue and delivery of each Individual Certificate and all Taxes and any and all governmental charges or insurance charges that may be imposed in relation to such Individual Certificate shall be borne by the holder of the Notes represented by that Individual Certificate. Separate costs and expenses relating to the provision of Individual Certificates and/or the transfer of Notes may be levied by other Persons, such as a Participant, under the Applicable Procedures, and such costs and expenses shall not be borne by the Issuer.

### 15. TRANSFER OF NOTES

#### 15.1 Transfer of Registered Notes

##### 15.1.1 *Transfer of Beneficial Interests in Registered Notes (including Uncertificated Notes) held in the CSD*

15.1.1.1 Beneficial Interests may be transferred only in accordance with the Applicable Procedures through the CSD.

15.1.1.2 Transfers of Beneficial Interests to and from clients of Participants occur by way of electronic book entry in the securities accounts maintained by the Participants for their clients, in accordance with the Applicable Procedures.

15.1.1.3 Transfers of Beneficial Interests among Participants occur through electronic book entry in the central securities accounts maintained by the CSD for the Participants, in accordance with the Applicable Procedures.

15.1.1.4 Transfers of Beneficial Interests in Registered Notes will not be recorded in the Register and the CSD's Nominee will continue to be reflected in the Register as the Noteholder of such Notes notwithstanding such transfers.

##### 15.1.2 *Transfer of Registered Notes represented by Individual Certificates*

15.1.2.1 In order for any transfer of Registered Notes represented by an Individual Certificate to be recorded in the Register, and for such transfer to be recognised by the Issuer:

- (i) the transfer of such Registered Notes must be embodied in a Transfer Form;
- (ii) the Transfer Form must be signed by the registered Noteholder of such Registered Notes and the transferee, or any authorised representatives of that registered Noteholder or transferee; and
- (iii) the Transfer Form must be delivered to the Transfer Agent at its specified office together with the Individual Certificate representing such Registered Notes for cancellation.

15.1.2.2 Registered Notes represented by an Individual Certificate may only be transferred, in whole or in part, in amounts of not less than the Specified Denomination (or any multiple thereof).



- 15.1.2.3 Subject to this Condition 15.1.2 (*Transfer of Registered Notes represented by Individual Certificates*), the Transfer Agent will, within 5 (five) Business Days of receipt by it of a valid Transfer Form (or such longer period as may be required to comply with any Applicable Law and/or Applicable Procedures), record the transfer of Registered Notes represented by an Individual Certificate (or the relevant portion of such Registered Notes) in the Register, and authenticate and deliver to the transferee at the Transfer Agent's Specified Office or, at the risk of the transferee, send by mail to such address as the transferee may request, a new Individual Certificate in respect of the Registered Notes transferred reflecting the Nominal Amount Outstanding of the Registered Notes transferred.
- 15.1.2.4 Where a Noteholder has transferred a portion only of Registered Notes represented by an Individual Certificate, the Transfer Agent will authenticate and deliver to such Noteholder at the Transfer Agent's Specified Office or, at the risk of such Noteholder, send by mail to such address as such Noteholder may request, a new Individual Certificate representing the balance of the Registered Notes held by such Noteholder.
- 15.1.2.5 The transferor of any Registered Notes represented by an Individual Certificate will be deemed to remain the owner thereof until the transferee is registered in the Register as the holder thereof.
- 15.1.2.6 Before any transfer of Registered Notes represented by an Individual Certificate is registered in the Register, all relevant transfer taxes (if any) must have been paid by the transferor and/or the transferee and such evidence must be furnished as the Issuer and the Transfer Agent may reasonably require as to the identity and title of the transferor and the transferee.
- 15.1.2.7 No transfer of any Registered Notes represented by an Individual Certificate will be registered whilst the Register is closed as contemplated in Condition 16 (*Register*).
- 15.1.2.8 If a transfer of any Registered Notes represented by an Individual Certificate is registered in the Register, the Transfer Form and cancelled Individual Certificate will be retained by the Transfer Agent.
- 15.1.2.9 In the event of a partial redemption of Notes under Condition 9.3 (*Early Redemption at the Option of the Issuer*), the Transfer Agent shall not be required in terms of Condition 9.3 (*Early Redemption at the Option of the Issuer*), to register the transfer of any Notes during the period beginning on the 10<sup>th</sup> (tenth) day before the date of the partial redemption and ending on the date of the partial redemption (both inclusive).

