

**Programme Memorandum dated 23 March 2021**

**Vukile Property Fund Limited**



*(Incorporated in South Africa with limited liability under registration number 2002/027194/06)*

**ZAR5 billion Domestic Medium Term Note Programme**

*Attorneys to the Arranger*

**WEBBER WENTZEL**

in alliance with > **Linklaters**

*Arranger and Dealer*



Traditional values. Innovative ideas.

**PROGRAMME MEMORANDUM****VUKILE PROPERTY FUND LIMITED**

*(Incorporated in South Africa with limited liability under registration number 2002/027194/06)*

**R5 billion Domestic Medium Term Note Programme**

The Issuer wishes to amend the provisions of the Programme Memorandum dated 6 December 2018 (the "**Previous Programme Memorandum**"). With effect from the date of signature of this revised Programme Memorandum, this revised Programme Memorandum shall supersede the Previous Programme Memorandum.

Under this ZAR5 000 000 000 Domestic Medium Term Note Programme (the "**Programme**"), Vukile Property Fund Limited (the "**Issuer**") may from time to time issue secured or unsecured registered notes (the "**Notes**"), denominated in South African Rand on the terms and conditions (the "**Terms and Conditions**") contained in the section of this Programme Memorandum headed "*Terms and Conditions of the Notes*".

Capitalised terms used below are defined in the section of this Programme Memorandum headed "*Terms and Conditions of the Notes*".

Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. One or more Series of Notes may form a Class of Notes. Before the Issuer issues any Tranche of Notes, the Issuer shall complete and sign an Applicable Pricing Supplement based on the pro forma Applicable Pricing Supplement included in this Programme Memorandum, setting out details of such Notes. The Applicable Pricing Supplement in relation to any Tranche of Notes may specify other terms and conditions (including additional definitions) which shall, to the extent so specified or to the extent inconsistent with the Terms and Conditions, replace or modify the Terms and Conditions for the purpose of such Tranche of Notes.

Each Note will be a Senior Note or a Subordinated Note, as indicated in the Applicable Pricing Supplement. Save as set out in this Programme Memorandum, the Notes will not be subject to any minimum or maximum maturity. The Programme Amount will not exceed ZAR5 000 000 000 unless such Programme Amount is increased as set out in the section of this Programme Memorandum headed "*General Description of the Programme*".

The Programme has been registered with the JSE. A Tranche of Notes may be listed on the Interest Rate Market of the JSE or on such other or further exchange(s) as may be determined by the Issuer and the Dealer(s) and subject to any Applicable Laws. With respect to a Tranche of Notes listed on the Interest Rate Market of the JSE, the Applicable Pricing Supplement(s) relating to that Tranche will be delivered to the JSE and the Central Securities Depository before the Issue Date, and the Notes in that Tranche may be traded by or through members of the JSE from the date specified in the Applicable Pricing Supplement. The trading of Notes listed on the Interest Rate Market of the JSE will take place in accordance with the rules and operating procedures for the time being of the JSE. The settlement of trades on the JSE will take place in accordance with the electronic settlement procedures of the JSE and the Central Securities Depository. The settlement and redemption procedures for a Tranche of Notes listed on another exchange, irrespective of whether that Tranche is listed on the Interest Rate Market of the JSE as well, will be specified in the Applicable Pricing Supplement.

Unlisted Notes may also be issued under the Programme. Unlisted Notes are not regulated by the JSE. With respect to Notes not listed on the Interest Rate Market of the JSE, the placement of such unlisted Notes will be reported through the Central Securities Depository in order for the settlement of trades to take place in accordance with the electronic settlement procedures of the Central Securities Depository. In such event, the Applicable Pricing Supplement will be delivered to the JSE and the Central Securities Depository. With respect to Notes not listed on the Interest Rate Market of the JSE, and not to be settled through the electronic settlement procedures of the JSE and the Central Securities Depository, no Applicable Pricing Supplement will be delivered to the JSE.

The holders of Notes that are not listed on the Interest Rate Market of the JSE will have no recourse against the JSE Debt Guarantee Fund Trust. Claims against the JSE Debt Guarantee Fund Trust may only be made in respect of the trading of Notes listed on the Interest Rate Market of the JSE and in accordance with the rules of the JSE Debt Guarantee Fund Trust. Unlisted notes are not regulated by the JSE.

Notes may be issued on a continuing basis and be placed by one or more Dealers appointed by the Issuer from time to time, which appointment may be for a specific issue or on an ongoing basis.

Tranches of Notes issued under the Programme may be rated, and, if so, this rating will be available on the Issuer's website and contained in the Applicable Pricing Supplement. Any changes to such rating will be announced on SENS.

**Capitalised terms used in this Programme Memorandum are defined in the section of this Programme Memorandum headed "Terms and Conditions of the Notes", unless separately defined in this Programme Memorandum and/or, in relation to any particular Tranche of Notes, the Applicable Pricing Supplement. Expressions defined in this Programme Memorandum will bear the same meanings in supplements to this Programme Memorandum which do not themselves contain their own definitions.**

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

*The JSE takes no responsibility for the contents of this Programme Memorandum and the annual financial statements and/or any Applicable Pricing Supplements and/or the annual report of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of this Programme Memorandum, the annual financial statements and/or any Applicable Pricing Supplements and/or the annual report of the Issuer and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Programme Memorandum and listing of the debt securities is not to be taken in any way as an indication of the merits of the Issuer or of the debt securities and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.*

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

*No person is authorised to give any information or to make any representation concerning the issue of the Notes other than the information and representations contained in this Programme Memorandum. Nevertheless, if any such information is given or representation made, it must not be relied upon as having been authorised by the JSE, the Issuer, the Debt Sponsor, Arranger or the Dealers, or any of their respective subsidiary or holding companies or a subsidiary of their holding company ("**Affiliates**") or advisers. Neither the delivery of this Programme Memorandum nor any offer, sale, allotment or solicitation made in connection with the offering of the Notes shall, in any circumstances, create any implication or*

*constitute a representation that there has been no change in the affairs of the Issuer since the date hereof or that the information contained in this Programme Memorandum is correct at any time subsequent to the date of this Programme Memorandum. The JSE, the Debt Sponsor, the Arranger, the Dealers and other advisers have not separately verified the information contained in this Programme Memorandum. Accordingly, neither the JSE, the Debt Sponsor, the Arranger, the Dealers nor any of their respective Affiliates or advisers makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Programme Memorandum or any other information supplied in connection with the Programme. Each person receiving this Programme Memorandum acknowledges that such person has not relied on the JSE, the Debt Sponsor, the Arranger, the Dealers or any other person affiliated with the JSE, the Debt Sponsor, the Arranger or the Dealers in connection with its investigation of the accuracy of such information or its investment decision.*

*Neither this Programme Memorandum nor any other information supplied in connection with the Notes is intended to provide the basis of any credit or other evaluation, or should be considered as a recommendation by the JSE, the Issuer, the Debt Sponsor, the Arranger or the Dealers that any recipient of this Programme Memorandum or any other information supplied in connection with the Programme should subscribe for or purchase any Notes. Each person contemplating making an investment in the Notes must make its own investigation and analysis of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the terms of the offering and its own determination of the suitability of any such investment, with particular reference to its own investment objectives and experience, and any other factors which may be relevant to it in connection with such investment. The JSE, the Debt Sponsor, the Arranger and the Dealers do not undertake to review the financial condition or affairs of the Issuer nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Arranger or the Dealers.*

*The Notes will be obligations of the Issuer. The Notes will not be obligations of, or the responsibility of, or guaranteed by the Debt Sponsor, the Arranger or the Dealers. No liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Notes shall be accepted by, the Debt Sponsor, the Arranger or the Dealers.*

*None of the Issuer, the JSE, the Debt Sponsor, the Arranger or the Dealers makes any representation or warranties as to the settlement procedures of the Central Securities Depository or the JSE or any other relevant stock exchange.*

***This Programme Memorandum does not constitute an offer or an invitation by or on behalf of the Issuer, the Debt Sponsor, the Arranger, the Dealers or to any person to subscribe for or purchase any of the Notes.*** *The distribution of this Programme Memorandum and the offering of the Notes in certain jurisdictions may be restricted by law. No representation is made by the Issuer, the Debt Sponsor, the Arranger or the Dealers that this Programme Memorandum may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder and none of them assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Debt*

*Sponsor, the Arranger or the Dealers or which would permit a public offering of the Notes or distribution of this Programme Memorandum in any jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Programme Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Programme Memorandum comes are required by the Issuer, the Debt Sponsor, the Arranger and the Dealers to inform themselves about and to observe any such restrictions.*

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

*The terms of this Programme Memorandum, if sent to persons resident in jurisdictions outside South Africa, may be affected by the laws of the relevant jurisdiction. Such persons should inform themselves about and observe any applicable legal requirements in any such jurisdiction. It is the responsibility of any such person wishing to subscribe for or purchase the Notes to satisfy itself as to the full observance of the laws of the relevant jurisdiction therewith. If and to the extent that this Programme Memorandum is illegal in any jurisdiction, it is not made in such jurisdiction and this document is sent to persons in such jurisdiction for information purposes only.*

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

***In connection with the issue and distribution of any Tranche of Notes, the Issuer or a Dealer disclosed as the approved stabilisation manager, if any, (the "Stabilisation Manager") in the Applicable Pricing Supplement may, to the extent approved by the JSE and permitted by applicable laws and regulations, over-allot or effect transactions for a limited period after the Issue Date with a view to supporting the market price of the Notes of which such Tranche forms a part at a level higher than that which might otherwise prevail for a limited period after the Issue Date. However, there may be no obligation on the Stabilisation Manager to do this. Such stabilising, if commenced, may be discontinued at any time and must be brought to an end after a limited period and the price/yield and amount of Notes to be issued under this Programme will be determined by the Issuer and each Dealer and/or Lead Manager(s) at the time of issue in accordance with the prevailing market conditions.***

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## DOCUMENTS INCORPORATED BY REFERENCE

The documents listed below are deemed to be incorporated into, and to form part of, this Programme Memorandum and will, together with this Programme Memorandum, be made available for inspection, during normal office hours, at the registered office of the Issuer, at no charge, for as long as the Programme Memorandum remains registered with the JSE:

- (a) the audited consolidated annual financial statements of the Issuer, for the financial years ended 31 March 2018, 31 March 2019 and 31 March 2020, and for each financial year ended thereafter, together with such statements, reports and notes attached to or intended to be read with such financial statements;
- (b) the unaudited interim consolidated financial results of the Issuer, for each financial half-year commencing with the financial half-year ended 30 September 2018, 30 September 2019 and 30 September 2020, and for each financial half-year ended thereafter;
- (c) each Applicable Pricing Supplement relating to any Tranche of Notes issued under the Programme;
- (d) each supplement to this Programme Memorandum circulated by the Issuer from time to time;
- (e) all information pertaining to the Issuer which is relevant to the Programme and/or this Programme Memorandum, including any announcements if there are market updates in relation to King IV compliance, which is published by the Issuer and electronically disseminated on SENS to SENS subscribers;
- (f) the constitutional documents of the Issuer, as amended from time to time;
- (g) the Integrated Report of the Issuer setting out, *inter alia*, (i) the full names of Issuer's directors and debt officer, (ii) a general description of the Issuer's business, (iii) the full name of the Issuer's company secretary and the address of its offices and of the registered office and (iv) a description of the material risk factors specific to the Issuer, which Integrated Report can be found at the following link on the Issuer's website: <http://vukile.co.za/investor-media/reports-results.php>;
- (h) a disclosure schedule setting out details required by paragraph 4.10(b) of the JSE Debt Listings Requirements in respect of the Issuer's directors and debt officer can be found at the following link on the Issuer's website: <http://vukile.co.za/investor-media/reports-results.php> and <https://www.vukile.co.za/investor-media/downloads/programme-memorandum/appointment-of-debt-officer.pdf>;
- (i) the Issuer's King IV disclosure which can be found at the following link on the Issuer's website <http://vukile.co.za/cmsAdmin/uploads/Vukile-King-IV-Application-Register.pdf> and corporate governance policies dealing with evaluation of directors, conflicts of interest and nomination of directors which can be found at the following link on the Issuer's website: <https://www.vukile.co.za/corporate-overview/corporate-governance.php> and <https://www.vukile.co.za/corporate-overview/corporate-governance.php>; and

- (j) in respect of each Tranche of Notes, any other Transaction Documents referred to in the Applicable Pricing Supplement.

The Programme Memorandum and any amendments or supplements thereto and all Applicable Pricing Supplements will be made available on the website of the JSE ([www.jse.co.za](http://www.jse.co.za)). All the documents referred to in (a) to (j) above will also be available on the website of the Issuer ([www.vukile.co.za](http://www.vukile.co.za)). The most recently obtained monthly beneficial disclosure report made available by the relevant Participants to the Central Securities Depository will also be available for inspection at the Specified Office of the Issuer. Any statement contained in this Programme Memorandum or in any document which is incorporated by reference into this Programme Memorandum will be deemed to be modified or superseded for the purposes of this Programme Memorandum to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference into this Programme Memorandum modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

The Issuer will, for so long as any Notes in a Tranche remain outstanding and listed on the Interest Rate Market of the JSE, publish a new Programme Memorandum or a supplement to this Programme Memorandum, as the case may be, if any of the information contained in this Programme Memorandum becomes outdated in a material respect; provided that, no new Programme Memorandum or supplement to this Programme Memorandum, as the case may be, is required in respect of the Issuer's annual financial statements if such annual financial statements are incorporated by reference into this Programme Memorandum and such annual financial statements are submitted to the JSE within four months after the financial year end of the Issuer. The Issuer's annual consolidated financial statements will include Risk Factors which may be updated from time to time.

Any such new Programme Memorandum or Programme Memorandum as supplemented, as the case may be, will be deemed to have substituted the previous Programme Memorandum from the date of issue of the new Programme Memorandum or Programme Memorandum as supplemented, as the case may be.



## GENERAL DESCRIPTION OF THE PROGRAMME

*A general description of the Programme is set out below. The general description does not purport to be complete and is taken from, and is qualified by, the remainder of this Programme Memorandum and, in relation to any particular Tranche of Notes, the Applicable Pricing Supplement.*

Under the Programme, the Issuer may from time to time issue Notes denominated in the Specified Currency. The applicable terms of any Notes will be set out in the Terms and Conditions incorporated by reference into the Notes, as modified and supplemented by the Applicable Pricing Supplements relating to the Notes and any supplementary 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 an Applicable Pricing Supplement based on the pro forma Applicable Pricing Supplement included in the Programme Memorandum, setting out details of such Notes. The Applicable Pricing Supplement 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 Terms and Conditions set out in this Programme Memorandum, replace or modify such Terms and Conditions for the purpose of such Tranche of Notes. Each Note will be a Senior Note or a Subordinated Note, as indicated in the Applicable Pricing Supplement.

Each Tranche of Notes may be listed on the Interest Rate Market of the JSE or on such other or further exchange(s) as may be determined by the Issuer and the Dealer(s) and subject to any Applicable Laws. Unlisted Notes may also be issued under the Programme. Unlisted Notes are not regulated by the JSE. Claims against the JSE Debt Guarantee Fund Trust may only be made in respect of the trading of Notes listed on the Interest Rate Market of the JSE and in accordance with the rules of the JSE Debt Guarantee Fund Trust.

In the event that any Tranche of Notes is listed on any exchange other than the JSE or the Issuer issues unlisted Notes, the Issuer will, no later than the last day of the month of issue of such Tranche, inform the JSE in writing of the aggregate Principal Amount, the Step-Up Date and the Final Redemption Date of such Tranche.

The Programme Amount will not exceed ZAR5 000 000 000, unless the Programme Amount is increased as set out below. For the purpose of calculating the aggregate Principal Amount of Notes issued under the Programme from time to time:

- (a) the Rand equivalent of a Tranche of Notes denominated in another currency shall be determined, at or about the relevant Issue Date, on the basis of the spot rate at such time for the sale of such Rand amount against the purchase of such currency or unit of account in the Johannesburg inter-bank foreign exchange markets, as quoted by any leading bank selected by the Issuer;
- (b) the amount of a Tranche of Indexed Notes shall be calculated by reference to the aggregate Principal

Amount of that Tranche of Notes (regardless of the Issue Price of that Tranche of Notes); and

- (c) the amount of a Tranche of Zero Coupon Notes (and any other Tranche of Notes issued at a discount or a premium) shall be calculated with reference to the Principal Amount of that Tranche of Notes.

From time to time the Issuer may wish to increase the Programme Amount. Subject to the Programme Agreement, the listings requirements of the JSE and/or such other or further exchange(s) on which any Tranche of Notes may be listed and to any Applicable Law, the Issuer may, without the consent of Noteholders, increase the Programme Amount by delivering a notice thereof to the Noteholders and to the relevant exchange. Upon such notice being given (and following compliance with the provisions of the Programme Agreement), all references in this Programme Memorandum, or any other agreement, deed or document relating to the Programme, to the Programme Amount will be, and will be deemed to be, references to the increased Programme Amount set out in such notice.

To the extent that the Notes may be listed on the Interest Rate Market of the JSE, the JSE's approval of the listing of the Notes is not to be taken in any way as an indication of the merits of the Issuer or any Notes. The Interest Market of the JSE has not verified the accuracy or truth of the contents of the Programme Memorandum. The Interest Rate Market of the JSE will not be liable for any claim of whatsoever kind

## SUMMARY OF THE PROGRAMME

*The information set out below is a brief summary of certain aspects of the Programme. This summary should be read in conjunction with, and is qualified in its entirety by, the remainder of this Programme Memorandum and, in relation to any particular Tranche of Notes, the Applicable Pricing Supplements.*

### Transaction Parties

<b>Issuer</b>	Vukile Property Fund Limited, a company incorporated in accordance with the laws of South Africa, (registration number 2002/027194/06).
<b>Debt Sponsor</b>	Java Capital Trustees and Sponsors Proprietary Limited (registration number 2006/005780/07) and/or such other person(s) appointed by the Issuer from time to time.
<b>Arranger</b>	Rand Merchant Bank, a division of FirstRand Bank Limited, (registration number 1929/001225/06) and/or such other person(s) appointed by the Issuer from time to time in terms of the Programme Agreement.
<b>Dealer(s)</b>	Rand Merchant Bank, a division of FirstRand Bank Limited, (registration number 1929/001225/06) and/or such other person(s) appointed by the Issuer from time to time in terms of the Programme Agreement, which appointment may be for a specific issue of Notes or on an ongoing basis, as specified in the Applicable Pricing Supplement.
<b>Paying Agent</b>	Rand Merchant Bank, a division of FirstRand Bank Limited, (registration number 1929/001225/06), or, in relation to a particular Tranche or Series of Notes, such other person appointed by the Issuer from time to time, as specified in the Applicable Pricing Supplement.
<b>Transfer Agent</b>	Rand Merchant Bank, a division of FirstRand Bank Limited, (registration number 1929/001225/06), or such other person appointed by the Issuer from time to time, as specified in the Applicable Pricing Supplement.
<b>Calculation Agent</b>	Rand Merchant Bank, a division of FirstRand Bank Limited, (registration number 1929/001225/06), or, in

relation to a particular Tranche or Series of Notes, such person appointed by the Issuer from time to time, as specified in the Applicable Pricing Supplement.

**Rating Agency**

In relation to a particular Tranche or Series of Notes, any of Global Credit Rating Co. Proprietary Limited, Standard & Poor's, Fitch Ratings Limited, Moody's Investors Service Limited or such other rating agency or rating agencies of equivalent international standing, if any, as may be appointed by the Issuer from time to time to assign a Rating to the Issuer or to any Notes issued by the Issuer, as specified in the Applicable Pricing Supplement and notified to Noteholders pursuant to Condition 15.

