

The Directors
FirstRand Limited (the “**Offeror**”)
4 Merchant Place
Corner Fredman Drive and Rivonia Road
Sandton, 2196
South Africa

and

The Directors
Aldermore Group plc (the “**Company**”)
6th Floor
The Monument Building
11 Monument Street
London EC3R 8AF
United Kingdom

STRICTLY PRIVATE AND CONFIDENTIAL

29 September 2017

Dear Sirs

We refer to the proposed or possible agreed takeover offer by the Offeror for the Company (whether by takeover offer or a scheme of arrangement) (the “**Transaction**”).

In consideration of each party agreeing to make available to the other party and its advisers certain Confidential Information (as more particularly defined in paragraph 1 of this letter), each party undertakes to the other in the terms set out below.

1 Definitions

The following definitions apply for the purposes of this letter:

“**Associate**”, in relation to any person, means:

- (i) any corporation within the same Group as that person; or
- (ii) any director of that person or of any corporation within the same Group as that person; or
- (iii) any corporation, 20 per cent or more of whose issued share capital (or share capital carrying 20 per cent or more of the votes ordinarily exercisable at shareholders’ meetings) is owned by members of the same Group as that person; or
- (iv) any person who would otherwise be acting in concert as defined in the Code;

“**Code**” means the City Code on Takeovers and Mergers as from time to time amended and interpreted by the Panel;

“**Confidential Information**” means information of whatever nature relating directly or indirectly to the Provider or any member of the Provider’s Group which is made available (whether before or after this letter is agreed) in whatever form or medium including, written, visual, electronic or oral to the Recipient or the Recipient’s advisers by the Provider or any other member of the Provider’s Group or the Provider’s advisers for the purpose of considering, negotiating, advising in relation to or furthering the Transaction and includes

any information, analyses, compilations, notes, studies, memoranda or other documents derived from, containing or reflecting such information but excludes information which:

- (i) is publicly available at the time of its disclosure under this letter; or
- (ii) becomes publicly available following disclosure under this letter (other than as a result of disclosure by the Recipient or any other person contrary to the terms of this letter); or
- (iii) was lawfully in the Recipient's possession prior to disclosure under this letter (as can be demonstrated by the Recipient's written records or other reasonable evidence) free of any restriction as to its use or disclosure; or
- (iv) following disclosure under this letter, becomes available to the Recipient (as can be demonstrated by the Recipient's written records or other reasonable evidence) from a source other than the Provider, which source is not, so far as the Recipient is aware, bound by any obligation of confidentiality to the Provider in relation to such information;

"Group", in relation to any person, means any corporations which are holding companies or subsidiaries or subsidiary undertakings (as such terms are defined in the Companies Act 2006) of it or of any such holding company;

the **"Part VI Rules"** means any of the Listing Rules, Disclosure Guidance & Transparency Rules or Prospectus Rules made by the Financial Conduct Authority in exercise of its functions as competent authority pursuant to Part VI of the Financial Services and Markets Act 2000 (**"FSMA"**);

"Panel" means the Panel on Takeovers and Mergers;

"personal data" means such Confidential Information as relates to identified or identifiable living individuals;

"Provider", in relation to either party, means the person providing Confidential Information to the other party pursuant to this letter; and

"Recipient", in relation to either party, means the person to whom Confidential Information is furnished by the other party pursuant to this letter.

2 Confidential Information

2.1 Subject to paragraph 2.2 below, the Recipient shall:

2.1.1 keep the Confidential Information secret and confidential and not disclose any of it to any person other than individuals who are directors or employees of the Recipient's Group or directors, partners or employees of the Recipient's advisers who need to know the same for the purposes of considering, evaluating, advising on or furthering the Transaction;

2.1.2 only use the Confidential Information for the sole purpose of considering, evaluating, advising on or furthering the Transaction and shall not use it for any other purpose;

2.1.3 keep the Confidential Information and any copies thereof secure by applying the same security measures against unauthorised or unlawful access as it applies to its own confidential information;

- 2.1.4 not make any copies of Confidential Information or reproduce it in any form except for the purpose of supplying the same to those to whom disclosure is permitted in accordance with this letter;
 - 2.1.5 inform the Provider immediately if the Recipient becomes aware that Confidential Information has been disclosed to an unauthorised third party;
 - 2.1.6 maintain a list (or ensure that lists are maintained) of the names of all persons who have received or have access to any Confidential Information (and promptly upon written request from the Provider, supply a copy of such list (or lists) to the Provider); and
 - 2.1.7 notify the Provider in the event that it receives a request by an individual to exercise any of their rights under any applicable data protection legislation in relation to the personal data, including a request to obtain a copy of his or her personal data, and comply with the Provider's instructions with respect to such request.
- 2.2 Subject always to Rule 2.3(d) of the Code the provisions of paragraph 2.1 shall not restrict any disclosure required by law or by any court of competent jurisdiction, the Part VI Rules, the rules and regulations of the London Stock Exchange (or any other stock exchange on which the Recipient's shares are listed or quoted), the Code or any enquiry or investigation by any governmental, official or regulatory body which is lawfully entitled to require any such disclosure provided that, so far as it is lawful and practical to do so prior to such disclosure, the Recipient shall promptly notify the Provider of such requirement with a view to providing the opportunity for the Provider to contest such disclosure or otherwise to agree the timing and content of such disclosure.