## 16. REGISTER

The Register shall be kept at the Specified Offices of the Transfer Agent and the Issuer. The Register shall reflect the number of Registered Notes issued and Outstanding, the date upon which each of the Noteholders was registered as such. The Register shall contain the name, address, and bank account details of the Noteholders of Registered Notes. The Register shall set out the Nominal Amount of the Notes issued to such Noteholders and shall show the date of such issue. The Register shall show the serial number of Individual Certificates issued in respect of any Notes. The Register shall be open for inspection during the normal business hours of the Issuer to any Noteholder or any Person authorised in writing by any Noteholder. The Transfer Agent shall not be obliged to record any transfer while the Register is closed. The Transfer Agent shall not be bound to enter any trust into the Register or to take notice of any or to accede to any trust executed, whether express or implied, to which any Note may be subject. The Register shall be closed from the Last Day to Register until each payment date of principal and interest in respect of the Notes, as the case may be.

The Transfer Agent shall alter the Register in respect of any change of name, address or bank account number of any of the Noteholders of any Registered Notes of which it is notified in accordance with these Note Terms and Conditions.

Except as provided for in these Conditions or as required by law, in respect of Registered Notes, the Issuer will only recognise a Noteholder as the owner of the Notes registered in that Noteholder's name as per the Register.

## 17. TRANSFER AGENT, CALCULATION AGENT AND PAYING AGENT

- 17.1 Any third party appointed by the Issuer as Calculation Agent, Paying Agent and/or Transfer Agent shall act solely as the agent of the Issuer and does not assume any obligation towards or relationship of agency or trust for or with any Noteholders.

- 17.2 If the Issuer elects to appoint another entity (not being the Issuer) as Calculation Agent, Paying Agent and/or Transfer Agent, that other entity, on execution of an appropriate agency agreement or an appropriate accession letter to an agency agreement, as the case may be, shall serve in that capacity in respect of the Notes. The Issuer shall notify the Noteholders in the manner set out in Condition 18 (*Notices*) of any such appointment and, if any Notes are listed on the JSE, the Issuer shall notify the JSE of any such appointment.
- 17.3 The Issuer is entitled to vary or terminate the appointment of the Transfer Agent, the Calculation Agent and the Paying Agent and/or appoint additional or other agents and/or approve any change in the specified office through which any such agent acts, provided that there will at all times be a Transfer Agent, Calculation Agent and a Paying Agent with an office in such place as may be required by the Applicable Procedures. The Transfer Agent, Paying Agent and Calculation Agent act solely as the agents of the Issuer and do not assume any obligation towards or relationship of agency or trust for or with any Noteholders.
- 17.4 To the extent that the Issuer acts as the Transfer Agent, Calculation Agent or Paying Agent, all references in these Note Terms and Conditions to:
- 17.4.1 any action, conduct or functions in such role shall be understood to mean that the Issuer shall perform such action, conduct or function itself; and
- 17.4.2 requirements for consultation, indemnification by or of, payment by or to, delivery by or to, notice by or to, consent by or to or agreement between the Issuer and such Transfer Agent, Calculation Agent or Paying Agent (as the case may be) shall be disregarded to the extent that the Issuer performs such role.

## **18. NOTICES**

### **18.1 Notice by the Issuer**

- 18.1.1 Subject to Condition 18.1.3, all notices to Noteholders in respect of Registered Notes shall be sent by registered mail or delivered by hand to their addresses appearing in the Register. Any such notice shall be deemed to have been given on the 7<sup>th</sup> (seventh) day after the day on which it is mailed and on the day of delivery if delivered.
- 18.1.2 All notices to the holders of Notes represented by Individual Certificates shall be in writing and shall be sent by registered mail to the respective addresses of those Noteholders appearing in the Register or delivered by hand to the respective addresses of those Noteholders appearing in the Register. Each such notice shall be deemed to have been received by the relevant Noteholder on the date on which such notice is sent by registered mail (if such notice is sent by registered mail).
- 18.1.3 For as long as any of the Notes are issued in uncertificated form and are held in their entirety in the CSD, all notices in respect of such Notes shall be by way of delivery by the Issuer via the relevant Settlement Agent of the relevant notice to the CSD's Nominee (as the registered holder of such Notes) and the JSE or such other Financial Exchange on which the Notes are listed for communication by them to holders of Beneficial Interests in such Notes. Each such notice shall be deemed to have been received by the holders of Beneficial Interests on the day of delivery of such notice to the CSD's Nominee.