**Auditor**

PricewaterhouseCoopers Inc. or such other auditor (or firm of auditors) as may be selected by the Issuer from time to time.

**Noteholder(s)**

The holders of the Notes as recorded in the Register.

**Central Securities Depository**

Strate Proprietary Limited (registration number 1998/022242/07) or any additional or alternate depository approved by the Issuer and the Dealer(s).

*Programme Description*

**Description of the Programme**

Vukile Property Fund Limited Domestic Medium Term Note Programme.

**Size of the Programme**

Up to ZAR5 000 000 000 outstanding at any time. The Issuer may, without the consent of Noteholders, increase the Programme Amount in accordance with the Programme Agreement, Applicable Laws and subject to any required regulatory approvals. The Programme Amount at the time of the issue of any Tranche of Notes will be set out in the Applicable Pricing Supplement.

**Listing**

The Programme has been registered with the JSE. Notes issued under the Programme may be listed on the Interest Rate Market of the JSE or such other or further exchange(s) as may be selected by the Issuer and any relevant Dealer(s) and subject to Applicable Laws. Unlisted Notes may also be issued under the Programme.

Unlisted Notes are not regulated by the JSE. The Applicable Pricing Supplement in respect of a Tranche of Notes will specify whether or not such Notes will be listed and, if so, on which exchange. The Notes will be fully paid up on the Issue Date and freely transferable.

#### **Rating of Notes**

The Applicable Pricing Supplement will reflect the Rating, if any, which has been assigned to a Tranche of Notes, as well as the Rating Agency or Rating Agencies which assigned such Rating or Ratings. A Rating is not a recommendation to subscribe for, buy, sell or hold Notes and may be subject to revision, suspension or withdrawal at any time by the Rating Agency concerned.

#### **Notes**

The description of, and terms and conditions applicable to, Notes other than those specifically described in this Programme Memorandum will be set out in the Applicable Pricing Supplements.

Notes may be:

- (a) interest-bearing or non-interest bearing;
- (b) secured or unsecured;
- (c) issued at par, a premium or a discount;
- (d) issued in fully paid up form;
- (e) exchangeable for other assets; and/or
- (e) issued with such other characteristics as may be specified in the Applicable Pricing Supplement.

#### **Form of Notes**

Notes will be issued in registered form as described in the section "*Form of the Notes*". Notes will not be issued in bearer form or in order form, unless otherwise agreed by the Issuer and any applicable Dealer. The section "*Settlement, Clearing and Transfers of Notes*" describes how Beneficial Interests are created and what the rights of Beneficial Interest holders are.

#### **Currency**

Notes may be issued in Rand, the lawful currency of South Africa or, subject to Applicable Law, such other currency

as the Issuer in consultation with the Debt Sponsor and Arranger may determine.

**Terms and Conditions**

The terms and conditions of the Notes are set out in the section of this Programme Memorandum headed "*Terms and Conditions of the Notes*". The Applicable Pricing Supplements may specify other terms and conditions (which may replace, modify or supplement the Terms and Conditions) in relation to specific terms and conditions of the Notes of any Tranche of Notes issued.

**Issue Price**

Notes may be issued at an issue price which is at their Principal Amount or at a discount to, or premium over, their Principal Amount as specified in the Applicable Pricing Supplement.

**Denomination of Notes**

Notes will be issued with a minimum denomination of not less than ZAR1 000 000 (one million Rand), as specified in the Applicable Pricing Supplement.

**Maturities**

Notes are not subject to any minimum or maximum maturity. The maturity of each Tranche of Notes will be specified in the Applicable Pricing Supplement.

**Interest Rate and Interest Payment Dates**

As specified in the Applicable Pricing Supplement.

**Redemption**

Save for optional redemption prior to the stated maturity of the Notes (as described below) and early redemption following an Event of Default, early redemption of the Notes will only be permitted for Tax reasons as described in Condition 8.3.

If so specified in the Applicable Pricing Supplement, Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part).

If so specified in the Applicable Pricing Supplement, Notes may be redeemed before their stated maturity at the option of the holders of Senior Notes (either in whole or in part).

**Status of Notes**

The Issuer may issue Senior Notes or Subordinated Notes, as specified in the Applicable Pricing Supplement.

**Status of the Senior Notes**

The Senior Notes constitute direct, unconditional, unsubordinated, and (subject to the negative pledge and unless otherwise provided in the Applicable Pricing Supplement) unsecured obligations of the Issuer and will rank equally among themselves and (save for certain debts required to be preferred by Applicable Law) at least equally with all other unsecured, unsubordinated obligations of the Issuer from time to time outstanding.

**Status of the Subordinated Notes**

Subordinated Notes constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and will rank equally among themselves and (save for certain debts required to be preferred by Applicable law) at least equally with all other unsecured, subordinated obligations of the Issuer from time to time outstanding.

**Negative Pledge**

If so specified in the Applicable Pricing Supplement, Senior Notes of that Series may have the benefit of a negative pledge.

**Cross Default**

Senior Notes will have the benefit of a cross-default to other Indebtedness for Borrowed Money of the Issuer above the threshold specified in Condition 12.2.

**Securities Transfer Tax**

In terms of current South African legislation as at the date of the Programme Date, no securities transfer tax is payable by the Issuer on the original issue of, or on the registration of transfer of, Notes on the basis that the Notes will not comprise a "security" as defined in section 1 of the Securities Transfer Tax Act, 2007. Any future stamp duties or other duties or Taxes that may be introduced or may be applicable upon the transfer of the Notes will be for the account of Noteholders.

**Withholding Tax**

Withholding tax on interest in respect of certain debt instruments (which could include any Notes issued) may be applicable to certain persons, who are regarded as non-resident for tax purposes in South Africa. The withholding tax will be levied at a rate of 15%, but could be reduced by relevant double taxation treaties. There are exemptions, which include interest paid in respect of any debt listed on a recognised exchange. The JSE Limited

would qualify as such an exchange. In the event that such withholding or deduction is required by law, the Issuer will be obliged to pay additional amounts in relation thereto, subject to customary exceptions, as described in Condition 10.

**Tax Status**

A summary of applicable current South African tax legislation appears in the section of this Programme Memorandum headed "*South African Taxation*". The section does not constitute tax advice and investors should consult their own professional advisers.

**Governing Law**

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

**Distribution**

Notes may be offered by way of public auction, private placement or any other means permitted by Applicable Law, as determined by the Issuer and reflected in the Applicable Pricing Supplement.

**Method of Transfer**

The method of transfer is by registration for transfer of Notes to occur through the Register and by electronic book entry in the securities accounts of Participants or the Central Securities Depository, as the case may be, for transfers of Beneficial Interests in the Notes, in all cases subject to the restrictions described in this Programme Memorandum. The Notes will be fully paid up on the Issue Date and freely transferable.

**Register**

The Register will be maintained by the Transfer Agent in accordance with the Terms and Conditions.

**Register Closed**

The Register will, in respect of each Tranche of Notes, be closed prior to each Interest Payment Date and Redemption Date, for the periods described in Condition 14, in order to determine those Noteholders entitled to receive payments.

**Selling Restrictions**

The distribution of this Programme Memorandum and any offering or sale of a particular Tranche of Notes may be restricted by law in certain jurisdictions, and are restricted by law in the United States of America, the United Kingdom, the European Economic Area and South Africa. Any relevant selling restrictions and other restrictions as



may be required to be met in relation to an offering or sale of a particular Tranche of Notes shall be included in the Applicable Pricing Supplement. Persons who come into possession of this Programme Memorandum or the Applicable Pricing Supplement must inform themselves about and observe such restrictions.

**Blocked Rand**

Blocked Rand may be used for the subscription for or purchase of Notes, subject to South African Exchange Control Regulations, 1961, promulgated under the Currency and Exchanges Act, 1933.

## **FORM OF THE NOTES**

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

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

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

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

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

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

In terms of section 50 of the Companies Act, read with the Financial Markets Act and the rules of the Central Securities Depository, the Issuer will (i) record in the Register, the total number, and where applicable, the nominal value of the Notes issued by it in uncertificated form, and (ii) the Central Securities Depository and Central Securities Depository Participants will administer and maintain the company's uncertificated securities register, which will form part of the Register.

### **Beneficial Interests**

The Central Securities Depository will hold each Tranche of Notes issued in uncertificated form, subject to the Financial Markets Act and the Applicable Procedures. Accordingly, and except where the contrary is provided in the Terms and Conditions, all rights to be exercised in respect of the Notes issued in uncertificated form, may be exercised only by the Central Securities Depository for the holders of Beneficial Interests in such Notes, in accordance with the Applicable Procedures.

The Central Securities Depository maintains central securities accounts only for Participants. As at the Programme Date, the Participants are Citibank N.A., South Africa Branch, FirstRand Bank Limited (RMB Custody and Trustee Services), Nedbank Limited, The Standard Bank of South Africa Limited, Standard Chartered Bank, Johannesburg Branch, Société Générale, Johannesburg Branch and the South African Reserve Bank.

The Participants are in turn required to maintain securities accounts for their clients. The clients of Participants may include the holders of Beneficial Interests in the Notes 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 Central Securities Depository only through their Participants.

In relation to each person shown in the records of the Central Securities Depository or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular Principal Amount of Notes, a certificate or other document issued by the Central Depository or the relevant Participant, as the case may be, as to the Principal Amount of such Notes standing to the account of such person shall be *prima facie* proof of such Beneficial Interest.

Transfers of Beneficial Interests in the Central Securities Depository to and from clients of the Participants occur by electronic book entry in the central securities accounts of the clients of the Participants. Transfers among Participants of Notes held in the Central Securities Depository system occur through electronic book entry in the Participants' central security accounts with the Central Securities Depository. Beneficial Interests may be transferred only in accordance with the Terms and Conditions and the Applicable Procedures.

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

#### **Individual Certificates**

The Notes represented by Individual Certificates will be registered in the name of the individual Noteholders in the Register. Notes represented by Individual Certificates may be transferred only in accordance with the Terms and Conditions.

Payments of interest and principal in respect of Notes represented by Individual Certificates will be made in accordance with Condition 9 to the person reflected as the registered holder of such Individual Certificates in the Register at 17h00 (Johannesburg time) on the Last Day to Register, and the Issuer will be discharged by proper payment to or to the order of the registered holder of the Certificate in respect of each amount so paid.

#### **Other Notes**

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

## **RISK FACTORS**

*The Issuer believes that the factors outlined below may affect its ability to fulfil its obligations under the Notes. All 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 the Notes are also described below. The value of the Notes could decline due to any of these risks, and investors may lose some or all of their investment. **Risks affecting the business of the Issuer are discussed in the section of this Programme Memorandum headed "Description of the Issuer".***

*The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes 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. Accordingly, the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive.*

*All of these risks could materially affect the Vukile Group, its reputation, business, results of its operations and overall financial condition.*

*The information set out below is therefore not intended as advice and does not purport to describe all of the considerations that may be relevant to a prospective investor.*

*Investors contemplating making an investment in the Notes should determine their own investment objectives and experience, and any other factors which may be relevant to them in connection with such investment.*

*Prospective investors should also read the detailed information set out elsewhere in this Programme Memorandum as well as all documents incorporated by reference including in particular the consolidated annual financial statements of the Issuer to reach their own views prior to making any investment decision.*

*References below to a numbered "Condition" shall be to the relevant Condition under the Terms and Conditions.*

### **Risks Relating to the Issuer**

Incorporated by reference to the Integrated Report where the "Key risk register – top 10 risks" is set out which can be found at the following link on our website: <http://vukile.co.za/investor-media/reports-results.php>.

### **Risks Relating to the Notes**

***The Notes may not be a suitable investment for all investors***

Each potential investor in any Notes 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 Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Programme Memorandum or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such an investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the Notes 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 Notes 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 and 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 Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

***There is no active trading market for the Notes***

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer.

***The Notes may be redeemed prior to maturity***

Unless in the case of any particular Tranche of Notes the Terms and Conditions provide otherwise, in the event that the Issuer is obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any Taxes, the Issuer may redeem all outstanding affected Tranches Notes in accordance with the Terms and Conditions.

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

***Because Notes listed on the Interest Rate Market of the JSE may be held by the Central Securities Depository, investors will have to rely on its procedures for transfer, payment and communication with the Issuer***

Each Tranche of Notes which is listed on the Interest Rate Market of the JSE and held in uncertificated form, will be held in the Central Securities Depository. Unlisted Notes may also be held in the Central Securities Depository. Except in the circumstances described in the Terms and Conditions, investors will not be entitled to receive Individual Certificates. The Central Securities Depository will maintain records of the Beneficial Interests in Notes held in the Central Securities Depository. While the Notes are held in the Central Securities Depository, investors will be able to trade their Beneficial Interests in such Notes only through the Central Securities Depository.

While Notes are held in the Central Securities Depository the Issuer will discharge its payment obligations under such Notes by making payments to or to the order of the holders of Beneficial Interests in such Notes in accordance with the Applicable Procedures. A holder of a Beneficial Interest in Notes must rely on the procedures of the Central Securities Depository and Participants to receive payments under such Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, Beneficial Interests.

Holders of Beneficial Interests in such Notes will not have a direct right to vote in respect of such Notes.

***Recourse to the JSE Debt Guarantee Fund Trust***

The holders of Notes that are not listed on the Interest Rate Market of the JSE will have no recourse against the JSE Debt Guarantee Fund Trust. Claims against the JSE Debt Guarantee Fund Trust may only be made in respect of the trading of Notes listed on the Interest Rate Market of the JSE and in accordance with the rules of the JSE Debt Guarantee Fund Trust. Unlisted notes are not regulated by the JSE.

***Credit Rating***

Tranches of Notes issued under the Programme may be rated or unrated. A rating is not a recommendation to subscribe for, buy, sell or hold Notes and may be subject to suspension, reduction or withdrawal at any time by the assigning Rating Agency. Any adverse change in an applicable credit rating could adversely affect the trading price for the Notes issued under the Programme.

***Risks related to the structure of a particular issue of Notes***

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

***Notes subject to optional redemption by the Issuer***

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

The Issuer may issue Notes the terms of which provide for interest or principal payable in respect of such Note to 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**"). Potential investors should be aware that:

- the market price of such Notes may be volatile;
- no interest may be payable on such Notes;
- payments of principal or interest on such Notes may occur at a different time or in a different currency than expected;
- the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero;
- 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 Notes 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 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.

#### *Variable Rate Notes with a multiplier or other leverage factor*

Notes with variable interest rates 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 Notes*

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes 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, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate may at any time be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

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

The market price of Notes issued at a substantial discount to or premium over their principal amount tend to fluctuate more in relation to general changes in interest rates than do market 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.

#### ***Risks related to Notes generally***

##### *Modification and waivers*

The Terms and Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

##### *Change of law*

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

##### *Notes where denominations involve integral multiples: Individual Certificates*

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be



traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in the form of an Individual Certificate in respect of such holding and would need to purchase a Principal Amount of Notes such that its holding amounts to a minimum Specified Denomination.

If Individual Certificates are issued, holders should be aware that Individual Certificates which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

***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) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

## PRO FORMA APPLICABLE PRICING SUPPLEMENT

Set out below is the form of Applicable Pricing Supplement, which will be completed for each Tranche of Notes issued under the Programme:

### VUKILE PROPERTY FUND LIMITED

(the "Issuer")

*(Incorporated in South Africa with limited liability under registration number 2002/027194/06)*

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] with a Stock Code [.....]  
Under its ZAR5 000 000 000 Domestic Medium Term Note Programme**

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

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum issued by the Issuer dated ●, as may be amended or supplemented from time to time. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

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

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

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

upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Programme Memorandum and listing of the debt securities is not to be taken in any way as an indication of the merits of the Issuer or of the debt securities and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

#### DESCRIPTION OF THE NOTES

1.	Issuer	Vukile Property Fund Limited
2.	Status of the Notes	[Senior Notes/Subordinated Notes]
3.	Security	[Secured/Unsecured]
4.	Listed/Unlisted	[ ]
5.	Group number, if secured Notes	[ ]
6.	Class, if applicable	[ ]
7.	Series number	[ ]
8.	Tranche number	[ ]
9.	Aggregate Principal Amount of this Tranche	[ ]
10.	Interest/Payment Basis	[ ]
11.	Issue Date(s) and first settlement date	[ ]
12.	Minimum Denomination per Note	R1 000 000
13.	Specified Denomination (Principal Amount per Note)	[ ]
14.	Issue Price(s)	[ ]
15.	Applicable Business Day Convention, if different to that specified in the Terms and Conditions	[Following Business Day/Modified Business Day/Preceding Business Day/other convention – insert details]
16.	Interest Commencement Date(s)	[ ]
17.	Step-Up Date	[ ]
18.	Final Redemption Date	[ ]

19. Specified Currency [ ]
20. Additional Business Centre [ ]
21. Maturity Amount [ ]
22. Set out the relevant description of any additional/other Terms and Conditions relating to the Notes (including additional covenants, if any) [ ]
23. Additional events of default, if any [ ]

#### **FIXED RATE NOTES**

24. Fixed Interest Rate [ ]% per annum nacq/nacm/nacs/naca
25. Interest Payment Date(s) [ ]
26. Interest Period(s) [ ]
27. Initial Broken Amount [ ]
28. Final Broken Amount [ ]
29. Step-Up Rate [ ]
30. Any other items relating to the particular method of calculating interest [ ]

#### **FLOATING RATE NOTES**

31. Interest Payment Date(s) (If such a day is not a Business Day, the Business Day on which the interest will be paid, as determined in accordance with the applicable Business Day Convention (as specified in this Applicable Pricing Supplement)) [ ]
32. Interest Period(s) means each period commencing on (and including) an Interest Payment Date and ending on (but excluding) [ ]

the following Interest Payment Date, provided that the first Interest Period will commence on (and include) the Interest Commencement Date and end on (but exclude) the following Interest Payment Date (each Interest Payment Date as adjusted in accordance with the applicable Business Day Convention)

- |     |  |   |
|-----|--|---|
| 33. | Manner in which the Interest Rate is to be determined  | Screen Rate Determination/other (insert details)  |
| 34. | Margin/Spread for the Interest Rate  | [(+/-) ( )% per annum to be added to/subtracted from the relevant Reference Rate]               |
| 35. | Margin/Spread for the Step-Up Rate   | [(+/-) ( )% per annum to be added to/subtracted from the relevant Reference Rate/Interest Rate] |
| 36. | If Screen Determination  |   |
|     | (a) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated)   | [e.g. 3 month JIBAR]  |
|     | (b) Rate Determination Date(s) means the interest rate determination date/s or reset dates of each Interest Period   | [The first Business Day of each Interest Period]  |
|     | (c) Relevant Screen page and Reference Code  | [ ]   |
| 37. | If Interest Rate to be calculated otherwise than by reference to Screen Rate Determination, insert basis for determining Interest Rate/Margin/Fall back provisions | [ ]   |
| 38. | Any other terms relating to the particular method of calculating interest  | [ ]   |

#### **ZERO COUPON NOTES**

- |     |                     |                            |
|-----|---------------------|----------------------------|
| 39. | (a) Implied Yield   | [ ] NACA, NACS, NACQ, NACM |
|     | (b) Reference Price | [ ]                        |

- (c) Equivalent Discount Rate [ ]
- (d) Spread to Reference Rate [ ]
- (e) Maturity Date [ ]
- (f) Day Count [ ]
- (g) Any other formula or basis for determining amount payable [ ]