3 Nominated Representatives

Each party shall, in relation to the Transaction and the Confidential Information, make contact and deal only with the persons whose names are set out in Schedule 1 or who are subsequently notified in writing to either party by the other and not with any other representatives of either party or its advisers.

4 Recipient Employees, Group Members and Advisers

The Recipient shall procure that its directors and employees and any member of the Recipient's Group and any of the Recipient's advisers to whom Confidential Information is to be made available observe the obligations contained in this letter regarding Confidential Information and shall, at the reasonable request of the Provider, procure that each of the Recipient's advisers to whom Confidential Information is to be made available shall prior to receipt thereof give an undertaking to the Provider regarding Confidential Information in the form set out in Schedule 2.

5 Return and Destruction of Confidential Information

- 5.1 The Recipient shall, at its expense, within seven days of receipt of a written demand from the Provider:
 - 5.1.1 so far as it is practicable to do so return or destroy, or procure the return or destruction of, all originals and hard copies of documents containing Confidential Information provided by the Provider to the Recipient or its advisers which are in the Recipient's possession or under the Recipient's custody and control;

5.1.2 so far as it is practicable to do so, permanently erase, or procure the permanent erasing of, all electronic copies of any Confidential Information in the Recipient's possession or under the Recipient's custody and control; and

5.1.3 on request supply a certificate signed by any director of the Recipient confirming that, to the best of his knowledge, information and belief, having made all proper enquiries, the requirements of this paragraph have been fully complied with.

5.2 Notwithstanding the provisions of paragraph 5.1, but without prejudice to any duties of confidentiality in relation to such Confidential Information contained in this letter, the Recipient may retain any Confidential Information or a copy thereof as may be required by law or regulation.

6 Ownership of Confidential Information

The Confidential Information shall remain the property of the Provider and its disclosure shall not confer on the Recipient or any other person any rights (including any intellectual property rights) over the Confidential Information whatsoever beyond those contained in this letter.

7 No Offer

Neither the Confidential Information nor anything else in this letter shall constitute an offer by or on behalf of either party and neither party shall be under any obligation to accept any offer or proposal which may be made by either party or on either party's behalf.

8 No Representation

None of the Confidential Information has been subject to verification, and neither the Provider nor any member of its Group nor any of its representatives or advisers accepts responsibility for or makes any representation, express or implied, or gives any warranty with respect to the accuracy or completeness of the Confidential Information or any oral communication in connection with the Confidential Information and the Recipient undertakes to the Provider (for itself and as trustee for all other companies in its Group and its representatives and advisers) to waive any liability which such parties may incur by reason of the Recipient's use of, or reliance upon, any of the Confidential Information.

9 No Collusion

Without prejudice to paragraph 2, the Offeror shall not, and shall procure that no member of its Group or any of its advisers shall, without the Company's prior written consent:

9.1 discuss with, or communicate to, any person any aspect of the Transaction (including the conduct of, and the terms, of the Transaction and any offer in relation to the Transaction) for the purposes of creating or joining a consortium or otherwise; and/or

9.2 act together with, or enter into any form of arrangement with, any person for the purpose of acquiring some or all of the share capital of the Company.

10 Non-solicitation of employees

10.1 The Offeror agrees that it shall not, and shall procure that members of its Group shall not, for a period of 2 years from the date of this letter, solicit or endeavour to entice away any person who is at any time during the negotiation of the Transaction employed by the

Company or any member of its Group and is a person who has participated in the discussions relating to the Transaction or the supply of Confidential Information whether or not such person would commit any breach of his contract of service in leaving its employment.

- 10.2** Neither the placing of an advertisement of a post available to a member of the public generally nor the recruitment of a person through an employment agency shall constitute a breach of this paragraph 10 provided that, in the case of the recruitment of a person through an agency, no member of the Offeror's Group encourages or advises such agency to approach any such person.

11 Announcements and disclosure

- 11.1** Subject to paragraph 11.2 and Rule 2.3(d) of the Code, the Offeror and the Company shall keep secret and confidential the existence, status, progress and contents of any negotiations or discussions relating to the Transaction and any terms proposed in relation to the Transaction and the existence and contents of this letter. The Offeror shall not, and shall procure that none of the persons referred to in paragraph 2.1.1 above in relation to the Offeror shall, without either doing so jointly with the Company or having obtained the prior written consent of the Company, directly or indirectly:

11.1.1 make any disclosure or announcement (including under Rule 2.7 of the Code) concerning, or otherwise publicise, the Transaction or any other arrangement with the Company connected in any way with the Transaction (otherwise than where permitted pursuant to paragraph 11.2);

11.1.2 disclose the Transaction or otherwise discuss the Transaction with any of its own shareholders (unless the relevant shareholder is represented on its board); or

11.1.3 disclose the Transaction or otherwise discuss the Transaction or contact or enter into any communication, in relation to the Transaction, with any shareholder of the Company.