### **18.2 Notice by the Noteholders**

A notice to be given by any Noteholder to the Issuer shall be in writing and given by lodging (either by hand delivery or posting by registered mail) that notice, together with a certified copy of the relevant Individual Certificate at the office of the Transfer Agent specified in the Applicable Pricing Supplement (Notes). For so long as any of the Notes are issued in uncertificated form, notice may be given by any holder of a Beneficial Interest in such Notes to the Issuer via the relevant Settlement Agent in accordance with the Applicable Procedures, in such manner as the Issuer and the relevant Settlement Agent may approve for this purpose. Such notices shall be deemed to have been received by the Issuer, if delivered by hand, on the second Business Day after being hand delivered, or, if sent by registered mail, 7 (seven) days after posting.

### **18.3 Notice in relation to Notes listed on the JSE**

In addition to the provisions of Conditions 18.1 and 18.2, for so long as any Notes are listed on the JSE, all notices in respect of such JSE-listed Notes, shall be made by way of an announcement on the Stock Exchange News Service.

## 19. MEETINGS OF NOTEHOLDERS

### 19.1 Convening of meetings

The Issuer may at any time convene a meeting of all Noteholders or holders of any Class of Notes, and shall be obliged to do so upon the request in writing of Noteholders holding not less than 10 percent of the aggregate Nominal Amount of all Notes or Notes in that Class, as the case may be, for the time being Outstanding. Should the Issuer fail to requisition a meeting within 7 (seven) days of such a request being delivered to the Specified Office of the Issuer, the Noteholders requesting such a meeting may convene such meeting by written notice to the Issuer and the relevant Noteholders to which such meeting applies in accordance with Condition 18 (*Notices*). A meeting so convened will be convened as nearly as possible in the same manner as that in which meetings may be convened by the Issuer.

### 19.2 Notice

19.2.1 At least 21 (twenty one) days' prior written notice (exclusive of the day on which the notice is given and of the day on which the relevant meeting is to be held) specifying the date, time and place of the meeting shall be given to the Noteholders and the Transfer Agent (with a copy to the Issuer). Every such meeting shall be held at such time and place as the Transfer Agent may approve. The notice shall set out the nature of the business for which the meeting is to be held, the full text of any resolutions to be proposed and shall state that a Noteholder may appoint a proxy (as defined below) by delivering a form of proxy (as defined below) to the Specified Officers of the Transfer Agent by no later than 24 hours before the time fixed for the meeting.

19.2.2 A requisition notice by Noteholders requesting a meeting of Noteholders pursuant to Condition 19.1 above may consist of several documents in like form, each signed by one or more requisitioning Noteholders. Such a requisition notice will be delivered to the Specified Offices of the Issuer.

### 19.3 Proxy

19.3.1 A Noteholder may by an instrument in writing (a "**form of proxy**") signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation, appoint any Person (a "**proxy**") to act on his or its behalf in connection with any meeting or proposed meeting of the Noteholders.

19.3.2 Any Noteholder which is a corporation may by resolution of its directors or other governing body authorise any Person to act as its Representative in connection with any meeting or proposed meeting of the Noteholders.

19.3.3 Any proxy or Representative appointed shall, so long as the appointment remains in force, be deemed for all purposes in connection with any meeting or proposed meeting of the Noteholder specified in the appointment, to be the holder of the Notes to which the appointment relates and the holder of the Notes shall be deemed for such purposes not to be the holder.

### 19.4 Chairperson

The chairperson (who may, but need not, be a Noteholder) of the meeting shall be appointed by the Issuer. The procedures to be followed at the meeting shall be as determined by the chairperson subject to the remaining provisions of this Condition 19. Should the Noteholder requisition a meeting, and the Issuer fails to call such a meeting within 7 (seven) days of the requisition, then the chairperson of the meeting held at the instance of the Noteholders shall be selected by a majority of Noteholders present in Person, by Representative or by proxy. The chairman of an adjourned meeting need not be the same Person as was chairman of the original meeting.

### 19.5 Quorum

At any such meeting one or more Noteholders present in Person, by Representative or by proxy, holding in aggregate not less than 30 (thirty) percent of the Nominal Amount of Notes for the time being Outstanding shall form a quorum for the transaction of business. The quorum at any such meeting for passing an Extraordinary Resolution shall (subject as provided below) be one or more Noteholders of that Class present or represented by proxies or Representatives and holding or representing in the aggregate a clear majority in Nominal Amount of the Notes held by the applicable Class for the time being Outstanding. At any meeting the business of which includes any of the following matters ("**Reserved Matters**"), shall only be capable of being effected after having been approved by Extraordinary Resolution namely –