#### INDEXED NOTES

40. (a) Type of Indexed Notes [Indexed Interest Notes / Indexed Redemption Amount Notes]
- (b) Index/Formula by reference to which Interest Amount/Final Redemption Amount is to be determined [ ]
- (c) Manner in which the Interest Amount/Final Redemption Amount is to be determined [ ]
- (d) Interest Period [ ]
- (e) Interest Payment Date(s) [ ]
- (f) If different from the Calculation Agent, agent responsible for calculating amount of principal and interest [ ]
- (g) Provisions where calculation by reference to Index and/or Formula is impossible or impracticable [ ]

#### OTHER NOTES

41. If the Notes are not Fixed Rate Notes or Floating Rate Notes, or if the Notes are a combination of the above and some other Note, set out the relevant description of any additional Terms and Conditions relating to such Notes [ ]

**PROVISIONS REGARDING REDEMPTION/  
MATURITY**

42. Redemption at the option of the Issuer: if yes: [Yes/No]
- (a) Optional Redemption Date(s) [ ]
- (b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s) [ [ ]
- (c) Minimum period of notice [ [ ]
- (d) If redeemable in part:
- Minimum Redemption Amount(s) [ ]
- Higher Redemption Amount(s) [ ]
- (e) Other terms applicable on Redemption [ ]
43. Redemption at the option of the holders of the Senior Notes (Put Option): if yes [Yes/No]
- (a) Optional Redemption Date(s) (Put) [ ]
- (b) Optional Redemption Amount(s) (Put) and method, if any, of calculation of such amount(s) [ ]
- (c) Minimum period of notice [ ]
- (d) If redeemable in part:
- Minimum Redemption Amount(s) [ ]
- Higher Redemption Amount(s) [ ]
- (e) Other terms applicable on Redemption [ ]
44. Redemption at the option of the holders of the Senior Notes upon the occurrence of a Put Event in terms of Condition 8.6:
- (a) Delisting of the Notes of this Tranche [Yes/No]

	(b) Change of Control Event	[Yes/No]
	(c) Downgrade or withdrawal of the Rating of this Tranche	[Yes/No]
45.	Early Redemption Amount(s) payable on redemption for Taxation reasons in terms of Condition 8.3 or early redemption following an Event of Default in terms of Condition 11 or early redemption at the option of Noteholders in terms of Condition 8.6: if yes	[Yes/No]
	Early Redemption Amount and method, if any, of calculation of such amount	[as per Condition 8.7]
<b>GENERAL</b>		
46.	Additional selling restrictions	[ ]
47.	International Securities Numbering (ISIN)	[ ]
48.	Stock Code	[ ]
49.	Financial Exchange	[ ]
50.	Dealer(s)	[ ]
51.	If syndicated, names of Lead Manager(s)	[ ]
52.	Method of distribution	[ ]
53.	Rating assigned to [the Issuer/the Programme/this Tranche of Notes (if any)], date of such rating and date for review of such rating	[ ]
54.	Rating Agency (if any)	[ ]
55.	Governing Law	South Africa
56.	Last Day to Register	[...], [...],[...] and [...] each year, or if such day is not a Business Day, the Business Day before each Books Closed Period
57.	Books Closed Period	[The Register will be closed from [...] to [...] and from [...] to [...] and from [...] to [...] and



		from [...] to [...] (all dates inclusive) in each year and 5 days prior to any Redemption Date]
58.	Calculation Agent	[ ]
59.	Specified Office of the Calculation Agent	[ ]
60.	Transfer Agent	[ ]
61.	Specified Office of the Transfer Agent	[ ]
62.	Paying Agent	[ ]
63.	Specified Office of the Paying Agent	[ ]
64.	Debt Sponsor	[ ]
65.	Issuer's Settlement Agent	[ ]
66.	Specified Office of the Issuer's Settlement Agent	[ ]
67.	Stabilisation Manager, if any	[ ]
68.	Programme Amount	[ZAR5 000 000 000]. The authorised amount of the Programme has not been exceeded
69.	Aggregate Outstanding Principal Amount of all Notes in issue on the Issue Date of this Tranche	ZAR[ ], excluding this Tranche of Notes and any other Tranche(s) of Notes to be issued on the Issue Date
70.	Aggregate Outstanding Principal Amount of Notes in issue in respect of the Series on the Issue Date of this Tranche	ZAR[ ], excluding this Tranche of Notes and any other Tranche(s) of Notes to be issued in respect of the Series on the Issue Date
71.	Aggregate Outstanding Principal Amount of Notes in issue in respect of the Group on the Issue Date of this Tranche	ZAR[ ], excluding this Tranche of Notes and any other Tranche(s) of Notes to be issued in respect of the Group on the Issue Date
72.	Additional Events of Default	[.....]
73.	Other provisions	[ ]

**DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS – SEE APPENDIX "A"**

**APPENDIX "A"****Disclosure Requirements in terms of paragraph 3(5) of the Commercial Paper Regulations****At the date of this Applicable Pricing Supplement:**Paragraph 3(5)(a)

The ultimate borrower is [the Issuer/a wholly-owned subsidiary of the Issuer].

Paragraph 3(5)(b)

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

Paragraph 3(5)(c)

The auditor of the Issuer is PricewaterhouseCoopers Inc.

Paragraph 3(5)(d)

As at the date of this issue:

- (a) [the Issuer has not issued any Notes/the Outstanding Principal Amount of all Notes issued by the Issuer is R●; and
- (b) [it is not anticipated that the Issuer will issue additional Notes during the remainder of its current financial year/it is anticipated that the Issuer will issue additional Notes with an estimated nominal value of R● during the remainder of its current financial year ended ●, in addition to the Notes forming part of this issue of Notes].

Paragraph 3(5)(e)

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

Paragraph 3(5)(f)

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

Paragraph 3(5)(g)

The Notes issued will be [listed/unlisted], as stated in the Applicable Pricing Supplement.

Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for ●.

Paragraph 3(5)(i)

The Notes are [secured/unsecured].

Paragraph 3(5)(j)

PricewaterhouseCoopers Inc., the auditors of the Issuer, have confirmed that nothing has come to their attention to indicate that this issue of Notes issued under the Programme will not comply in all respects with the relevant provisions of the Commercial Paper Regulations (Government Notice 2172 in Government Gazette No, 16167 of 14 December 1994) published under Paragraph (cc) of the definition of the “business of a bank” in terms of Section 1 of the Banks Act, 1990.

Application [is hereby/will not be] made to list this Tranche of the Notes, as from [ ], pursuant to the Issuer's Domestic Medium Term Note Programme. The Programme was registered with the JSE on ●.

As at the date of this Pricing Supplement, following due and careful enquiry, there has been no material change in the financial or trading position of the Issuer and its subsidiaries since the end of the last financial period for which either audited annual consolidated financial statements or unaudited interim consolidated financial results have been published. No auditors have been involved in making such statement.

**VUKILE PROPERTY FUND LIMITED**

**By:** \_\_\_\_\_

**Director, duly authorised**

**Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Director, duly authorised**

**Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes to be issued by the Issuer. 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 an Applicable Pricing Supplement based on the pro forma Applicable Pricing Supplement included in the Programme Memorandum, setting out details of such Notes. The Applicable Pricing Supplement in relation to any Tranche of Notes may specify other terms and conditions (including additional definitions) which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace, modify or supplement the following Terms and Conditions for the purpose of such Tranche of Notes. The Terms and Conditions set out below and the Applicable Pricing Supplement will be deemed to be incorporated by reference into each Certificate, if any, evidencing any Notes.*

### 1. Interpretation

In the Terms and Conditions, the following expressions shall have the following meanings, unless inconsistent or separately defined in the Programme Memorandum or in the Applicable Pricing Supplement:

- |       |                                     |   |
|-------|-------------------------------------|---|
| 1.1   | <b>"Actual Redemption Date"</b>     | in relation to a Tranche of Notes, the date upon which the Notes in that Tranche are redeemed in full by the Issuer;  |
| 1.2   | <b>"Additional Business Centre"</b> | in relation to a Tranche of Notes, any city specified as such in the Applicable Pricing Supplement;   |
| 1.3   | <b>"Agency Agreement"</b>           | the agreement concluded between the Issuer, the Paying Agent, the Transfer Agent and the Calculation Agent, or a separate agreement between the Issuer and each of the Paying Agent, the Transfer Agent and the Calculation Agent, unless the Issuer itself acts in any of the abovementioned capacities; |
| 1.4   | <b>"Applicable Law"</b>             | in relation to a person, all and any:   |
| 1.4.1 |                                     | statutes and subordinate legislation;   |
| 1.4.2 |                                     | regulations, ordinances and directives;   |
| 1.4.3 |                                     | by-laws;  |

- 1.4.4 codes of practice, circulars, guidance notices, judgements and decisions of any competent authority; and
- 1.4.5 other similar provisions, from time to time,
- 1.5 **"Applicable Pricing Supplement"** in relation to a Tranche of Notes, the pricing supplement completed and signed by the Issuer in relation to the issue of that Tranche of Notes, setting out such additional and/or other terms and conditions as are applicable to that Tranche of Notes, based upon the *pro forma* pricing supplement which is set out in the section of the Programme Memorandum headed "*Pro Forma Applicable Pricing Supplement*";
- 1.6 **"Applicable Procedures"** the rules and operating procedures for the time being of the Central Securities Depository, Settlement Agents and the JSE, as the case may be;
- 1.7 **"Arranger"** Rand Merchant Bank, a division of FirstRand Bank Limited (registration number 1929/001225/06);
- 1.8 **"Auditor"** the auditor of the Issuer, from time to time;
- 1.9 **"Beneficial Interest"** in relation to a Note, an interest as co-owner of an undivided share in a Note held in uncertificated form, in accordance with the Financial Markets Act;
- 1.10 **"Books Closed Period"** in relation to a Tranche of Notes, the period of 10 days prior to each Interest Payment Date and Redemption Date or such other period or periods stipulated by the Issuer in the Applicable Pricing Supplement as being the period or periods during which the Register is closed for purposes of giving effect to transfers, redemptions or payments in respect of that Tranche of Notes;
- 1.11 **"Business Day"** a day (other than a Saturday, Sunday or statutory public holiday) on which commercial banks settle payments in Rand in Johannesburg or any Additional Business Centre specified in the

Applicable Pricing Supplement, save that if the Specified Currency is not Rand, "*Business Day*" 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 so provides, "*Business Day*" shall include a Saturday;

- 1.12        **"Business Day Convention"**        the business day convention, if any, specified as such and set out in the Applicable Pricing Supplement;
- 1.13        **"Calculation Agent"**        in relation to a Tranche or Series of Notes, such person with whom the Issuer enters into an agreement in terms of which such person agrees to perform various calculations in respect of the Notes;
- 1.14        **"Central Securities Depository"**        Strate Proprietary Limited (registration number 1998/022242/07), or its nominee (being the Central Securities Depository's Nominee), a central securities depository operating in terms of the Financial Markets Act, or any additional or alternate depository approved by the Issuer and the JSE;
- 1.15        **"Central Securities Depository's Nominee"**        any wholly owned subsidiary (as defined in the Companies Act) of the Central Securities Depository approved by the Registrar (as defined in the Financial Markets Act) for purposes of, and as contemplated in, section 36 of the Financial Markets Act and any reference to "Central Securities Depository's Nominee" shall, whenever the context permits, be deemed to include a reference to its successor operating in terms of the Financial Markets Act;
- 1.16        **"Certificate"**        an Individual Certificate;

1.17	<b>"Class or Class of Notes"</b>	one or more Series of Notes designated as such in the Applicable Pricing Supplement, such as Senior Notes or Subordinated Notes or a Group of Notes;
1.18	<b>"Commercial Paper Regulations"</b>	the commercial paper regulations published in terms of the Banks Act, 1990 under Government Notice number 2172 published in Government Gazette number 16167, dated 14 December 1994;
1.19	<b>"Common Monetary Area"</b>	the Kingdom of Lesotho, the Kingdom of Swaziland, the Republic of Namibia and South Africa;
1.20	<b>"Companies Act"</b>	the Companies Act, No 71 of 2008;
1.21	<b>"Condition"</b>	a numbered term or condition of the Notes forming part of the Terms and Conditions;
1.22	<b>"Dealer"</b>	such person(s) appointed by the Issuer in terms of the Programme Agreement, which appointment may be for a specific issue of Notes or an ongoing basis;
1.23	<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> " and on which (i) securities which were listed on BESA, prior to its merger with the JSE on 1 July 2009, may continue to be listed and (ii) debt securities (as defined in the JSE Debt Listings Requirements) may be listed, subject to all Applicable Laws;
1.24	<b>"Early Redemption Amount"</b>	the amount, as set out in Condition 8.7, at which the Notes will be redeemed by the Issuer pursuant to the provisions of Condition 8.3 (Tax reasons), and/or Condition 8.6 (Put Event) and/or Condition 11 (Event of Default);
1.25	<b>"Event of Default"</b>	in relation to any Notes, any of the events specified as such in Condition 11;
1.26	<b>"Extraordinary Resolution"</b>	a resolution passed at a properly constituted meeting of Noteholders or Noteholders of the relevant Series of Notes or Class of Notes, as the case may be, by a majority consisting of not less than 66,67% of the value of the votes cast at a poll



		by Noteholders or Noteholders of the relevant Series of Notes or Class of Notes, as the case may be, present in person or by proxy;
1.27	<b>"Final Broken Amount"</b>	in respect of a Tranche of Notes, the Interest Amount for the last Interest Period as specified in the Applicable Pricing Supplement;
1.28	<b>"Final Redemption Date"</b>	in relation to a Tranche of Notes, the final date upon which the Notes of that Tranche are to be redeemed, as set out in the Applicable Pricing Supplement;
1.29	<b>"Financial Markets Act"</b>	the Financial Markets Act, No 19 of 2012;
1.30	<b>"Fixed Rate Notes"</b>	Notes which will bear interest at a fixed Interest Rate, as specified in the Applicable Pricing Supplement;
1.31	<b>"Floating Rate Notes"</b>	Notes which will bear interest at a floating Interest Rate, as specified in the Applicable Pricing Supplement;
1.32	<b>"Group" or "Group of Notes"</b>	all Series of secured Notes sharing in the same security and identified in the Applicable Pricing Supplement as belonging to a particular group of Notes;
1.33	<b>"IFRS"</b>	the international financial reporting standards issued by the International Accounting Standard Board ("IASB") and interpretations issued by the Financial Reporting Interpretations Committee of the IASB (as amended or reissued from time to time);
1.34	<b>"Implied Yield"</b>	the yield accruing on the Issue Price of Zero Coupon Notes, as specified in the Applicable Pricing Supplement;
1.35	<b>"Income Tax Act"</b>	the Income Tax Act, 1962;
1.36	<b>"Indebtedness for Borrowed Money"</b>	means any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of (i) monies borrowed, or (ii)

		liabilities under any acceptance or acceptance credit, or (iii) any bonds, notes, debentures, debenture stock, loan stock or other debt securities;
1.37	<b>"Indexed Notes"</b>	Notes which bear interest determined by reference to such index and/or formula specified in the Applicable Pricing Supplement;
1.38	<b>"Individual Certificate"</b>	as contemplated in the Terms and Conditions, a single certificate representing Notes in a Tranche of Notes, registered in the name of the relevant Noteholder;
1.39	<b>"Initial Broken Amount"</b>	in respect of a Tranche of Notes, the Interest Amount for the first Interest Period as specified in the Applicable Pricing Supplement;
1.40	<b>"Interest Amount"</b>	the amount of interest payable in respect of each Note, as determined in accordance with the Terms and Conditions;
1.41	<b>"Interest Commencement Date"</b>	in respect of a Tranche of Notes other than Zero Coupon Notes, the first date from which interest on such Notes will accrue, as specified in the Applicable Pricing Supplement;
1.42	<b>"Interest Payment Date(s)"</b>	the dates specified as such in the Applicable Pricing Supplement upon which Interest Amounts are due and payable in respect of the Notes;
1.43	<b>"Interest Period"</b>	each period, as specified in the Applicable Pricing Supplement, in respect of which interest accrues on the Notes, other than Zero Coupon Notes, commencing on (and including) each Interest Payment Date and ending on (but excluding) the following Interest Payment Date, provided that the first Interest Period in respect of any Tranche of Notes other than Zero Coupon Notes, shall be from (and including) the Interest Commencement Date to (but excluding) the next following Interest Payment Date thereafter and the final Interest Period shall be from (and including) the Interest Payment Date

		immediately preceding the Final Redemption Date to (but excluding) the Final Redemption Date;
1.44	<b>"Interest Rate"</b>	in relation to each Tranche of Notes, the interest rate specified in the Applicable Pricing Supplement;
1.45	<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> and on which debt securities (as defined in the JSE Debt Listings Requirements) may be listed, subject to all Applicable Laws;
1.46	<b>"ISDA"</b>	International Swaps and Derivatives Association, Inc;
1.47	<b>"ISDA Definitions"</b>	the 2006 ISDA Definitions as published by ISDA (as amended, supplemented, revised or republished from time to time);
1.48	<b>"Issue Date"</b>	in relation to each Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;
1.49	<b>"Issue Price"</b>	in relation to each Tranche of Notes, the price specified as such in the Applicable Pricing Supplement;
1.50	<b>"Issuer"</b>	Vukile Property Fund Limited, a company incorporated in accordance with the laws of South Africa, registration number 2002/027194/06, its successors-in-title or assigns;
1.51	<b>"JSE"</b>	means the JSE Limited (Registration Number 2005/022939/06), licensed as an exchange in terms of the Financial Markets Act, or any exchange which operates as a successor exchange to the JSE in terms of the Financial Markets Act;
1.52	<b>"JSE Debt Guarantee Fund Trust"</b>	the Guarantee Fund Trust , operated by the JSE as a separate guarantee fund, in terms of the of the rules of the JSE, as required by sections 8(1)(h) and 17(2)(w) of the Financial Markets Act or any successor fund;

1.53	<b>"JSE Debt Listings Requirements"</b>	means all listings requirements promulgated by the JSE from time to time for the Interest Rate Market of the JSE;
1.54	<b>"Last Day to Register"</b>	with respect to a particular Tranche of Notes, 17h00 on the Business Day preceding the first day during which the Register is closed for further transfers or entries, as specified in the Applicable Pricing Supplement;
1.55	<b>"Lead Manager(s)"</b>	in relation to the issue of a Tranche of Notes, one or more of the Dealer(s) appointed by the Issuer in respect of the placement of that Tranche of Notes, as specified in the Applicable Pricing Supplement;
1.56	<b>"Material Subsidiary"</b>	any Subsidiary of the Issuer whose total assets (consolidated in the case of a subsidiary which itself has Subsidiaries) represent no less than 15% of the consolidated total assets of the Vukile Group, all as calculated by reference to the latest audited (consolidated or, as the case may be, unconsolidated) annual or unaudited semi-annual accounts of the subsidiary, whichever is the latest, and the latest audited annual or unaudited semi-annual consolidated accounts of the Issuer, whichever is the latest;
1.57	<b>"Maturity Amount"</b>	the amount payable at maturity in respect of the Notes, as specified in the Applicable Pricing Supplement;
1.58	<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 or other Notes, each as specified in the Applicable Pricing Supplement;
1.59	<b>"NACA"</b>	nominal annual compounded annually;
1.60	<b>"NACM"</b>	nominal annual compounded monthly;
1.61	<b>"NACQ"</b>	nominal annual compounded quarterly;
1.62	<b>"NACS"</b>	nominal annual compounded semi-annually;

1.63	<b>"Noteholder"</b>	in respect of a Note, the holder of that Note, as recorded in the Register;
1.64	<b>"Noteholders"</b>	the holders of all Notes as recorded in the Register;
1.65	<b>"Notes"</b>	the debt securities issued or to be issued by the Issuer under the Programme subject to the Terms and Conditions;
1.66	<b>"Optional Redemption Amount(s)"</b>	has the meaning given in the Applicable Pricing Supplement;
1.67	<b>"Optional Redemption Date(s)"</b>	has the meaning given in the Applicable Pricing Supplement;
1.68	<b>"Ordinary Resolution"</b>	a resolution passed at a properly constituted meeting of Noteholders or Noteholders of the relevant Series of Notes or Class of Notes, as the case may be, by a majority of the value of the votes cast on a poll by Noteholders or Noteholders of the relevant Series of Notes or Class of Notes, as the case may be, present in person or by proxy;
1.69	<b>"Outstanding Principal Amount"</b>	in relation to any Note, the Principal Amount of that Note less the aggregate amounts in respect of the Principal Amount redeemed and paid to the Noteholder;
1.70	<b>"Participant"</b>	a person that holds in custody and administers securities or an interest in securities and that has been accepted by the Central Securities Depository as a participant in terms of the Financial Markets Act;
1.71	<b>"Paying Agent"</b>	Rand Merchant Bank, a division of FirstRand Bank Limited, (registration number 1929/001225/06), or, in relation to a particular Tranche or Series of Notes, such other person appointed by the Issuer from time to time, as specified in the Applicable Pricing Supplement;
1.72	<b>"Principal Amount"</b>	in relation to each Note, the nominal amount of that Note, being the amount on the Issue Date

		equivalent to the Specified Denomination set out in the Applicable Pricing Supplement;
1.73	<b>"Principal Payment"</b>	in respect of any Note, so much of the Principal Amount redeemed in respect of such Note on an Interest Payment Date;
1.74	<b>"Programme"</b>	the Vukile Property Fund Limited domestic medium term note programme under which the Issuer may from time to time issue Notes;
1.75	<b>"Programme Agreement"</b>	the agreement concluded between, amongst others, the Issuer, the Arranger and Dealer(s) relating to the procuring of subscriptions for the Notes;
1.76	<b>"Programme Amount"</b>	the maximum aggregate Outstanding Principal Amount of all of the Notes that may be issued under the Programme at any one point in time, being ZAR5 000 000 000 or such increased amount as is determined by the Issuer from time to time subject to and in accordance with all Applicable Laws, the Programme Agreement, the requirements of the JSE and/or any such other exchange(s) on which the Notes may be listed;
1.77	<b>"Programme Date"</b>	the date of the Programme Memorandum;
1.78	<b>"Programme Memorandum"</b>	this information memorandum to be issued by the Issuer providing information about the Issuer, the Notes and incorporating the Terms and Conditions, as amended, novated or supplemented from time to time;
1.79	<b>"Put Option Notice"</b>	a written notice delivered by any holder of Senior Notes regarding the exercise of a right to redeem Senior Notes at the option of such Noteholder;
1.80	<b>"Rate Determination Date"</b>	in respect of each Interest Period for a Tranche of Floating Rate Notes, the day falling on the first day of that Interest Period or, if such day is not a Business Day, the first following day that is a Business Day, being the day upon which the

		Interest Rate in respect of that Tranche of Floating Rate Notes for that Interest Period will be determined by the Calculation Agent in accordance with the Terms and Conditions;
1.81	<b>"R" or "Rand"</b>	the lawful currency of South Africa, being South African Rand, or any successor currency;
1.82	<b>"Rating"</b>	in relation to a Tranche of Notes, the Programme or the Issuer, a rating, if any, granted by the Rating Agency, as specified in the Applicable Pricing Supplement;
1.83	<b>"Rating Agency"</b>	any of Global Credit Rating Co. Proprietary Limited, Standard & Poor's, Fitch Ratings Limited, Moody's Investors Service Limited, or such other rating agency or rating agencies of equivalent international standing, if any, appointed by the Issuer from time to time to assign a Rating to the Issuer or to any Notes issued by the Issuer, as specified in the Applicable Pricing Supplement and notified to Noteholders pursuant to Condition 15;
1.84	<b>"Redemption Date"</b>	each date on which any Notes are to be redeemed, partially or totally, as the case may be, in terms of the Terms and Conditions;
1.85	<b>"Reference Price"</b>	in relation to a tranche of Zero Coupon Notes, the reference price specified in the Applicable Pricing Supplement;
1.86	<b>"Register"</b>	the register of securities maintained by the Transfer Agent, including the Issuer's uncertificated securities register administered and maintained by a Participant or Central Securities Depository, in accordance with the Companies Act, the Financial Markets Act and the rules of the Applicable Procedures;
1.87	<b>"Relevant Date"</b>	the date on which a payment first becomes due and payable in accordance with these Terms and Conditions, except that in relation to monies payable to the holders of Beneficial Interests, the

		claim in respect of any payment under the Notes will prescribe 3 years after the date on which (i) such monies are available for payment to the holders of Beneficial Interests, and (ii) notice to that effect has been duly given to such holders in accordance with the Applicable Procedures;
1.88	<b>"RMB"</b>	Rand Merchant Bank Limited, a division of FirstRand Bank Limited, a company incorporated in accordance with the laws of South Africa, registration number 1929/001225/06, its successors-in-title or assigns;
1.89	<b>"Security Documents"</b>	in respect of each Tranche of Notes, the documents specified as such in the Applicable Pricing Supplement;
1.90	<b>"Security Provider"</b>	in respect of each Tranche of Notes, the persons specified as such in the Applicable Pricing Supplement;
1.91	<b>"Senior Notes"</b>	Notes issued with the status set out in Condition 5.1;
1.92	<b>"SENS"</b>	Stock Exchange News Service;
1.93	<b>"Series" or "Series of Notes"</b>	a Tranche of Notes which, together with any further Tranche or Tranches of Notes, are:
1.93.1		expressed to be consolidated and form a single series; and
1.93.2		identical in all respects (including listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Price;
1.94	<b>"Settlement Agents"</b>	those Participants which are approved in terms of the Applicable Procedures, as settlement agents to perform electronic settlement of funds and scrip on behalf of market participants;
1.95	<b>"South Africa"</b>	the Republic of South Africa;



1.96	<b>"Specified Currency"</b>	the lawful currency of South Africa or Rand;
1.97	<b>"Specified Denomination"</b>	has the meaning given in the Applicable Pricing Supplement;
1.98	<b>"Specified Office"</b>	in relation to each of the Issuer, the Paying Agent, the Calculation Agent and the Transfer Agent, the address of the office specified in respect of such entity in the Applicable Pricing Supplement, or such other address as is notified by such entity (or, where applicable, a successor to such entity) to the Noteholders in accordance with the Terms and Conditions, as the case may be;
1.99	<b>"Step-Up Date"</b>	in relation to each Tranche of Notes, the date specified in the Applicable Pricing Supplement from which the Step-Up Rate, if any will be applicable;
1.100	<b>"Step-Up Rate"</b>	in relation to each Tranche of Notes, the interest rate specified in the Applicable Pricing Supplement;
1.101	<b>"Subordinated Indebtedness"</b>	has the meaning given in Condition 5.2.3;
1.102	<b>"Subordinated Notes"</b>	Notes issued with the status set out in Condition 5.2;
1.103	<b>"Subsidiary"</b>	a subsidiary within the meaning of section 1 of the Companies Act;
1.104	<b>"Taxes"</b>	all present and future taxes, levies, imposts, duties, charges, fees, deductions and withholdings imposed or levied by any governmental, fiscal or other competent authority in South Africa (and including any penalty payable in connection with any failure to pay, or delay in paying, any of the same) and "Tax" and "Taxation" shall be construed accordingly;
1.105	<b>"Terms and Conditions"</b>	the terms and conditions incorporated in the section headed " <i>Terms and Conditions of the Notes</i> " of this Programme Memorandum, read with the Applicable Pricing Supplement, and in accordance with which the Notes will be issued;

- 1.106      "**Tranche**"                    all Notes which are identical in all respects (including as to listing, if any) and are issued in a single issue;
- 1.107      "**Transaction Documents**"            in respect of each Tranche of Notes, the documents specified as such in the Applicable Pricing Supplement;
- 1.108      "**Transfer Agent**"                    Rand Merchant Bank, a division of FirstRand Bank Limited, (registration number 1929/001225/06), or such other person with whom the Issuer enters into an agreement in terms of which such person agrees to provide note registry services to the Issuer;
- 1.109      "**Transfer Form**"                    in relation to the transfer of a Note as contemplated in the Terms and Conditions, a form of transfer in the usual form or in such other form approved by the Transfer Agent;
- 1.110      "**Vukile Group**"                    the Issuer and all its Subsidiaries; and
- 1.111      "**Zero Coupon Notes**"                Notes which 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.
- 1.112      In the Terms and Conditions, unless inconsistent with the context, any reference to:
- 1.112.1                    one gender includes a reference to the others;
- 1.112.2                    the singular includes the plural and *vice versa*;
- 1.112.3                    natural persons include juristic persons and vice versa;
- 1.112.4                    any agreement or instrument is a reference to that agreement or instrument as amended, supplemented, varied, novated, restated or replaced from time to time, and **amended** or **amendment** will be construed accordingly;
- 1.112.5                    a provision of law is a reference to that provision as amended or re-enacted, and includes any subordinate legislation;
- 1.112.6                    a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which any person to which it applies is accustomed to comply) of any governmental,

inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

- 1.112.7 **assets** includes present and future properties, revenues and rights of every description;
- 1.112.8 **disposal** means a sale, transfer, grant, lease or other disposal (whether voluntary or involuntary);
- 1.112.9 **indebtedness** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- 1.112.10 an **authorisation** includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration or notarisation;
- 1.112.11 days is a reference to calendar days, unless expressly stated otherwise;
- 1.112.12 a Party or any other person includes that person's permitted successor, transferee, assignee, cessionary and/or delegate; and
- 1.112.13 a time of day is a reference to Johannesburg time.
- 1.113 If any provision in a definition is a substantive provision conferring rights or imposing obligations on any party, effect must be given to it as if it were a substantive provision in the body of the agreement, notwithstanding that it is contained in the interpretation clause.
- 1.114 Headings are inserted for the sake of convenience only and do not in any way affect the interpretation of the Terms and Conditions.
- 1.115 The use of the word **including** followed by specific examples will not be construed as limiting the meaning of the general wording preceding it, and the *eiusdem generis* rule must not be applied in the interpretation of such general wording or such specific examples.

## 2. Issue

- 2.1 Notes may be issued by the Issuer in Tranches pursuant to the Programme, without requiring the consent of Noteholders.
- 2.2 A Tranche of Notes may, together with a further Tranche or Tranches, form a Series of Notes issued under the Programme.
- 2.3 A Series of secured Notes may, together with a further Series or more than one Series of secured Notes sharing in the same security, form a Group of Notes issued under the Programme.
- 2.4 One or more Series of Notes may form a Class of Notes.

2.5 The Applicable Pricing Supplement for each Tranche of Notes is incorporated in these Terms and Conditions for the purposes of those Notes and supplements these Terms and Conditions. The Applicable Pricing Supplement may specify other terms and conditions (which may replace, modify, or supplement these Terms and Conditions), in which event such other terms and conditions shall, to the extent so specified in the Applicable Pricing Supplement or to the extent inconsistent with these Terms and Conditions, replace, modify or supplement these Terms and Conditions.

### 3. **Form and Denomination**

3.1 Notes will be issued in registered form with a minimum denomination of R1 000 000 each and otherwise in such denominations as may be determined by the Issuer and as specified in the Applicable Pricing Supplement.

3.2 Listed and/or unlisted Notes may be issued under the Programme.

3.3 Each Note shall be a Senior Note or a Subordinated Note, as specified in the Applicable Pricing Supplement.

3.4 Payments (whether in respect of interest or principal) on Notes may be determined by reference to such fixed or floating rates or such indices or formulae as may be specified in the Applicable Pricing Supplement. Notes may:

3.4.1 be interest bearing or non-interest bearing;

3.4.2 be issued at par, a premium or a discount;

3.4.3 be issued in fully paid up form;

3.4.4 be exchangeable for other assets;

3.4.5 have such other characteristics as may be specified in the Applicable Pricing Supplement.

3.5 The Notes in a Tranche of Notes will be issued in the form of registered Notes, represented by (i) Individual Certificates registered in the name, and for the account of, the relevant Noteholder or (ii) no Certificate, and held in uncertificated form in the Central Securities Depository in terms of section 33 of the Financial Markets Act. The Central Securities Depository will hold the Notes subject to the Financial Markets Act and the Applicable Procedures.

### 4. **Title**

4.1 Title to the Notes will pass upon registration of transfer in the Register in accordance with Condition 13. The Issuer and the Transfer Agent shall recognise a Noteholder as the sole and absolute owner of the 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 Note may be subject.

4.2 Beneficial Interests in Notes held in uncertificated form may, in terms of existing law and practice, be transferred through the Central Securities Depository by way of book entry in the securities accounts of the Participants.

4.3 Any reference in this Programme Memorandum to the relevant Participant shall, in respect of Beneficial Interests, be a reference to the Participant appointed to act as such by a holder of such Beneficial Interest.

## 5. **Status of Notes**

### 5.1 **Status of the Senior Notes**

The Senior Notes constitute direct, unconditional, unsubordinated and, save as set out in the Applicable Pricing Supplement, unsecured obligations of the Issuer and will rank equally among themselves and (save for certain debts required to be preferred by Applicable Law) at least equally with all other present and future unsecured, unsubordinated obligations of the Issuer from time to time outstanding.

### 5.2 **Status of the Subordinated Notes**

5.2.1 Subordinated Notes constitute direct, unconditional, unsecured and subordinated obligations of the Issuer (on the basis set out in Condition 5.2.2) and rank equally among themselves and (save for certain debts required to be preferred by law) at least equally with all other present and future unsecured and subordinated indebtedness of the Issuer from time to time outstanding.

5.2.2 Subject to Applicable Law, in the event of the dissolution of the Issuer or if the Issuer is placed into liquidation or wound-up, the claims of the persons entitled to be paid amounts due in respect of Subordinated Notes shall be subordinated to all other claims in respect of any other indebtedness of the Issuer except for other Subordinated Indebtedness. Accordingly, in any such event, and provided as aforesaid, no holder of a Subordinated Note shall be entitled to prove or tender to prove a claim in respect of the Subordinated Notes, and no amount shall be eligible for set-off or shall be payable to any or all the persons entitled to be paid amounts due in respect of 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 or winding-up (other than Subordinated Indebtedness) has been paid or discharged in full.

- 5.2.3 **"Subordinated Indebtedness"** means for the purposes of this Condition 5.2 any indebtedness of the Issuer, including any guarantee given by the Issuer, 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 the rights of all unsubordinated creditors of the Issuer in the event of the dissolution, winding-up or placing into liquidation of the Issuer.

## 6. **Calculation Agent and Transfer Agent**

- 6.1 There will at all times be a Calculation Agent and a Transfer Agent with a Specified Office. The Transfer Agent and the 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.
- 6.2 The Issuer is entitled to vary or terminate the appointment of the Calculation Agent and/or the Transfer Agent and/or to appoint additional or other agents. The Issuer shall notify Noteholders (in the manner set out in Condition 15), the Central Securities Depository and the JSE in the event of a change in the identity of the Calculation Agent and/or Transfer Agent.

## 7. **Interest**

### 7.1 **Interest on Fixed Rate Notes**

#### 7.1.1 **Fixed Interest Rate**

Each Fixed Rate Note will bear interest on its Outstanding Principal Amount, at the rates per annum equal to the Interest Rate, from and including the Interest Commencement Date to but excluding the earlier of the Final Redemption Date (or the Actual Redemption Date, if the Actual Redemption Date falls before or after the Final Redemption Date) and the Step-Up Date, if any. If the Step-Up Date occurs, each Fixed Rate Note will bear interest on its Outstanding Principal Amount, at the rates per annum equal to the Step-Up Rate, from and including the Step-Up Date to but excluding the Final Redemption Date (or the Actual Redemption Date, if the Actual Redemption Date falls before or after the Final Redemption Date).

#### 7.1.2 **Interest Payment Dates**

The interest due in respect of each Interest Period will be payable in arrears on the Interest Payment Date in respect of such Interest Period. The first payment of interest will be made on the Interest Payment Date following the Interest Commencement Date. If any Interest Payment Date falls upon a day which is not a Business Day, the provisions of Condition 9.3 shall determine the date of payment of interest due upon such Interest Payment Date. Interest in respect of any Interest Period shall accrue to and be paid on the relevant Interest Payment Date.

### 7.1.3 **Calculation of Interest Amount**

The Calculation Agent will calculate the Interest Amount payable in respect of each Tranche of Fixed Rate Notes for each Interest Period. Unless stated otherwise in the Applicable Pricing Supplement, the Interest Amount for half yearly interest payments shall be calculated by multiplying the Interest Rate by the Outstanding Principal Amount of the Fixed Rate Note and then dividing such product by 2 (the resultant sum will be rounded to the nearest cent, half a cent being rounded upwards), provided that:

7.1.3.1 if an Initial Broken Amount is specified in the Applicable Pricing Supplement, then the first Interest Amount shall equal such Initial Broken Amount; and

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

Save as provided in the preceding paragraphs, if interest is required to be calculated for a period of other than one year (in the case of annual interest payments) or other than 6 months (in the case of semi-annual interest payments), as the case may be, such interest shall be calculated on the basis of the actual number of days (including the first day and excluding the last day) in such period divided by 365.

## 7.2 **Interest on Floating Rate Notes**

### 7.2.1 **Interest Rate**

Each Floating Rate Note will bear interest on its Outstanding Principal Amount, at the rates per annum equal to the Interest Rate, from and including the Interest Commencement Date to but excluding the earlier of the Final Redemption Date (or the Actual Redemption Date, if the Actual Redemption Date falls before or after the Final Redemption Date) and the Step-Up Date, if any. If the Step-Up Date occurs, each Floating Rate Note will bear interest on its Outstanding Principal Amount, at the rates per annum equal to the Step-Up Rate, from and including the Step-Up Date to but excluding the Final Redemption Date (or the Actual Redemption Date, if the Actual Redemption Date falls before or after the Final Redemption Date).

### 7.2.2 **Interest Payment Dates**

The interest due in respect of each Interest Period will be payable in arrear on the Interest Payment Date in respect of such Interest Period. The first payment of interest will be made on the Interest Payment Date following the Interest Commencement Date. If any Interest Payment Date falls upon a day which is not a Business Day, the provisions of Condition 9.3 shall determine the date of payment of interest due upon such Interest Payment Date. Interest in respect of any Interest Period shall accrue to and be paid on the relevant Interest Payment Date.

### 7.2.3 **Determination of Interest Rate and calculation of Interest Amount**

The Calculation Agent will, on each Rate Determination Date, determine the Interest Rate applicable to a Tranche of Floating Rate Notes for the Interest Period commencing on that Rate Determination Date and calculate the Interest Amount payable in respect of each Floating Rate Note in that Tranche for that Interest Period. Unless stated otherwise in the Applicable Pricing Supplement, the Interest Amount will be determined by multiplying the Interest Rate by the Outstanding Principal Amount of such Floating Rate Note and then multiplying such product by the actual number of days elapsed in such Interest Period, divided by 365. The resultant sum will be rounded to the nearest cent, half a cent being rounded upwards.

### 7.2.4 **Basis of Interest Rate**

7.2.4.1 The Interest Rate will be determined:

- (a) on the basis of ISDA Determination; or
- (b) on the basis of Screen Rate Determination; or
- (c) on such other basis as may be determined by the Issuer,

all as indicated in the Applicable Pricing Supplement.

#### 7.2.4.2 **ISDA Determination**

Where ISDA Determination is specified in the Applicable Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period will be the relevant ISDA Rate (as defined below) plus or minus (as indicated in the Applicable Pricing Supplement) the Margin (if any).