- 19.5.1 modification of the Maturity Date of any Notes or reduction or cancellation of the Nominal Amount payable upon; or
- 19.5.2 reduction or cancellation of the amount payable or modification of the payment date in respect of any interest in respect of the Notes or variation of the method of calculating the Interest Rate in respect of the Notes; or
- 19.5.3 reduction or increase of any Minimum Interest Rate and/or Maximum Interest Rate specified in the Applicable Pricing Supplement (Notes) of any Note; or
- 19.5.4 modification of the currency in which payments under the Notes are to be made; or
- 19.5.5 modification of the majority required to pass an Extraordinary Resolution; or
- 19.5.6 the sanctioning of any such scheme or proposal as is described in Condition 19.13.7 below; or
- 19.5.7 alteration of this proviso or the proviso to Condition 19.7.3 below.

At any meeting whose business includes any of such matters, the quorum shall be one or more Noteholders of that Class present or represented by proxies or Representatives and holding or representing in the aggregate not less than 66.67 (sixty-six point six seven) percent in Nominal Amount of the Notes of that Class for the time being Outstanding. An Extraordinary Resolution passed at any meeting of the holders of Notes of that Class will be binding on all holders of Notes, whether or not they are present at the meeting. No amendment to or modification of the Conditions may be effected without the written agreement of the Issuer.

#### **19.6 Adjournment of meetings**

- 19.6.1 The Chairperson may, with the consent of (and shall if directed by) any Noteholders, adjourn a meeting of Noteholders or a Class of Noteholders from time to time and from place to place.
- 19.6.2 If within thirty minutes after the time fixed for any such meeting a quorum is not present, then:
  - 19.6.2.1 in the case of a meeting requested by Noteholders, it shall be dissolved; or
  - 19.6.2.2 in the case of any other meeting, it shall be adjourned for such period (which shall be not less than 14 (fourteen) days and not more than 21 (twenty-one) days) and to such time and place as the Chairperson determines and approved by the Transfer Agent; provided, however, that:
    - 19.6.2.2.1 the meeting shall be dissolved if the Issuer so decides; and
    - 19.6.2.2.2 no meeting may be adjourned more than once for want of a quorum subject to as provided in Condition 19.7.3 below.
- 19.6.3 No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which adjournment took place.

#### **19.7 Notice following adjournment**

Condition 19.2 above shall apply to any meeting which is to be resumed after adjournment for want of a quorum save that:

- 19.7.1 7 (seven) days' notice (exclusive of the day on which the notice is given and of the day on which the relevant meeting is to be held) shall be sufficient; and
- 19.7.2 the notice shall state that (except in the circumstances where Condition 19.7.3 below applies) that one or more Noteholders present in Person, by Representative or by proxy whatever the Nominal Amount of the Notes held or represented by them will form a quorum;
- 19.7.3 in relation to any adjourned meeting the business of which includes any of Reserved Matter, the quorum shall be one or more Noteholders present in Person, by Representative or by proxy holding or representing not less than one third in aggregate Nominal Amount of the Notes for the time being Outstanding.

It shall not be necessary to give notice of the resumption of a meeting which has been adjourned for any other reason.

**19.8 Participation**

The following may attend and speak at a meeting:

- 19.8.1 Noteholders present, by Representative or by proxy provided that no such Person shall be entitled to attend and speak (or vote) unless he provides proof acceptable to the Issuer that he is a Noteholder, its Representative or proxy if so required by the Issuer to do so;
- 19.8.2 any officer or duly appointed representative of the Issuer and every other Person authorised in writing by the Issuer, provided that such Person shall not be entitled to vote, other than as a proxy or Representative;
- 19.8.3 the legal counsel to the Issuer;
- 19.8.4 the Transfer Agent;
- 19.8.5 any other Person approved by the Noteholders at such meeting; and
- 19.8.6 every director or duly appointed representative of the Issuer and every other Person authorised in writing by the Issuer may attend and speak at a meeting of Noteholders, but shall not be entitled to vote, other than as a proxy or Representative.

**19.9 Show of hands**

Except where otherwise provided, every resolution proposed to be passed at a meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the Chairperson's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution.

**19.10 Poll**

A demand for a poll shall be valid if it is made by the Chairperson, the Issuer or one or more Noteholders present, by Representative or by proxy (whatever the Nominal Amount of Notes held or represented by them). The poll may be taken immediately or after such adjournment as the Chairperson directs, but any poll demanded on the election of the Chairperson or on any question of adjournment shall be taken at the meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant meeting for any other business as the Chairperson directs.