For the purposes of this Condition 7.2.4.2:

**"ISDA Rate"** for an Interest Period means a rate equal to the Floating Rate that would be determined by such agent as is specified in the Applicable Pricing Supplement under a notional interest rate swap transaction if that agent were acting as Calculation Agent for that 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;
- (b) the Designated Maturity is the period specified in the Applicable Pricing Supplement; and



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

**"Floating Rate", "Floating Rate Option", "Designated Maturity" and "Reset Date"** have the meanings given to those expressions in the ISDA Definitions. Other expressions used in this Condition 7.2.4.2 or in the Applicable Pricing Supplement (where ISDA determination is specified) not expressly defined shall bear the meaning given to those expressions in the ISDA Definitions.

When this Condition 7.2.4.2 applies, in respect of each Interest Period such Calculation Agent as is specified in the Applicable Pricing Supplement will be deemed to have discharged its obligations under Condition 7.2.3 in respect of the determination of the Interest Rate if it has determined the Interest Rate in respect of such Interest Period in the manner provided in this Condition 7.2.4.2.

#### 7.2.4.3

##### **Screen Rate Determination**

Where Screen Rate Determination is specified in the Applicable Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period will, subject as provided below, be either:

- (a) the offered quotation (if there is only one quotation on the Relevant Screen Page) and subject to adjustment in terms of the JSE's approved methodology; or
- (b) the arithmetic mean (rounded if necessary to the third decimal place, with 0,000005 being rounded upwards) of the offered quotations (if there is more than one quotation on the Relevant Screen Page) and subject to adjustment in terms of the JSE's approved methodology,

for the Reference Rate(s) which appears or appear, as the case may be, on the Relevant Screen Page as at 11h00 (Johannesburg time) on the Rate Determination Date in question, as determined and published by the JSE, plus or minus (as indicated in the Applicable Pricing Supplement) the Margin (if any), all as determined by the Calculation Agent.

If the Relevant Screen Page is not available or if, in the case of (a) above in this Condition 7.2.4.3, no such offered quotation appears or, in the case of paragraph (b) above in this Condition 7.2.4.3, fewer than three such offered quotations appear, in each case at the time specified in the preceding paragraph, the Calculation Agent shall request the principal Johannesburg office of each of the Reference Banks (as defined below) to provide the Calculation Agent with its

offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 12h00 (Johannesburg time) on the Rate Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Interest Rate for such Interest Period shall be the arithmetic mean (rounded if necessary to the third decimal place with 0,000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Calculation Agent.

If the Interest Rate cannot be determined by applying the provisions of the preceding paragraphs of this Condition 7.2.4.3, the Interest Rate for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the third decimal place, with 0,00005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks offered, at approximately 12h00 (Johannesburg time) on the relevant Rate Determination Date, in respect of deposits in an amount approximately equal to the Principal Amount of the Notes, for a period equal to that which would have been used for the Reference Rate, to Reference Banks in the Johannesburg inter-bank market plus or minus (as appropriate) the Margin (if any). If fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the Interest Rate for the relevant Interest Period will be determined by the Calculation Agent as the arithmetic mean (rounded as provided above) of the rates for deposits in an amount approximately equal to the Principal Amount of the Notes, for a period equal to that which would have been used for the Reference Rate, quoted at approximately 12h00 (Johannesburg time) on the relevant Rate Determination Date, by the Reference Banks (selected by the Calculation Agent and approved by the Issuer) plus or minus (as appropriate) the Margin (if any). If the Interest Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Interest Rate shall be determined as at the last preceding Rate Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that preceding Interest Period).

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the Applicable Pricing Supplement as being other than the JIBAR rate, the Interest Rate in respect of such Notes will be determined, in the manner provided above, or as may be provided in the Applicable Pricing Supplement.

**"Reference Banks"** means for the purposes of this Condition 7.2.4.3 four leading banks in the South African inter-bank market selected by the Calculation Agent

and approved by the Issuer (where the Issuer does not act as the Calculation Agent).

### 7.3 **Interest on Mixed Rate Notes**

7.3.1 Each Mixed Rate Note will bear interest at the Interest Rate or Step-Up Rate, if any, applicable to the relevant form of interest-bearing Note (be it a Fixed Rate Note, Floating Rate Note or Indexed Note) for such Interest Period(s), as is/are specified for this purpose in the Applicable Pricing Supplement, from and including the Issue Date to but excluding the Final Redemption Date (or the Actual Redemption Date, if the Actual Redemption Date falls before or after the Final Redemption Date).

7.3.2 Unless otherwise specified in the Applicable Pricing Supplement, a Tranche of Mixed Rate Notes shall (i) for the Interest Period(s) during which such Tranche bears interest at the Interest Rate applicable to Fixed Rate Notes, be construed for all purposes as a Tranche of Fixed Rate Notes and (ii) for the Interest Period(s) during which such Tranche bears interest at the Interest Rate applicable to Floating Rate Notes, be construed for all purposes as a Tranche of Floating Rate Notes and (iii) for the Interest Period(s) during which such Tranche bears interest determined in accordance with an index or formula applicable to Indexed Notes, be construed for all purposes as a Tranche of Indexed Notes.

### 7.4 **Interest on Indexed Notes**

7.4.1 Each Indexed Note will bear interest at the Interest Rate or in the Interest Amount determined by reference to such index and/or formula specified in the Applicable Pricing Supplement, for such Interest Period(s) as is/are specified for this purpose in the Applicable Pricing Supplement, from and including the Interest Commencement Date to but excluding the earlier of the Final Redemption Date (or the Actual Redemption Date, if the Actual Redemption Date falls before or after the Final Redemption Date) and the Step-Up Date, if any. If the Step-Up Date occurs, each Indexed Note will bear interest at the Step-Up Rate or in the Interest Amount determined by reference to such index and/or formula specified in the Applicable Pricing Supplement, for such Interest Period(s) as is/are specified for this purpose in the Applicable Pricing Supplement, from and including the Step-Up Date to but excluding the Final Redemption Date (or the Actual Redemption Date, if the Actual Redemption Date falls before or after the Final Redemption Date).

7.4.2 The interest due in respect of each Interest Period will be payable in arrear on the Interest Payment Date in respect of such Interest Period. The first payment of interest will be made on the Interest Payment Date following the Interest Commencement Date. If any Interest Payment Date falls upon a day which is not a Business Day, the provisions of Condition 9.3 shall determine the date of payment of interest due upon such Interest

Payment Date. Interest in respect of any Interest Period shall accrue to and be paid on the relevant Interest Payment Date.

- 7.4.3 The Calculation Agent will, on each Rate Determination Date, determine, if applicable, the Interest Rate applicable to each Tranche of Indexed Notes and, if applicable, calculate the Interest Amount payable in respect of each Indexed Note in that Tranche for that Interest Period.

7.5 **Publication of Interest Rate and Interest Amount by the Calculation Agent**

- 7.5.1 The Calculation Agent will cause the Interest Rate for each Tranche of Notes (other than Fixed Rate Notes) determined upon each Rate Determination Date to be notified to the Noteholders (in the manner set out in Condition 15), the Issuer and the Central Securities Depository and, in relation to any Tranche of Notes listed on the Interest Rate Market of the JSE, to the JSE, as soon as practicable after such determination but in any event not later than 3 Business Days after such determination.

- 7.5.2 The Calculation Agent will, in relation to each Tranche of Notes, at least 3 Business Days before each Interest Payment Date, cause the aggregate Interest Amount payable for the relevant Interest Period in respect of such Tranche of Notes to be notified through SENS to the Noteholders, the Issuer and the Central Securities Depository and, in relation to any Tranche of Notes listed on the Interest Rate Market of the JSE, to the JSE.

7.6 **Calculations final and limitation of liability**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained by the Calculation Agent pursuant to the exercise or non-exercise by it of its powers, duties and discretions under the Terms and Conditions, will, in the absence of wilful deceit, bad faith or manifest error, be binding on the Issuer and all Noteholders, and the Calculation Agent will not have any liability to the Issuer or the Noteholders in connection therewith.

8. **Redemption and purchases**

8.1 **Redemption of Zero Coupon Notes at maturity**

Unless previously redeemed or purchased and cancelled as specified below, a Zero Coupon Note will be redeemed by the Issuer at its Maturity Amount specified in, or determined in the manner specified in, the Applicable Pricing Supplement on its Final Redemption Date.

8.2 **Final Redemption of the Notes**

Unless previously redeemed or purchased and cancelled as specified below, each Note in a Tranche of Notes shall, subject to the Conditions, be redeemed by the Issuer at its Outstanding

Principal Amount (together with interest accrued unpaid thereon) on the Final Redemption Date.

### 8.3 **Redemption for tax reasons**

8.3.1 Notes in a Tranche of Notes may be redeemed at the option of the Issuer, at any time on or before the next payment due under the Notes (in the case of Notes other than Floating Rate Notes or Indexed Notes or Mixed Rate Notes having an Interest Rate then determined on a floating or indexed basis) or on any Interest Payment Date in relation to the next payment due under the Notes (in the case of Floating Rate Notes or Indexed Notes or Mixed Rate Notes), on giving not less than 20 days notice to the Noteholders prior to such redemption, in accordance with Condition 15 (which notice shall be irrevocable), if the Issuer is of the reasonable opinion that:

8.3.1.1 on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to deduct or withhold from any payment of principal or interest on the Notes any amounts as provided for or referred to in Condition 10 as a result of any change in, or amendment to, the laws or regulations of South Africa or any other Applicable Law or any political subdivision of, or any authority in, or of, South Africa having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date; and

8.3.1.2 such obligation cannot be avoided by the Issuer taking reasonable measures available to it.

8.3.2 From the date of publication of any notice of redemption pursuant to this Condition 8.3, the Issuer shall make available at its Specified Office, for inspection by any holder of Notes so redeemed, a certificate signed by 2 authorised signatories 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 an opinion of independent legal advisers to the effect that the Issuer has or will become obliged to make such deduction or withholding as a result of such change or amendment.

8.3.3 Notes may be redeemed by the Issuer in accordance with this Condition 8.3 in whole or in part. A redemption in part may be effected by the Issuer notwithstanding that such partial redemption may not entirely avoid such obligation to make such deduction or withholding as provided for or referred to in Condition 10. The failure to exercise such option in relation to any payment due under the Notes, will not preclude the Issuer from exercising the option in relation to any subsequent payment due under the Notes.

8.3.4 Notes redeemed for tax reasons pursuant to this Condition 8.3 will be redeemed at:

8.3.4.1 their Early Redemption Amount referred to in Condition 8.7, together with accrued unpaid interest (if any) from (and including) the immediately preceding Interest Payment Date to (but excluding) the date of redemption; or

8.3.4.2 as specified in the Applicable Pricing Supplement.

#### 8.4 **Redemption at the option of the Issuer**

If the Issuer is specified in the Applicable Pricing Supplement as having an option to redeem the Notes in a Tranche of Notes, the Issuer shall be entitled, having given not less than 20 days notice to the Noteholders in accordance with Condition 15 (which notice shall be irrevocable) to redeem the Notes in that Tranche of Notes then outstanding, in whole or in part, 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 together, if appropriate, with accrued unpaid interest (if any) from (and including) the immediately preceding Interest Payment Date to (but excluding) the Optional Redemption Date(s).

#### 8.5 **Redemption at the option of holders of Senior Notes**

This Condition 8.5 shall apply only to Senior Notes. If the holders of the Senior Notes are specified in the Applicable Pricing Supplement as having an option to redeem Notes in a Tranche of Senior Notes, the Issuer shall, at the option of the holder of any Senior Note redeem such Senior Note on the Optional Redemption Date (Put) specified in, or determined in the manner specified in, the Applicable Pricing Supplement, at the relevant Optional Redemption Amount (Put) specified in, or determined in the manner specified in, the Applicable Pricing Supplement, together with accrued unpaid interest (if any) to such date. In order to exercise the option contained in this Condition 8.5, the holder of a Senior Note must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put), deposit the Certificate, if any, representing such Senior Note with the Transfer Agent, together with a duly completed Put Option Notice in the form obtainable from the Transfer Agent. No Certificate, once deposited with a duly completed Put Option Notice in accordance with this Condition 8.5, may be withdrawn; provided, however, that if, prior to the relevant Optional Redemption Date (Put), the Senior Notes represented by any Certificate so deposited become immediately due and payable or, upon due presentation of any Certificate on the relevant Optional Redemption Date (Put), payment of the redemption monies is improperly withheld or refused, such Certificate shall, without prejudice to the exercise of the Put Option, be returned to the holder by registered mail at the address specified by such holder in the relevant Put Option Notice.

#### 8.6 **Redemption at the option of holders of Senior Notes in respect of a Put Event**

8.6.1 This Condition 8.6 shall apply only to Senior Notes. The Applicable Pricing Supplement shall specify whether the holders of the Senior Notes in a Series of Notes have the right of optional redemption in respect of a Put Event.

- 8.6.2 Within 5 Business Days of the Issuer becoming aware of the occurrence of a Put Event, the Issuer shall notify the Noteholders of the Series of Notes to whom this Condition 8.6 applies, in accordance with Condition 15 (Notices), of the occurrence of such Put Event and the nature of such Put Event.
- 8.6.3 The Noteholders of the Series of Notes may, within 10 Business Days of receipt of notice of the Put Event from the Issuer, requisition a meeting of the Noteholders of the Series of Notes in accordance with Condition 19 (Meetings of Noteholders) and, by Extraordinary Resolution of the Noteholders of the Series of Notes, declare all (and not some only) of the Notes of the Series to be due and payable within the Redemption Period.
- 8.6.4 Notes redeemed pursuant to this Condition 8.6 will be redeemed at their Early Redemption Amount referred to in Condition 8.7, together with accrued unpaid interest (if any) from (and including) the immediately preceding Interest Payment Date to (but excluding) the date of redemption or such other amount specified in, or determined in the manner specified in, the Applicable Pricing Supplement.
- 8.6.5 For the purposes of this Condition 8.6:
- (a) **"Acting in Concert"** means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition of shares by any of them, either directly or indirectly, to obtain or consolidate Control of the Issuer;
  - (b) a **"Change of Control Event"** shall be deemed to have occurred:
    - (i) at each time that any person or persons Acting in Concert, at any time, directly or indirectly, acquire Control of the Issuer (a **"Change of Control"**); and
    - (ii) before or following the Change of Control, the Rating assigned to the Issuer is downgraded from an Investment Grade Rating to a non-Investment Grade Rating, and/or (ii) the Rating assigned to the Issuer is withdrawn, and in each case the downgrade or withdrawal notice published by the Rating Agency states that such rating action was or is as result of the Control Event; provided that no Rating downgrade or withdrawal shall be deemed to have occurred if the Rating assigned to the Issuer is substituted for an Investment Grade Rating by another Rating Agency or there is at least one remaining Investment Grade Rating in relation to the Issuer. If there is more than one Rating, the lowest Rating will be regarded as the relevant Rating for these purposes;
  - (c) **"Control"** means:

- (i) the holding, directly or indirectly, of more than 50% of the issued share capital of the Issuer (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital), or
  - (ii) the power to cast, or control the casting of, such number of the shares in the issued share capital of the Issuer carrying more than 50% of the total number of votes that may be cast at a general meeting of the members of the Issuer; or
  - (iii) the power to appoint, or control the appointment, of the majority of the board of directors of the Issuer;
- (e) **"Investment Grade Rating"** means a national scale rating of at least *"Baa3.za"* by Moody's Investors Services Limited, *"BBB-(zaf)"* by Fitch Southern Africa (Proprietary) Limited, *"zaBBB-"* by Standard & Poor's Rating Services, *"BBB-"* by Global Credit Rating Co. (Proprietary) Limited or its equivalent for the time being;
- (f) **"Put Event"** means the occurrence of any of the following:
- (i) a delisting of the Notes in the relevant Series of Senior Notes from the Interest Rate Market of the JSE; or
  - (ii) in respect of senior unsecured Notes, the Rating assigned to the Issuer is withdrawn; provided that no Rating withdrawal shall be deemed to have occurred if the Rating assigned to the Issuer is substituted for a Rating by another Rating Agency or there is at least one remaining Rating in relation to the Issuer. If there is more than one Rating, the lowest Rating will be regarded as the relevant Rating for these purposes; or
  - (iii) in respect of senior secured Notes, the Rating assigned to the Notes in the relevant Series of Notes is downgraded from an Investment Grade Rating to a non-Investment Grade Rating, and/or (ii) the Rating assigned to the Notes in the relevant Series of Notes is withdrawn; provided that no Rating downgrade or withdrawal shall be deemed to have occurred if the Rating assigned to the Notes in the relevant Series of Notes is substituted for an Investment Grade Rating by another Rating Agency or there is at least one remaining Investment Grade Rating in relation to the Notes in the relevant Series of Notes; or
  - (iv) a Change of Control Event;



- (g) **"Redemption Period"** means a period of 10 Business Days after the passing of the Extraordinary Resolution of the Noteholders of the Series of Notes in terms of Condition 8.6.3.

## 8.7 **Early Redemption Amounts**

8.7.1 For the purpose of Conditions 8.3, 8.6 and 11 (unless otherwise as stated in the Applicable Pricing Supplement), the Notes will be redeemed at the Early Redemption Amount calculated as follows:

8.7.1.1 in the case of Notes with a Maturity Amount equal to the Principal Amount, at the Maturity Amount thereof; or

8.7.1.2 in the case of Notes (other than Zero Coupon Notes) with a Maturity Amount which is or may be less than or greater than the Issue Price, to be determined in the manner specified in the Applicable Pricing Supplement, at that Maturity Amount or, if no such amount or manner is so specified in the Applicable Pricing Supplement, at their Outstanding Principal Amount; or

8.7.1.3 in the case of Zero Coupon Notes, at an amount equal to the sum of (i) the Reference Price and (ii) the product of the Implied Yield being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or, as the case may be, the date upon which such Notes becomes due and payable, or such other amount as is provided in the Applicable Pricing Supplement.

8.7.2 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.

## 8.8 **Purchases**

The Issuer may, only in the case where the Issuer is not in possession of unpublished price sensitive information in respect of the Notes, purchase Notes at any price in the open market or otherwise. In the event of the Issuer purchasing Notes, such Notes shall be held, resold or at the option of the Issuer cancelled.

## 8.9 **Cancellation**

All Notes which are redeemed in full will forthwith be cancelled. All Notes so cancelled and the Notes purchased and cancelled pursuant to Condition 8.8, cannot be re-issued or resold. Where only a portion of Notes represented by a Certificate are cancelled, the Transfer Agent shall deliver a Certificate to such Noteholder in respect of the balance of the Notes remaining

after such cancellation. The Issuer shall notify the Central Securities Depository and the JSE of any cancellation or partial redemption of the Notes.

#### 8.10 **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 8 or upon its becoming due and repayable as provided in Condition 11, 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 8.7.1.3, as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date on which all amounts due in respect of such Zero Coupon Note have been paid.

#### 8.11 **Partial redemption**

If the Notes are to be redeemed in part only on any date in accordance with these Terms and Conditions, each Note shall be redeemed in part in the proportion which the aggregate Principal Amount of the Notes to be redeemed on the relevant date fixed for redemption of such Notes bears to the aggregate Outstanding Principal Amount of all Notes on the relevant date fixed for redemption of such Notes.

### 9. **Payment**

#### 9.1 **Method of payment**

9.1.1 Payments of interest and principal in respect of Notes held in uncertificated form in the Central Securities Depository will be made to the holders of Beneficial Interests in accordance with the Applicable Procedures. Each of the persons reflected in the records of the Central Securities Depository or the relevant Participants, as the case may be, as the holders of Beneficial Interests shall look solely to the Central Securities Depository or the relevant Participant, as the case may be, for such persons share of each payment so made by (or on behalf of) the Issuer to, or for the order of, the registered holder of the Note held in uncertificated form. The Issuer will not have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Beneficial Interests, or for maintaining, supervising or reviewing any records relating to such Beneficial Interests. Payments of interest and principal in respect of Notes held in the Central Securities Depository in uncertificated form shall be recorded by the Central Securities Depository in accordance with the Applicable Procedures, distinguishing between interest and principal, and such record of payments by the registered holder of the Notes shall be *prima facie* proof of such payments. Payments of interest and principal in respect of Notes represented by Individual Certificates shall be made to the person reflected as the registered holder of the Individual Certificate in the Register on the Last Day to Register.

- 9.1.2 The Issuer shall pay the interest and principal payable in respect of each Note, in immediately available and freely transferable funds, in Rands by electronic funds transfer, to the bank account of the Noteholder as set forth in the Register at 17h00 (Johannesburg time) on the Last Day to Register (whether or not such day is a Business Day) preceding the relevant Interest Payment Date or Redemption Date, as the case may be, or, in the case of joint Noteholders, the account of that one of them who is first named in the Register in respect of that Note. If two or more persons are entered into the Register as joint Noteholders, then without affecting the previous provisions of this condition, payment to any one of them of any monies payable on or in respect of the Note shall be an effective and complete discharge by the Issuer of the amount so paid, notwithstanding any notice (express or otherwise) which the Issuer may have of the right, title, interest or claim of any other person to or in any Note or interest therein.
- 9.1.3 If the Issuer is prevented or restricted directly or indirectly from making any payment by electronic funds transfer in accordance with the preceding paragraph (whether by reason of strike, lockout, fire, explosion, floods, riot, war, accident, act of God, embargo, legislation, shortage of or breakdown in facilities, civil commotion, unrest or disturbances, cessation of labour, government interference or control or any other cause or contingency beyond the control of the Issuer) such inability shall not constitute an Event of Default and the Issuer shall give notice to the Noteholders within 3 Business Days of such inability arising. Upon receipt of such notice any Noteholder may request the Issuer in writing to make payment of any such amounts by way of cheque (or by such number of cheques as may be required in accordance with applicable banking law and practice). Such notice shall specify the address of the payee entitled to payment in respect of the Note, and if the Noteholder so desires, a request to make such cheque available for collection during business hours by a Noteholder or its duly authorised representative at the registered office of the Issuer.
- 9.1.4 All monies so payable by cheque shall, save if the Noteholder requests that the cheque be made available for collection as set out above (unless such cheque is not so collected within 2 Business Days of being made available for collection), be sent by post within 2 Business Days of the receipt by the Issuer of the notice from a Noteholder referred to in the preceding paragraph to:
- 9.1.4.1 the address of that Noteholder as set forth in the Register at 17h00 (Johannesburg time) on the relevant Last Day to Register; or
- 9.1.4.2 in the case of joint Noteholders, the address set forth in the Register of that one of them who is first named in the Register in respect of that Note.

Neither the Issuer nor the Paying Agent shall be responsible for any loss in transmission of cheques posted in terms of this Condition 9.1 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 9.1.

9.1.5 Only Noteholders, or, in the case of joint Noteholders, the one of them who is first named in the Register in respect of that Note, reflected in the Register at 17h00 (Johannesburg time) on the relevant Last Day to Register will be entitled to payments of interest and/or principal in respect of Notes.

9.1.6 Payments will be subject in all cases to any Taxation or other laws, directives and regulations applicable to such payment in the place of payment.

## 9.2 **Surrender of Certificates**

9.2.1 On or before the Last Day to Register prior to any Redemption Date (including a Redemption Date relating to mandatory redemption in part), the holder of a Certificate, in respect of a Note to be redeemed (in part or in whole, as the case may be) shall deliver to the Transfer Agent the Certificates to be redeemed. This will enable the Transfer Agent to endorse the partial redemption thereon or, in the case of Final Redemption, to cancel the relevant Certificates.

9.2.2 Should the holder of a Certificate refuse or fail to surrender the Certificate for endorsement or cancellation on or before a Redemption Date, the amount payable to him in respect of such redemption, including any accrued unpaid interest, shall be retained by the Issuer for such Noteholder, at the latter's risk, until the Noteholder surrenders the necessary Certificate, and interest shall cease to accrue to such Noteholder from the Redemption Date in respect of the amount redeemed.

9.2.3 Documents required to be presented and/or surrendered to the Transfer Agent in accordance with the Terms and Conditions will be so presented and/or surrendered at the Specified Office of the Transfer Agent.

## 9.3 **Payment date**

Notwithstanding anything to the contrary contained in the Terms and Conditions, if the date for payment of any amount payable in respect of any Note is not a Business Day, then:

9.3.1 if a Business Day Convention is not specified in the Applicable Pricing Supplement, such date for payment shall be the following Business Day;

9.3.2 if a Business Day Convention is specified in the Applicable Pricing Supplement, such date for payment shall be adjusted according to such Business Day Convention.

#### 9.4 Calculation and notice of principal payments

The Calculation Agent will calculate the aggregate amount of principal due and payable by the Issuer for each Note on each date that payment of principal is due and payable as specified in the Applicable Pricing Supplement. The Calculation Agent will, at least 3 Business Days before each such date, cause such aggregate amount of principal to be notified to the Noteholders (in the manner set out in Condition 15), the Issuer, the Central Securities Depository, if applicable, and in relation to any Tranche of Notes listed on the Interest Rate Market of the JSE, the JSE.

#### 10. Taxation

10.1 All payments (whether in respect of principal, interest or otherwise) in respect of the Notes will be made without withholding or deduction for or on account of any Taxes, unless such withholding or deduction is required by Applicable Law.

10.2 If any such withholding or deduction is required by Applicable Law in respect of Taxes imposed or levied on any payments (whether in respect of principal, interest or otherwise) in respect of any Notes, the Issuer will, subject to the Issuer's rights to redeem such Notes in terms of Condition 8.3, make such payments after such withholding or deduction has been made and will account to the relevant authorities for the amount so required to be withheld or deducted. The Issuer will 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 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:

10.2.1 held by or on behalf of a Noteholder which would not be liable or subject to the withholding or deduction by complying with any statutory requirement or by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or

10.2.2 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 or Taxable Gains (each as defined below) of any Noteholder; or

10.2.3 where (in the case of any payment of principal or interest which is conditional on surrender of the relevant Certificate in accordance with these Terms and Conditions) the relevant Certificate is surrendered for payment more than 30 days after the Relevant Date except to the extent that the relevant Noteholder would have been entitled to an additional amount on presenting the Certificate for payment on such thirtieth day; or

10.2.4 if such withholding or deduction arises through the exercise by revenue authorities of special powers in respect of Tax defaulters; or

- 10.2.5 where the Noteholder is entitled to claim a Tax reduction, creditor or similar benefit in respect of such withholding or deduction in terms of the Noteholder's domestic tax laws or applicable double tax treaty.

For the purposes of this Condition 10:

**"Taxable Income"** means any "taxable income" as defined in section 1 of the Income Tax Act;

**"Taxable Gain"** means any "taxable capital gain" as defined in paragraph 1 of Schedule 8 to the Income Tax Act; and

**"Income Tax Act"** means the Income Tax Act.

## 11. Events of Default

### 11.1 Events of Default relating to the Senior Notes

An Event of Default in relation to a Series of Senior Notes shall arise if any of the following events occurs and is continuing:

- 11.1.1 *Non-payment:* the Issuer fails to pay any amount of principal, interest or premium in respect of any Notes in that Series on the due date for payment thereof and such failure remains unremedied for 5 Business Days after written notice thereof has been delivered by any Noteholder to the Issuer; or
- 11.1.2 *Breach of other obligations:* the Issuer fails to perform any of its other material obligations under or in respect of the Notes in that Series, and such failure remains unremedied for 30 days after written notice thereof has been delivered by any Noteholder to the Issuer; or
- 11.1.3 *Cross-default or security enforced:*
- (a) If any Indebtedness for Borrowed Money of the Issuer or any Material Subsidiary is declared to be or otherwise becomes due and repayable before its scheduled due date for payment by reason of an event of default (however described); or
  - (b) the Issuer or any Material Subsidiary fails to make any payment in respect of any Indebtedness for Borrowed Money on the due date for payment (as extended by any originally applicable grace period); or
  - (c) any security given by the Issuer or any Material Subsidiary for any Indebtedness for Borrowed Money becomes enforceable by reason of default in relation thereto and steps are taken to enforce such security; or

- (d) if default is made by the Issuer or any Material Subsidiary in making any payment due under any guarantee and/or indemnity (at the expiry of any originally applicable grace period) given by it in relation to any Indebtedness for Borrowed Money of any other person;

provided that in each case no event shall constitute an Event of Default unless the Indebtedness for Borrowed Money, either alone or when aggregated with other Indebtedness for Borrowed Money at that point in time, exceeds ZAR75 000 000 (or its equivalent in any other currency).

For the purposes of this Condition 11.1.3 and 11.1.4 and 11.1.6, any indebtedness which is in a currency other than South African Rand shall be translated into South African Rand at the spot rate for the sale of South African Rand against the purchase of the relevant currency quoted by the Calculation Agent on the date of such Event of Default; or

- 11.1.4 *Judgment*: any final judgment in respect of a claim of more than ZAR75 000 000 in respect of the Issuer or any Material Subsidiary, or its equivalent in any other currency, is given by a court of competent jurisdiction against the Issuer or any Material Subsidiary, or against the assets or revenues of the Issuer or any Material Subsidiary, and is not discharged or contested with 10 Business Days of the final judgment being granted; or
- 11.1.4.1 if such judgement is appealable, fails to appeal against such judgement within the time limits prescribed by law or fails to diligently prosecute such appeal thereafter or ultimately fails in such appeal; and/or
- 11.1.4.2 if such judgement is a default judgment, fails to apply for the rescission thereof within the time limits prescribed by law or fails to diligently prosecute such application thereafter or ultimately fail in such application; and/or
- 11.1.4.3 if such judgement is reviewable, fails to initiate proceedings for the review thereof within the time limits prescribed by law or fails to diligently prosecute such proceedings thereafter or ultimately fails in such proceedings; or
- 11.1.5 *Insolvency*: an Insolvency Event occurs in respect of the Issuer or any Material Subsidiary.

For the purposes of this Condition 11.1.4, "**Insolvency Event**" means the occurrence of any of the following events:

- (i) any third party takes any steps or proceedings against the Issuer or any Material Subsidiary (other than a frivolous or vexatious application or an application which is discharged or stayed within 21 days) or an order is made, for (a) the compulsory, provisional or final winding-up, liquidation, compromise,

administration order, curatorship, judicial management, business rescue, dissolution or administration of the Issuer or any Material Subsidiary; or (b) the appointment of an administrator, trustee, liquidator, judicial manager, business rescue practitioner or similar officer over any or all of the assets or revenues of the Issuer or any Material Subsidiary; or (c) the removal of the Issuer or any Material Subsidiary from the register of companies; or

- (ii) the Issuer or any Material Subsidiary compromising with or taking any procedural step attempting to compromise with its creditors generally (or any significant class of creditors) or deferring or taking any procedural step attempting to defer payment of debts owing by it to its creditors generally (or any significant class of creditors) (except a deferral provided for in terms of the Terms and Conditions of the Notes); or
- (iii) the Issuer or any Material Subsidiary committing an act which would be an act of insolvency, in terms of the Insolvency Act, 1936, if committed by a natural person; or
- (iv) the Issuer or any Material Subsidiary is unable to pay its debts as they fall due or is deemed to be unable to pay its debts in terms of the Companies Act; or
- (v) the board or members of the Issuer or any Material Subsidiary convening a meeting in order to pass a resolution providing for the Issuer or any Material Subsidiary to be wound-up, liquidated, deregistered or placed under judicial management or business rescue, or any resolution being passed to this effect (in each case other than for purposes of a solvent reconstruction or amalgamation in which the Issuer or any Material Subsidiary remains the debtor under the Notes); or

11.1.6 *Attachment of assets:* any attachment in execution of a judgment in respect of a claim for more than ZAR75 000 000 is levied against any undertaking or asset of the Issuer or any Material Subsidiary and such attachment or execution is not set aside or lifted with 20 days after it came to the attention of the Issuer; or

11.1.7 *Breach of Transaction Documents:* the Issuer or any Security Provider fails to perform any of its material obligations under the Security Documents of that Series or under any other Transaction Documents of that Series, and such failure remains unremedied for 15 Business Days after written notice thereof has been delivered by any Noteholder to the Issuer; or

11.1.8 *Security Unenforceable:* any security interest granted or purported to be granted by the Issuer or any Security Provider pursuant to any of the Security Documents of that Series



becomes unenforceable for any reason whatsoever (or is reasonably claimed by the holder of that security not to be in full force and effect).

#### 11.2 **Steps following an Event of Default relating to the Senior Notes**

Upon the happening of such an Event of Default any holder of Senior Notes in that Series may, by notice to the Issuer, declare the Notes held by that Noteholder to be immediately due and payable, and require the Notes held by that Noteholder to be repaid at the Early Redemption Amount, together with any accrued unpaid interest thereon (if any).

#### 11.3 **Events of Default relating to Subordinated Notes**

11.3.1 An Event of Default in relation to a Series of Subordinated Notes shall arise if (i) the Issuer fails to pay any amount of principal, interest or premium in respect of any Notes in that Series on the due date for payment thereof and such failure remains unremedied for 10 Business Days after written notice thereof has been delivered by any Noteholder to the Issuer, or (ii) any one or more of the events referred to in Condition 11.1 (other than events referred to in 11.1.1 and 11.1.2) occurs and is continuing .

11.3.2 Upon the happening of such an Event of Default, any holder of Subordinated Notes may, by notice to the Issuer, institute such proceedings against the Issuer as it may think fit to enforce the obligations of the Issuer under such Subordinated Notes, provided that the Issuer shall not be obliged, save in the case of the liquidation or winding up proceedings, to pay any sum or sums sooner than the same would otherwise have been payable by it.

11.3.3 In the event of the winding-up or liquidation, whether finally or provisionally, of the Issuer, otherwise than for the purposes of a solvent amalgamation, merger, consolidation or re-organisation, then any holder of Subordinated Notes may by written notice to the Issuer declare the Notes held by that Noteholder to be immediately due and payable, and require the Notes held by that Noteholder to be repaid at the Early Redemption Amount, together with any accrued unpaid interest thereon (if any); save that the holders of Subordinated Notes may only receive payment once all the other unsubordinated creditors of the Issuer have been paid in full.

#### 11.4 **Notice of an Event of Default**

If an Event of Default occurs, the Issuer will forthwith upon becoming aware of such Event of Default, give notice thereof in writing to the Transfer Agent, the Calculation Agent, the Debt Sponsor and the Noteholders of that Series and, if any Notes are listed on the Interest Rate Market of the JSE, to the JSE, to the Noteholders through SENS and to the Central Securities Depository.

## 12. Replacement of Notes

### 12.1 Costs

Certificates shall be provided (whether by way of issue or delivery) by the Issuer without charge, save as otherwise provided in these Terms and Conditions. The costs and expenses of delivery of Certificates by a method other than ordinary post (if any) and, if the Issuer shall so require, taxes or governmental charges or insurance charges that may be imposed in relation to such mode of delivery, shall be borne by the Noteholder.

### 12.2 Replacement

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

### 12.3 Death and sequestration or liquidation of Noteholder

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

### 12.4 Exchange of Beneficial Interests

12.4.1 The holder of a Beneficial Interest in Notes may, in terms of the Applicable Procedures and subject to section 42 of the Financial Markets Act, by written notice to the holder's nominated Participant (or, if such holder is a Participant, the Central Securities Depository), request that such Beneficial Interest be exchanged for Notes in definitive form represented by an Individual Certificate (the "**Exchange Notice**"). The Exchange Notice shall specify the name, address and bank account details of the holder of the Beneficial Interest

12.4.2 The holder's nominated Participant will, following receipt of the Exchange Notice, through the Central Securities Depository, notify the Transfer Agent that it is required to exchange such Beneficial Interest for Notes represented by an Individual Certificate. The Transfer Agent will, as soon as is practicable but within 14 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 day period, to the holder of the Beneficial Interest at the Specified Office of the Transfer Agent; provided that joint holders of a Beneficial

Interest shall be entitled to receive only one Individual Certificate in respect of that joint holding, and delivery to one of those joint holders shall be delivery to all of them.

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

12.4.3.1 the Central Securities Depository will surrender (through the Central Securities Depository system) such uncertificated Notes to the Transfer Agent at its Specified Office;

12.4.3.2 the Transfer Agent will obtain the release of such uncertificated Notes from the Central Securities Depository in accordance with the Applicable Procedures.

12.4.4 An Individual Certificate shall, in relation to a Beneficial Interest in any number of Notes issued in uncertificated form of a particular aggregate Principal Amount standing to the account of the holder thereof, represent that number of Notes of that aggregate Principal Amount, and shall otherwise be in such form as may be agreed between the Issuer and the Transfer Agent; provided that if such aggregate Principal Amount is equivalent to a fraction of R1 000 000 (or the equivalent thereof in the Specified Currency if the Specified Currency is not Rand) or a fraction of any multiple thereof, such Individual Certificate shall be issued in accordance with, and be governed by, the Applicable Procedures.

### 13. **Transfer of Notes**

13.1 Beneficial Interests in the Notes may be transferred in terms of the Applicable Procedures through the Central Securities Depository.

13.2 The Central Securities Depository maintains accounts only for its Participants. Participants are in turn required to maintain securities accounts for their clients.

13.3 Transfers of Beneficial Interests to and from clients of Participants occur, in terms of existing law and practice, by way of electronic book entry in the securities accounts maintained by the Participants for their clients. Transfers of Beneficial Interests among Participants occur through electronic book entry in the central securities accounts maintained by the Central Securities Depository for the Participants. Beneficial Interests may be transferred only in accordance with these Terms and Conditions, and the Applicable Procedures.

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

13.4.1 the transfer of such Notes must be embodied in the Transfer Form;

13.4.2 the Transfer Form must be signed by the registered Noteholder and the transferee, or any authorised representative of that registered Noteholder and/or transferee; and

- 13.4.3 the Transfer Form must be delivered to the Transfer Agent at its Specified Office together with the relevant Certificate for cancellation.
- 13.5 Transfers of Notes represented by a Certificate will only be in a denomination of the Specified Denomination. Notes represented by a Certificate may be transferred in whole or in part (in multiples of the Specified Denomination).
- 13.6 Subject to the preceding provisions of this Condition 13, the Transfer Agent will, within 3 Business Days of receipt by it of a valid Transfer Form (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), record the transfer of Notes represented by a Certificate 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 Certificate in respect of such Notes reflecting the same Outstanding Principal Amount as the Notes transferred. Where a Noteholder has transferred part only of his holding of Notes represented by a 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 Certificate in respect of the balance of the Notes held by such Noteholder.
- 13.7 The transferor of any Notes represented by a Certificate will be deemed to remain the owner thereof until the transferee is registered in the Register as the holder thereof.
- 13.8 Before any transfer of any Notes represented by a Certificate is registered, 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 Transfer Agent reasonably requires as to the identity and title of the transferor and the transferee.
- 13.9 No transfer of any Notes represented by a Certificate will be registered while the Register is closed as contemplated in Condition 14.
- 13.10 If a transfer of any Notes represented by a Certificate is registered, the Transfer Form and cancelled Certificate, if any, will be retained by the Transfer Agent.