**19.11 Votes**

Every Noteholder present in Person, by Representative or by proxy and who provided proof acceptable to the Issuer of his entitlement to vote, if so required by the Issuer, shall have one vote per Specified Denomination (or the nearest rounded off multiple thereof) of the relevant Class of Notes Outstanding held or represented by such Noteholder.

Notwithstanding any other provision contained in this Condition 19, the CSD's Nominee shall vote on behalf of holders of Beneficial Interests of Uncertificated Notes in accordance with the Applicable Procedures.

In the case of a voting tie, the Chairperson shall have a casting vote.

Unless the form of proxy states otherwise, a Representative or proxy shall not be obliged to exercise all the votes which he is entitled or cast all the votes which he exercises in the same way.

A majority shall be required to ordinarily pass a resolution of Noteholders.

**19.12 Validity of votes by proxies**

Any vote by a proxy in accordance with the form of proxy shall be valid even if such form of proxy or any instruction pursuant to which it was given has been amended or revoked, provided that the Transfer Agent or the Issuer at its Specified Office has not been notified in writing of such amendment or revocation by the time which is 24 hours before the time fixed for the relevant meeting. Unless revoked, any appointment of a proxy under a form of proxy in relation to a meeting shall remain in force in relation to any resumption of such meeting following an adjournment.

**19.13 Powers**

A meeting of Noteholders will have the power (exercisable by Extraordinary Resolution), without prejudice to any other powers conferred on it or any other Person:

- 19.13.1 to sanction any compromise or arrangement proposed to be made between the Issuer and the Class of Noteholders or any of them;
- 19.13.2 to approve the substitution of any entity for the Issuer which shall be proposed by the Issuer;
- 19.13.3 to sanction any abrogation, modification, compromise or arrangement in respect of the rights of the Class of Noteholders against the Issuer or against any of its property whether such rights shall arise under the Notes or otherwise;
- 19.13.4 to assent to any modification of the provisions contained in the Note Terms and Conditions which shall be proposed by the Issuer;
- 19.13.5 to give any authority or sanction which under the Note Terms and Conditions is required to be given by Extraordinary Resolution;
- 19.13.6 to appoint any persons (whether Noteholders or not) as a committee or committees to represent the interests of the Noteholders of that Class and to confer upon such committee or committees any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution;
- 19.13.7 to sanction any scheme or proposal for the exchange or sale of the Notes for, or the conversion of the Notes into or the cancellation of the Notes in consideration of, shares, stocks, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any entity (corporate or otherwise) formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities as aforesaid and partly for or into or in consideration for cash.
- 19.14 **Binding effect of resolutions**  
Any resolution passed at a meeting of a Class of Noteholders duly convened shall be binding upon all Noteholders of that Class whether or not present at such meeting and whether or not voting, and each Noteholder of that Class shall be bound to give effect to it accordingly.  
An Extraordinary Resolution shall be binding upon all Noteholders whether or not present at such meeting and whether or not voting, and each of the Noteholders shall be bound to give effect to it accordingly.
- 19.15 **Notice of the result of voting on any resolution**  
Notice of the result of the voting on any resolution (including any Extraordinary Resolution) duly considered by the Noteholders shall be given to the Noteholders within 14 (fourteen) days of the conclusion of the meeting in accordance with Condition 18 (*Notices*). Non-publication shall not invalidate any such resolution.
- 19.16 **Minutes**  
Minutes shall be made of all resolutions and proceedings of meetings by the Transfer Agent and duly entered in books to be provided by the Issuer for that purpose. The Chairperson shall sign the minutes, which shall be *prima facie* evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such meeting in respect of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed thereat, or proceedings held, to have been duly passed and held.
- 20. **MODIFICATION**
- 20.1 Subject to the Mauritian Companies Act, any regulations promulgated under the Mauritian Companies Act, the JSE Listings Requirements and the listings requirements of any other applicable Financial Exchange, as the case may be, the Issuer may effect, without the consent of the relevant Class of Noteholders, any modification of the Note Terms and Conditions which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated and the governing law in accordance with which Notes are issued. Any such modification shall be binding on the relevant Class of Noteholders and any such modification shall be notified to the relevant Class of Noteholders and to the relevant Financial Exchange in accordance with Condition 18 (*Notices*) as soon as practicable thereafter. For the avoidance of doubt, the provision of any rights of security to or for the benefit of any Class of Noteholders in accordance with Condition 7 (*Negative Pledge*) or the exercise by the Issuer of its rights under Condition 17 (*Transfer Agent, Calculation Agent and Paying Agent*) shall not constitute a