#### 14. Register

- 14.1 The Register will be kept at the Specified Office of the Transfer Agent. The Register will contain the name, address and bank account details of the registered Noteholders. The Register will set out the Principal Amount of the Notes issued to any Noteholder and will show the date of such issue and the date upon which the Noteholder became registered as such. The Register will show the serial numbers of the Certificates issued. The Register will be open for inspection during the normal business hours of the Transfer Agent to any Noteholder or any person of proven identity authorised in writing by any Noteholder. The Issuer and the Transfer

Agent will not be bound to enter any trust into the Register or to take any notice of or to accede to the execution of any trust (express, implied or constructive) to which any Note may be subject.

14.2 The Register will, in respect of a Tranche of Notes, be closed during the 10 days preceding each Interest Payment Date and Redemption Date, as the case may be, from 17h00 (Johannesburg time) on the Last Day to Register or such other Books Closed Period as is specified in the Applicable Pricing Supplement. All periods referred to for the closure of the Register may be shortened by the Issuer from time to time, upon notice thereof to the Noteholders in accordance with Condition 15.

14.3 The Transfer Agent will alter the Register in respect of any change of name, address or bank account number of any of the Noteholders of which it is notified in accordance with Condition 15.

## 15. Notices

15.1 Subject to Condition 15.2, all notices (including all demands or requests under the Terms and Conditions) to the Noteholders will be valid if sent by electronic mail to their e-mail addresses appearing in the Register or delivered by hand to their addresses appearing in the Register or published in a leading English language daily newspaper of general circulation in South Africa. Each such notice will be deemed to have been given, if sent by electronic mail, on the day of its sending, except that any such sending after 16h30 shall be deemed to have been received on the following day, if delivered in person or by courier, at the time of delivery or if published on the day of first publication, as the case may be.

15.2 For so long as the Notes are held in their entirety by the Central Securities Depository, notice as contemplated in Condition 15.1 shall be given by way of delivery by the Issuer of the relevant notice to the Central Securities Depository for communication to the holders of Beneficial Interests.

15.3 Where any provision of the Terms and Conditions requires notice to be given to the Noteholders of any matter other than a meeting of Noteholders, such notice will be given *mutatis mutandis* as set out in Condition 15.1 and Condition 15.2, respectively, subject to compliance with any other time periods prescribed in the provision concerned.

15.4 All notices (including all communications, demands and/or requests under the Terms and Conditions) to be given by or on behalf of any Noteholder to the Issuer or the Transfer Agent, as the case may be, will be in writing and given by delivering the notice, by hand or by electronic mail, together with a certified copy of the relevant Certificate, to the Specified Office of the Issuer or the Specified Office of the Transfer Agent, as the case may be, and marked for the attention of the chief executive officer. Any notice to the Issuer or the Transfer Agent, as the case may be, will be deemed to have been received by the Issuer or the Transfer Agent, as the

case may be, on the second Business Day after being delivered by hand to the Specified Office of the Issuer or the Transfer Agent, as the case may be, or if sent by electronic mail to the Specified Office of the Issuer or the Transfer Agent, as the case may be, on the day of its sending, except that any such sending after 16h30 shall be deemed to have been received on the following day.

15.5 Whilst any of the Notes are held in uncertificated form, notices to be given by any holder of a Beneficial Interest to the Issuer shall be given by such holder through such holder's Participant in accordance with the Applicable Procedures.

15.6 In relation to any Tranche of Notes listed on the Interest Rate Market of the JSE, copies of any notices to Noteholders delivered as set out above, including of meetings and any amendments to the Terms and Conditions, shall be published on SENS.

## 16. **Amendment of the Terms and Conditions**

16.1 Subject to Condition 16.2 the Issuer may effect, without the consent of any Noteholder, any amendment to the Terms and Conditions which is of a technical nature or is made to correct a manifest error or to comply with mandatory provisions of the Applicable Law. Any such amendment will be binding on Noteholders and such amendment will be notified to the JSE, in relation to any Tranche of Notes listed on the Interest Rate Market of the JSE, and the Noteholders in accordance with Condition 15 as soon as practicable thereafter.

16.2 In respect of an amendment that is neither of a technical nature nor made to correct a manifest error or to comply with mandatory provisions of any Applicable Laws, such amendment may be made only with the prior authorisation of an Extraordinary Resolution of (i) all of the Noteholders or (ii) the Noteholders of a particular Series of Notes or Class of Notes, as the case may be. The Issuer will call a meeting of all of the Noteholders or a meeting of the Noteholders of that Series or Class, as the case may be. Such meeting or meetings will be regulated by the provisions set out in Condition 19. No proposed amendment will be made to the Terms and Conditions until such amendment has been approved by Extraordinary Resolution at such meeting or meetings (or a written resolution in accordance with Condition 19.13). In relation to any Tranche of Notes listed on the Interest Rate Market of the JSE, the Issuer shall first obtain formal approval from the JSE in compliance with the JSE Debt Listings Requirements prior to delivery of such notice to Noteholders.

## 17. **No voting rights on Notes held by Issuer or group companies**

Neither the Issuer nor any subsidiary or holding company of the Issuer will have any voting rights on any Notes held by it.

## 18. Prescription

Any claim for payment of principal and/or interest in respect of the Notes will prescribe 3 years after the Relevant Date.

## 19. Meetings of Noteholders

### 19.1 Directions of Noteholders

19.1.1 The provisions with regard to meetings of Noteholders are set out in this Condition 19.

19.1.2 Every director, the secretary of and the attorney to the Issuer and every other person authorised in writing by the Issuer, may attend and speak at a meeting of Noteholders, but will not be entitled to vote, other than as a Noteholder or proxy or duly authorised representative of a Noteholder

19.1.3 A meeting of Noteholders will have the power, in addition to all powers specifically conferred elsewhere in the Terms and Conditions, by Extraordinary Resolution:

19.1.3.1 of the Noteholders to bind all of the Noteholders to any compromise or arrangement; or

19.1.3.2 of the Noteholders of a particular Series of Notes to agree to any variation or modification of any rights of the Noteholders of that Series which will then bind all of the Noteholders of such Series to such variation or modification of the rights of the Noteholders of that Series; or

19.1.3.3 of the Noteholders of a particular Class of Notes to agree to any variation or modification of any rights of the Noteholders of that Class which will then bind all of the Noteholders of such Class to such variation or modification of the rights of the Noteholders of that Class.

19.1.4 Unless otherwise specified, resolutions of Noteholders will require an Ordinary Resolution to be passed.

### 19.2 Convening of meetings

19.2.1 The Issuer may at any time convene a meeting of Noteholders or separate meetings of Noteholders of any Series or Class of Notes ("**meeting**").

19.2.2 The Issuer will convene (i) a meeting of Noteholders upon the requisition in writing of Noteholders holding not less than 10% of the aggregate Outstanding Principal Amount of all of the Notes or (ii) a separate meeting of Noteholders of any Series or Class of Notes upon the requisition in writing of the Noteholders in that Series or Class holding not less

than 10% of the aggregate Outstanding Principal Amount of the Notes held by that Series or Class, as the case may be (a "**requisition notice**").

19.2.3 Whenever the Issuer wishes to convene a meeting, it will forthwith give notice in writing to the Noteholders in the manner prescribed in Condition 15 of the place, day and hour of the meeting, the nature of the business to be transacted at the meeting and the resolutions to be proposed and considered at the meeting.

19.2.4 All meetings of Noteholders will be held in Johannesburg or such other city as the Issuer may specify in the notice.

19.2.5 The Issuer may conduct a meeting of Noteholders entirely by electronic communication (as defined in the Companies Act) or provide for participation in a meeting by electronic communication. Accordingly, one or more Noteholders, or proxies for Noteholders, may participate by electronic communication in all or part of any Noteholder meeting that is being held in person, so long as the electronic communication employed ordinarily enables all persons participating in that meeting to communicate concurrently with each other and without an intermediary, and to participate reasonably effectively in the meeting. Any notice of any meeting of Noteholders at which it will be possible for Noteholders to participate by way of electronic communication shall inform Noteholders of the ability to so participate and shall provide any necessary information to enable Noteholders or their proxies to access the available medium or means of electronic communication, provided that such access shall be at the expense of the Noteholder or proxy concerned.

### 19.3 **Requisition**

19.3.1 A requisition notice will state the nature of the business for which the meeting is to be held and the resolutions to be proposed and considered at the meeting and will be delivered to the Specified Office of the Issuer.

19.3.2 A requisition notice may consist of several documents in like form, each signed by one or more requisitionists.

### 19.4 **Convening of meetings demanded by requisitionists**

19.4.1 Upon receipt of a requisition notice, the Issuer will:

19.4.1.1 immediately, inform the JSE in writing of the demand for a meeting and the nature of the business for which the meeting is to be held;

19.4.1.2 immediately release an announcement through SENS that a requisition notice has been received and specifying the place, day and time of the meeting to be held;



- 19.4.1.3 within 5 Business Days of receipt of the requisition notice, deliver written notice to each Noteholder (in accordance with Condition 15), specifying the place, day and time of the meeting, the nature of the business for which the meeting is to be held and the resolutions to be proposed and considered at the meeting; and
- 19.4.1.4 within 2 Business Days of the meeting, release an announcement through SENS as to the outcome of the meeting.
- 19.4.2 The date of the meeting shall not exceed 7 Business Days from the date of delivery of the written notice convening the meeting.
- 19.4.3 The written notice of meeting shall allow for a pre-meeting of the Noteholders (without the presence of the Issuer) at the same place and on the same day as the meeting of Noteholders, at least 2 hours before the scheduled meeting of Noteholders.
- 19.4.4 In accordance with Condition 19.10, voting shall only take place on a poll and not on a show of hands.
- 19.4.5 The Noteholders will, by Ordinary Resolution, elect a chair to preside over the meeting.
- 19.4.6 The requisitionists who demanded the meeting may, prior to the meeting, withdraw the requisition notice by notice in writing to the Issuer, copied to the JSE. The Issuer may cancel the meeting if as a result of one or more of the demands being withdrawn, the voting rights of the remaining requisitionists fail to meet the required percentage referred to in Condition 19.2.2 to call a meeting.
- 19.4.7 In the event of the liquidation, business rescue or curatorship of the Issuer, the inability of the Issuer to pay its debts as they fall due or the Issuer becoming "financially distressed" as contemplated in the Companies Act, the reference to 5 Business Days in Condition 19.4.1.3 is reduced to 2 Business Days and the reference to 7 Business Days in Condition 19.4.2 is reduced to 5 Business Days.
- 19.4.8 If the Issuer does not deliver written notice to convene a meeting within the timelines referred to above, then without prejudice to any other remedy, the requisitionists may themselves convene the meeting, which will be convened as nearly as possible in the same manner as that in which meetings demanded by requisitionists ought to have been convened by the Issuer. Whenever the requisitionists are about to so convene any such meeting, requisitionists shall forthwith give notice of the meeting to the Issuer.
- 19.4.9 The provisions of this Condition in respect of meetings demanded by requisitionists will prevail in the event of any conflict with any other provision in the Terms and Conditions.

## 19.5 **Notice of meeting**

Unless every Noteholder or Noteholder of a Series or Class of Notes, who is entitled to exercise voting rights in respect of any item on the meeting agenda is present at the meeting and votes for a shorter minimum notice period, at least 15 Business Days written notice, specifying the place, day and time of the meeting, the nature of the business for which the meeting is to be held and the resolutions to be proposed and considered at the meeting, will be given to each Noteholder and to the Issuer if applicable.

## 19.6 **Quorum**

19.6.1 A quorum at a meeting shall:

19.6.1.1 for the purposes of considering an Ordinary Resolution, consist of Noteholders present in person or by proxy and holding in the aggregate not less than one-third of the aggregate Outstanding Principal Amount of the Notes or Series or Class of Notes, as the case may be;

19.6.1.2 for the purposes of considering an Extraordinary Resolution, consist of Noteholders present in person or by proxy and holding in the aggregate not less than a clear majority of the aggregate Outstanding Principal Amount of the Notes or Series or Class of Notes, as the case may be.

19.6.2 No business will be transacted at a meeting of the Noteholders unless a quorum is present at the time when the meeting proceeds to business.

19.6.3 If, within 15 minutes from the time appointed for the meeting, a quorum is not present, the meeting will, if it was convened on the requisition of Noteholders, be dissolved. In every other case the meeting will stand adjourned to the same day in the third week thereafter, at the same time and place, or if that day is not a Business Day, the next succeeding Business Day. If at such adjourned meeting a quorum is not present the Noteholders present in person or by proxy will constitute a quorum for the purpose of considering any resolution, including an Extraordinary Resolution.

## 19.7 **Chairman**

The chairman of the meeting shall be appointed by the Issuer. If the Issuer or the person appointed by the Issuer to preside as chairman of the meeting is not present within 10 minutes of the time appointed for the holding of the meeting, the Noteholders then present will choose one of their own to preside as chairman.

## 19.8 **Adjournment**

19.8.1 Subject to the provisions of this Condition 19, the chairman may, with the consent of, and will on the direction of, the meeting adjourn the meeting from time to time and from place to place.

19.8.2 No business will be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

19.8.3 At least 14 days written notice of the place, day and time of an adjourned meeting will be given by the Issuer to each Noteholder. In the case of a meeting adjourned in terms of Condition 19.6.3, the notice will state that the Noteholders present in person or by proxy at the adjourned meeting will constitute a quorum.

## 19.9 **How questions are decided**

19.9.1 At a meeting, a resolution put to the vote will be decided on a poll.

19.9.2 In the case of an equality of votes, the chairman will not be entitled to a casting vote in addition to the vote, if any, to which he is entitled.

## 19.10 **Votes**

Voting shall only take place on a poll and not on a show of hands. On a poll every Noteholder, present in person or by proxy, will be entitled to one vote in respect of each ZAR1.00 in Notes held. In relation to joint Noteholders, the vote may be exercised only by that Noteholder whose name appears first on the Register in the event that more than one of such Noteholders is present, in person or by proxy, at the meeting. The Noteholder in respect of Notes held in the Central Securities Depository in uncertificated form shall vote at any such meeting on behalf of the holders of Beneficial Interests in such Notes in accordance with the instructions to the Central Securities Depository from the holders of Beneficial Interests conveyed through the Participants in accordance with the Applicable Procedures.

## 19.11 **Proxies and representatives**

19.11.1 Noteholders present either in person or by proxy may vote on a poll. A Noteholder may by an instrument in writing (a “**proxy form**”) signed by the Noteholder (or his duly authorised agent) or, in the case of a juristic person, signed on its behalf by a duly authorised officer of the juristic person, appoint any person (a “**proxy**” or “**proxies**”) to act on his or its behalf in connection with any meeting or proposed meeting.

19.11.2 A person appointed to act as proxy need not be a Noteholder.

- 19.11.3 The proxy form will be deposited at the Specified Office of the Issuer or at the Specified Office of the Transfer Agent, as the case may be, and a copy sent to the Debt Sponsor, at any time before the proxy exercises the rights of the Noteholder at the meeting or adjourned meeting at which the person named in such proxy proposes to vote.
- 19.11.4 No proxy form will be valid after the expiration of 6 months from the date named in it as the date of its execution.
- 19.11.5 Notwithstanding Condition 19.11.4, a proxy form will be valid for any adjourned meeting, unless the contrary is stated thereon.
- 19.11.6 A vote given in accordance with the terms of a proxy form will be valid notwithstanding the previous death or incapacity of the principal or revocation or amendment of the proxy form or of any of the Noteholder's instructions pursuant to which the proxy form was executed or of the authority under which the proxy form was executed or the transfer of Notes in respect of which the proxy was given, provided that no intimation in writing of such death, incapacity, revocation or amendment shall have been received by the Issuer at its Specified Office or the Transfer Agent at its Specified Office, as the case may be, more than, and that the transfer has been given effect to less than, 12 hours before the commencement of the meeting or adjourned meeting at which the proxy is to be used.
- 19.11.7 Any Noteholder which is a juristic person may authorise any person to act as its representative in connection with any meeting or proposed meeting of Noteholders by resolution of the directors or other governing body of the juristic person. Any reference in the Terms and Conditions to a Noteholder present in person includes the duly authorised representative of a Noteholder which is a juristic person.
- 19.12 **Minutes**
- 19.12.1 The Issuer will cause minutes of all resolutions and proceedings of meetings to be duly entered in the minute books of the Issuer.
- 19.12.2 Any such minutes as aforesaid, if purporting to be signed by the chairman of the meeting at which such resolutions were passed or proceedings held or by the chairman of the next succeeding meeting, will be receivable in evidence without any further proof, and until the contrary is proved, a meeting of Noteholders or Noteholders of a Series or Class, as the case may be, in respect of the proceedings of which minutes have been so made will be deemed to have been duly held and convened and all resolutions passed thereat, or proceedings held, to have been duly passed and held.
- 19.13 **Written Resolutions**
- A resolution in writing submitted to the Noteholders or Noteholders of a Series or Class, as the case may be, entitled to exercise voting rights in relation to the resolution, and signed by

Noteholders holding more than 50% in the case of a matter to be adopted by Ordinary Resolution or at least 66.67% in the case of a matter to be adopted by Extraordinary Resolution, of the Outstanding Principal Amount of the Notes or Series of Notes or Class of Notes, as the case may be, within 20 Business Days after the written resolution was submitted to such Noteholders, shall be as valid and effective as if it had been passed at a meeting duly convened and constituted and shall be deemed (unless a statement to the contrary is made in that resolution) to have been passed on the last day on which that resolution is signed by any one or more of the Noteholders or Noteholders of a Series or Class, as the case may be. That resolution may consist of two or more documents in the same form each of which is signed by one or more of the Noteholders or Noteholders of a Series or Class, as the case may be. Each Noteholder shall, promptly after signature of the resolution by it, submit a copy of the resolution as signed by it to the Issuer. Within 10 Business Days after adoption of the resolution, the Issuer shall notify all the Noteholders or Series or Class of Noteholders, as the case may be, of the results of the resolution put to the vote in writing as contemplated in this Condition 19.13.

20. **Governing law**

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

21. **Further issues**

The Issuer shall be at liberty from time to time, without the consent of Noteholders, to create and issue further Notes.

**USE OF PROCEEDS**

The Issuer shall use the net proceeds of the Notes as operating capital for its general corporate purposes, as specified in Appendix "A" of the Applicable Pricing Supplement.

**DESCRIPTION OF VUKILE PROPERTY FUND LIMITED (THE "ISSUER")**

Incorporated by reference to the Integrated Report which can be found at the following link on our website:

<http://vukile.co.za/investor-media/reports-results.php>.

The Issuer is in compliance with the provisions of the Companies Act. The Issuer is acting in conformity with its memorandum of incorporation.

## **SETTLEMENT, CLEARING AND TRANSFERS OF NOTES**

### **Notes held in the Central Securities Depository**

#### *Clearing systems*

Each Tranche of Notes which is listed on the Interest Rate Market of the JSE and issued in uncertificated form, will be cleared through the Central Securities Depository which, as the operator of an electronic clearing system, has been appointed by the JSE to match, clear and facilitate the settlement of transactions concluded on the JSE. Each such Tranche of Notes will be issued, cleared and transferred in accordance with the Applicable Procedures and the Terms and Conditions. Each such Tranche of Notes will be settled through Participants who will comply with the electronic settlement procedures prescribed by the JSE and the Central Securities Depository. The Notes may be accepted for clearance through any additional clearing system as may be agreed between the JSE, the Issuer and the Dealer(s).

A Tranche of unlisted Notes may also be held in the Central Securities Depository. With respect to Notes not listed on the Interest Rate Market of the JSE, the placement of such unlisted Notes may be reported through the JSE reporting system in order for the settlement of trades in such Tranche of Notes to take place in accordance with the electronic settlement procedures of the JSE and the Central Securities Depository.

#### *Participants*

As at the Programme Date, the Participants which are approved in terms of the Applicable Procedures, as settlement agents to perform electronic settlement of funds and scrip are Citibank N.A., South Africa Branch, FirstRand Bank Limited (RMB Custody and Trustee Services), Nedbank Limited, The Standard Bank of South Africa Limited, Standard Chartered Bank, Johannesburg Branch, Société Générale, Johannesburg Branch and the South African Reserve Bank. Euroclear Bank S.A./N.V., as operator of the Euroclear System and Clearstream Banking société anonyme will settle offshore transfers through their South African Participant.

#### *Settlement and clearing*

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

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

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

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

### **Beneficial Interests**

The Central Securities Depository will hold each Tranche of Notes issued in uncertificated form, subject to the Financial Markets Act and the Applicable Procedures.



Accordingly, and except where the contrary is provided in the Terms and Conditions, all amounts to be paid and all rights to be exercised in respect of the Notes held in uncertificated form, will be paid to and may be exercised only by the Central Securities Depository for the holders of Beneficial Interests in such Notes.

The Central Securities Depository maintains central securities accounts only for Participants.

The Participants are in turn required to maintain securities accounts for their clients. The clients of Participants may include the holders of Beneficial Interests in the Notes 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 Central Securities Depository only through their Participants.

In relation to each person shown in the records of the Central Securities Depository or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular Principal Amount of Notes, a certificate or other document issued by the Central Securities Depository or the relevant Participant, as the case may be, as to the Principal Amount of such Notes standing to the account of such person shall be *prima facie* proof of such Beneficial Interest.

Payments of interest and principal in respect of Notes held in uncertificated form, will be made in accordance with Condition 9 to the holders of Beneficial Interests in accordance with Applicable Procedures, and the Issuer will be discharged by proper payment to or to the order of the registered holder of the uncertificated Note in respect of each amount so paid.

Each of the persons shown in the records of the Central Securities Depository and the relevant Participant, as the case may be, as the holders of Beneficial Interests will look solely to the Central Securities Depository or the relevant Participant, as the case may be, for such person's share of such payment so made by the Issuer to, or to the order of, the registered holder of such Notes.

The Issuer will not have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Beneficial Interests, or for maintaining, supervising or reviewing any records relating to such Beneficial Interests.

#### *Transfers and exchanges*

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

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

Beneficial Interests may be exchanged for Notes represented by Individual Certificates in accordance with Condition 13.4.

#### **Individual Certificates**

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

Notes represented by Individual Certificates may be transferred only in accordance with the Terms and Conditions.

Payments of interest and principal in respect of Notes represented by Individual Certificates will be made in accordance with Condition 9 to the person reflected as the registered holder of such Individual Certificates in the Register at 17h00 (Johannesburg time) on the Last Day to Register, and the Issuer will be discharged by proper payment to or to the order of the registered holder of the Certificate in respect of each amount so paid.

#### **The JSE Debt Guarantee Fund Trust**

The holders of Notes that are not listed on the Interest Market of the JSE will have no recourse against the JSE Debt Guarantee Fund Trust. Claims against the JSE Debt Guarantee Fund Trust may only be made in respect of the trading of Notes listed on the Interest Rate Market of the JSE and in accordance with the rules of the JSE Debt Guarantee Fund Trust. Unlisted notes are not regulated by the JSE.

#### **Notes listed on any exchange other than (or in addition to) the JSE**

Each Tranche of Notes which is listed on any exchange other than (or in addition to) the JSE will be issued, cleared and settled in accordance with the rules and settlement procedures of that exchange. The settlement, clearing and redemption procedures for trades of a Tranche of Notes issued on an exchange other than (or in addition to) the JSE will be specified in the Applicable Pricing Supplement.

## **SOUTH AFRICAN TAXATION**

*The comments below are intended as a general guide to the current position under the laws of South Africa. The contents of this section headed "South African Taxation" do not constitute tax advice and persons should consult their professional advisers.*

### **Residents**

A natural person is a resident of South Africa for tax purposes if (i) he is ordinarily resident in South Africa, or (ii) he is not ordinarily resident in South Africa but is physically present in South Africa for certain periods specified in the Income Tax Act, 1962. A juristic person is a resident of South Africa for tax purposes if it is incorporated, established or formed in South Africa or if it has its place of effective management in South Africa.

South African tax residents are subject to South Africa Tax on their worldwide income. A non-resident is subject to South Africa Tax only in respect of income derived from a South African source.

### **The Issuer**

The Issuer is a South African tax resident and is accordingly subject to South Africa Tax.

### **22. Securities Transfer Tax**

No securities transfer tax will be payable, in terms of the South African Securities Transfer Tax Act, 2007, in respect of either the issue of the Notes or on the subsequent transfer of the Notes on the basis that the Notes will not comprise a "security" as defined in section 1 of the Securities Transfer Tax Act.

### **23. Withholding Tax**

Section 50B of the Income Tax Act, 1962 (the "Income Tax Act") imposes a withholding tax on interest payments to persons who are not regarded as resident in South Africa for tax purposes, where the interest is sourced in South Africa. The withholding tax is levied at a rate of 15%, but could be reduced by relevant double taxation treaties.

Withholding tax on interest in respect of certain debt instruments (which include any Notes issued under the Programme) may thus be applicable to persons who are regarded as non-residents for tax purposes in South Africa. There are exemptions, which include interest paid in respect of debt listed on a recognised exchange. The JSE Limited would qualify as such an exchange. Should this exemption be repealed, non-resident Noteholders may rely on the relief afforded in terms of relevant double taxation agreements. In the event that such withholding or deduction is required by law, the Issuer will be obliged to pay additional amounts in relation thereto, subject to exceptions, as described in Condition 10.

Under current taxation law in South Africa, all payments made under the notes to resident Noteholders will be made free of withholding or deduction for or on account of any taxes, duties, assessments or governmental charges.

## 24. Income Tax

### 24.1 Nature of any original issue discount or premium

Any original issue discount to the face value of the Notes will be treated as interest for tax purposes and will be deemed to accrue to the Noteholder on a day-to-day basis until maturity or until such time as such Noteholder disposes of its beneficial interest in the Note. The amount to be included in the Noteholder's gross income is normally calculated on a yield to maturity basis.

Any original issue premium will be added to the face value of the Notes to determine the initial amount that will be used to determine the interest that is deemed, under Section 24J of the Income Tax Act, 1962, to have been incurred or to have accrued in respect of the Notes.

### 24.2 Position in respect of the current tax year

Under current taxation law in South Africa:

- (a) a person ordinarily resident in South Africa will, subject to available exemptions and deductions, be taxed on their worldwide income; and
- (b) a person not ordinarily resident in South Africa is exempt from tax in South Africa on any interest received or accrued on the Notes, unless that person:
  - (i) was a natural person who was physically present in South Africa for a period exceeding 183 days in aggregate in the tax year; or
  - (ii) at any time during this tax year carried on business through a permanent establishment in South Africa.

Interest received by Noteholders who are tax resident in South Africa will be included in gross income on a yield-to-maturity basis in accordance with the terms of section 24J of the Income Tax Act.

Interest is deemed to be from a source in South Africa where the interest incurred is attributable to an amount incurred by a person that is tax resident in South Africa. Such interest is included in gross income of the recipient and may or may not be subject to exemption.

## 25. Capital gains

Any disposal of the Notes by a Noteholder who is resident in South Africa prior to their redemption may be subject to Capital Gains Tax, where applicable.

Capital gains are taxable at normal tax rates, but in the case of a natural person only 40% of the gain is taxable, and in the case of companies and trusts, 80% of the capital gain is taxable.

Noteholders who are not tax resident in South Africa will generally not be subject to capital gains tax (if any) on the disposal of the Notes unless the Notes are assets of a permanent establishment or in respect of immovable property or an interest or right of whatever nature in or to immovable property situated in South Africa. In the event that the Notes comprise an interest in immovable property any purchaser of a Note from a person who is

regarded as a non-resident for tax purposes, may be subject to a withholding obligation in respect of the purchase consideration payable by the seller in terms of section 35A of the Income Tax Act. The amount to be withheld is determined with reference to a percentage depending on the juristic nature of the seller and may be subject to certain exemptions.

## **EXCHANGE CONTROL**

*The comments below are intended as a general guide to the current position under the Exchange Control Regulations, 1961 as promulgated under the Currency and Exchanges Act, 1933, as amended, (the "Regulations") and are not a comprehensive statement of the Regulations. The information below is not intended as advice and it does not purport to describe all of the considerations that may be relevant to a prospective subscriber for, or purchaser of any Notes. Prospective subscribers for, or purchasers of any Notes who are non-South African residents or who are emigrants from the Common Monetary Area are urged to seek further professional advice in regard to the subscription for, or purchase of any Notes.*

### **Non-South African Resident Noteholders and Emigrants from the Common Monetary Area**

Dealings in the Notes, the performance by the Issuer of its obligations under the Notes may be subject to the Regulations.

#### **Blocked Rand**

Blocked Rands may be used for the subscription for or purchase of Notes. Any amounts payable by the Issuer in respect of the Notes subscribed for or purchased with Blocked Rands may not, in terms of the Regulations, be remitted out of South Africa or paid into any non-South African bank account. For the purposes of this clause, "Blocked Rands" are defined as funds which may not be remitted out of South Africa or paid into a non-South African resident's bank account. The relevant legislation relating to Blocked Rand is the Regulations promulgated under the Currency and Exchanges Act, 1933, as amended.

#### **Emigrants from the Common Monetary Area**

Any Individual Certificates issued to Noteholders who are emigrants from the Common Monetary Area will be endorsed "emigrant". Such restrictively endorsed Individual Certificates will be deposited with an authorised foreign exchange dealer controlling such emigrant's blocked assets.

In the event that a Beneficial Interest in Notes is held by an emigrant from the Common Monetary Area through the Central Securities Depository and its relevant Participants, the securities account of such emigrant will be designated as an "emigrant" account.

Any payments of interest and/or principal due to an emigrant Noteholder will be deposited into such emigrant's Blocked Rands account, as maintained by an authorised foreign exchange dealer. The amounts are not freely transferable from the Common Monetary Area and may only be dealt with in terms of the Regulations.

#### **Non-residents of the Common Monetary Area**

Any Individual Certificates issued to Noteholders who are not resident in the Common Monetary Area will be endorsed "non-resident". In the event that a Beneficial Interest in Notes is held by a non-resident of the Common Monetary Area through the Central Securities Depository and its relevant Participants, the securities account of such Noteholder will be designated as a "non-resident" account.

It will be incumbent on any such non-resident to instruct the non-resident's nominated or authorised dealer in foreign exchange as to how any funds due to such non-resident in respect of Notes are to be dealt with. Such funds may, in

terms of the Regulations, be remitted abroad only if the relevant Notes are acquired with foreign currency introduced into South Africa and provided that the relevant Certificate or securities account is designated “non-resident”.

For the purposes of these paragraphs, the Common Monetary Area comprises South Africa, the Republic of Namibia, the Kingdom of Lesotho and the Kingdom of Swaziland.

## SUBSCRIPTION AND SALE

In terms of (and subject to) the Programme Agreement, FirstRand Bank Limited, acting through its division, Rand Merchant Bank, has been appointed as Dealer on an ongoing basis for the duration of the Programme. The Issuer may appoint one or more Dealers for a specific issue of one or more Tranches of Notes or on an ongoing basis. In terms of (and subject to) the Programme Agreement, the Issuer may from time to time agree with any Dealer(s) to issue, and any Dealer(s) may agree to place, one or more Tranches of Notes.

### South Africa

Prior to the issue of any Tranche of Notes under the Programme by the Issuer, each Dealer for that Tranche of Notes will be required to represent and agree that it will not offer or solicit any offers for subscription or sale of the Notes in that Tranche of Notes, and will itself not sell Notes, in South Africa except, in accordance with the Companies Act, the Banks Act, 1990, the Exchange Control Regulations and/or any other applicable laws or regulations of South Africa in force from time to time. In particular, without limitation, the Programme Memorandum does not, nor is it intended to, constitute a registered prospectus (as that term is defined in the Companies Act) and each Dealer for that Tranche of Notes will be required to represent and agree that it will not make "an offer to the public" (as that term is defined in the Companies Act) of any of the Notes (whether for subscription or sale). Notes will not be offered for subscription to any single addressee acting as principal for an amount of less than R1 000 000.

### United States of America

The Notes have not been and will not be registered under the United States Securities Act, 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account of or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Prior to the issue of any Tranche of Notes under the Programme by the Issuer, each Dealer for that Tranche of Notes will be required to represent and agree that:

- (i) the Notes in that Tranche have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account of or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;
- (ii) it has not offered, sold or delivered any Notes in that Tranche, and will not offer, or sell or deliver, any Notes within the United States except in accordance with Rule 903 of Regulation S under the Securities Act or pursuant to an available exemption from the registration requirements of the Securities Act; and;
- (iii) it, its affiliates and any persons acting on its or any of its affiliates' behalf have not engaged and will not engage in any directed selling efforts with respect to the Notes in that Tranche and it, its affiliates and any persons acting on its or any of its affiliates' behalf have complied and will comply with the offering restrictions requirements of Regulation S.



## United Kingdom

Prior to the issue of any Tranche of Notes under the Programme by the Issuer, each Dealer for that Tranche of Notes will be required to represent and agree that:

- (i) No deposit-taking: in relation to any of the Securities in that Tranche which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold, and will not offer or sell, any Notes in that Tranche other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of such Securities would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act, 2000 (the "**FSMA**") by the Issuer;
- (ii) Financial promotion: it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (iii) General compliance: it has complied with and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

## European Economic Area

In relation to each Member State of the European Economic Area which has implemented the prospectus directive (each, a "**Relevant Member State**"), each of the Issuer and Dealer(s) has represented and agreed that, with effect from and including the date on which the prospectus directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), it has not made, and will not make an offer of Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) any time to fewer than 150 natural or legal persons (other than qualified investors defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive, or pursuant to any applicable national law of any Relevant Member State.

provided that no such offer of the Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same

may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) and includes any relevant implementing measure in the Relevant Member State.

### **General**

Prior to the issue of any Tranche of Notes under the Programme, each Dealer for that Tranche of Notes will be required to represent and agree that it will (to the best of its knowledge and belief) comply with all applicable laws and regulations in force in each jurisdiction in which it purchases, subscribes or procures subscriptions for, offers or sells Notes in that Tranche or has in its possession or distributes the Programme Memorandum and will obtain any consent, approval or permission required by it for the purchase, subscription, offer or sale by it of Notes in that Tranche under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, subscriptions, offers or sales.

Each Dealer for a Tranche of Notes will be required to represent and agree that it will comply with such other or additional restrictions in relation to that Tranche of Notes as the Issuer and such Dealer agree and as are set out in the Applicable Pricing Supplement.

Neither the Issuer nor any of the Dealers represent that Notes may at any time lawfully be subscribed for or sold in compliance with any applicable registration or other requirements in any jurisdiction or pursuant to any exemption available thereunder or assumes any responsibility for facilitating such subscription or sale.

## **GENERAL INFORMATION**

### **Authorisations**

All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer under the laws of South Africa have been given for the establishment of the Programme and the issue of Notes under the Programme. No exchange control approval is required for the establishment of the Programme. If exchange control approval is required for the issue of any Tranche of Notes, such exchange control approval will be obtained prior to issue of such tranche of Notes.

### **Listing**

This Programme is registered by the JSE. Notes to be issued under the Programme may be listed on the Interest Rate Market of the JSE or any successor exchange and/or such other or further exchange(s) as may be agreed between the Issuer and the Dealer(s) and subject to any relevant ruling law. Unlisted Notes may also be issued. Unlisted Notes are not regulated by the JSE.

### **Clearing systems**

The Notes listed on the Interest Rate Market of the JSE have been accepted for clearance through the Central Securities Depository, which forms part of the JSE clearing system and may be accepted for clearance through any additional clearing system as may be agreed between the JSE, the Issuer and the Dealer(s).

The settlement, clearing and redemption procedures for trades of Notes issued on an exchange other than the JSE, irrespective of whether the Notes are listed on the Interest Rate Market of the JSE as well, will be specified in the Applicable Pricing Supplements.

### **Participants**

As at the date of this Programme Memorandum, the JSE recognised Participants are Citibank N.A., South Africa Branch, FirstRand Bank Limited (RMB Custody and Trustee Services), Nedbank Limited, The Standard Bank of South Africa Limited, Standard Chartered Bank, Johannesburg Branch, Société Générale, Johannesburg Branch and the South African Reserve Bank. Euroclear Bank S.A./N.V., as operator of the Euroclear System and Clearstream Banking société anonyme will settle offshore transfers through South African Settlement Agents.

### **Material Change**

Save as disclosed in this Programme Memorandum, and following due and careful enquiry, there has been no material change in the financial or trading position of the Issuer since the date of the Issuer's latest audited financial statements. No auditors have been involved in making such statement.

### **Auditors**

PricewaterhouseCoopers Inc. are the current auditors of the Issuer and were appointed as auditors on 11 September 2018.

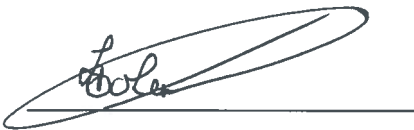
**Litigation**

The Issuer is not engaged (whether as defendant or otherwise) in any legal, arbitration, administration or other proceedings including any such proceedings that are pending or threatened of which the Issuer is aware, if any, the results of which might have or have had in the recent past, being at least the previous 12 months, a material effect on the financial position of the Issuer.

Signed at Johannesburg on this 23<sup>rd</sup> day of March 2021

For and on behalf of

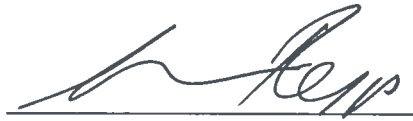
**VUKILE PROPERTY FUND LIMITED**



Name: L.R. COHEN

Capacity: Director

Who warrants his/her authority hereto



Name: C. G. RUPP

Capacity: Director

Who warrants his/her authority hereto

## **CORPORATE INFORMATION**

### **ISSUER**

#### **VUKILE PROPERTY FUND LIMITED**

(Registration number 2002/027194/06)

11 9<sup>th</sup> Street

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2196

Contact: Group Head of Treasury and Listed Investments

Email: maurice.shapiro@vukile.co.za

Telephone: +27 11 288 1001

### **ARRANGER AND DEALER**

#### **RAND MERCHANT BANK, A DIVISION OF FIRSTRAND BANK LIMITED**

(Registration number 1929/001225/06)

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Sandton, 2196

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Email: Leigh.Cunningham-Scott@rmb.co.za

Telephone: +27 11 282 8559

### **ATTORNEYS TO THE ARRANGER**

#### **WEBBER WENTZEL**

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Telephone: +27 11 530 5213

### **JSE DEBT SPONSOR**

#### **JAVA CAPITAL TRUSTEES AND SPONSORS PROPRIETARY LIMITED**

(Registration number: 2006/005780/07)

6A Sandown Valley Crescent

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Email: tdemendonca@javacapital.co.za

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### **AUDITORS TO THE ISSUER**

PricewaterhouseCoopers Inc.

Waterfall City

4 Lisbon Lane

Jukskei View

Midrand

Contact: Audit Partner

Email: Andrew.graham.taylor@za.pwc.com

Telephone: 011 797 5736

**DEBT OFFICER**

**CHIEF FINANCIAL OFFICER**  
**VUKILE PROPERTY FUND LIMITED**  
(Registration number 2002/027194/06)  
11 9<sup>th</sup> Street  
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Telephone: +27 11 288 1000