- 11.2** If the Offeror becomes (or it is reasonably likely that the Offeror will become) compelled by law or the rules of any applicable regulatory, governmental or supervisory organisation to whose jurisdiction the Offeror is subject, to disclose any details of the Transaction, the Offeror will, where and to the extent permitted by law and such rules, notify the Company as soon as reasonably practicable, consult with the Company and take account of its reasonable requests so as to prevent or minimise that disclosure.

- 11.3** Where the Offeror makes any disclosure in relation to the Transaction under paragraph 11.2, the disclosure will (to the extent practicable and where permitted by law or regulation) be made only after consultation with the Company and after taking into account the Company's reasonable requests as to the timing, manner and content of making the disclosure.

- 11.4** Where the Offeror is not permitted to consult with the Company before disclosure is made the Offeror will, to the extent permitted by law or regulation, inform the Company of the circumstances, timing, content and manner of making of the disclosure promptly after such disclosure has been made.

- 11.5** Nothing in this letter shall prevent the Company or its advisers holding discussions with its own shareholders (in such capacity) which, in the party's or its advisers' reasonable opinion, are necessary or desirable for the purposes of furthering the Transaction.

12 Restrictions on share acquisitions

12.1 Without prejudice to any obligations it may have at law, under other provisions of this letter, under the Code or otherwise, the Offeror agrees that it shall not, and shall procure that the members of its Group and (so far as it is able to do so) its representatives, advisers and Associates shall not, directly or indirectly, alone or with others, for a period of one year from the date of this letter, without the prior consent in writing of the Company, be involved in any Prohibited Activity.

12.2 For the purposes of this paragraph 12, each of the following is a “**Prohibited Activity**”:

12.2.1 acquiring or seeking to acquire any interest in the shares (as defined in the Code) or other securities of the Company or any member of its Group, including rights to acquire, rights to subscribe for, options in respect of, and derivatives referenced to, such securities;

12.2.2 entering into any agreement or arrangement (conditionally or otherwise and whether legally binding or not) with any person in relation to the acquisition of such an interest;

12.2.3 entering into any agreement or arrangement (conditionally or otherwise and whether legally binding or not) with respect to the exercise of voting rights attached to any securities of the Company or any member of its Group;

12.2.4 communicating with any shareholder of the Company with the purpose or effect of encouraging such shareholder to:

(i) oppose the board of directors of the Company’s business strategy or management of the business;

(ii) request (publicly or otherwise) that the board of directors of the Company takes a particular course of action, or otherwise seek to influence the position of the board of directors of the other party, in relation to any proposal, possible offer or offer for all or any part of the voting share capital of the other party announced by the relevant party or any other party;

12.2.5 making a general offer, including a mandatory offer, for all or any part of the share capital of the Company or any member of its Group; or

12.2.6 announcing, or taking any action which, under the Code or otherwise, would require the announcement of, any proposals for any takeover, merger, consolidation or share exchange or similar transaction involving the securities of the Company or any member of its Group; or

12.2.7 taking any step which might reasonably be expected to give rise to any obligation under the Code or its equivalent in any jurisdiction to make any offer for all or any part of the share capital of the Company or any member of its Group; and

12.2.8 assisting or advising any person in relation to, any of the foregoing.

12.3 The restrictions in this paragraph 12 (without prejudice to other obligations or restrictions contained in this letter) shall cease to apply in the event that the Offeror makes a firm offer announcement under Rule 2.7 of the Code in respect of a recommended transaction with the Company in compliance with paragraph 11.1 above.

12.4 In the event that the Offeror, any members of its Group, or its representatives, advisers or Associates acquires any interests in securities of the other party in breach of this paragraph 12, then, on request of the Company (without prejudice to any other right of the other party under this letter) the Offeror shall dispose of or procure the disposal of such interest within seven days.

12.5 Nothing in this paragraph 12 (without prejudice to other obligations or restrictions) shall prevent:

12.5.1 the acquisition of any interest in securities in the Company:

- (i) by any exempt principal trader in the same group as the relevant party's financial advisers on the Transaction, provided any such dealings comply with Rule 38 of the Code;
- (ii) by any person acquiring such interests as part of ordinary course index tracking activities or normal activity as a fund manager, market-maker, broker or provider of trustee or nominee services, provided such action is not taken on the instructions of, or otherwise in conjunction with the relevant party: or
- (iii) with the prior written consent of the Company; or

12.5.2 any person seeking to obtain or obtaining any irrevocable commitment from any shareholders of the Company in respect of a recommended transaction with the Company or assisting or advising any person in relation to obtaining any such irrevocable commitment at a time that has been agreed in advance with the Company.

13 Insider dealing and market abuse

The Recipient acknowledges that the Confidential Information is given in confidence and that some or all of the Confidential Information may be inside information for the purposes of: (i) the Market Abuse Regulation (EU) No 596/2014 ("**MAR**") and the Criminal Justice Act 1993 ("**CJA**"); and/or (ii) the South African Financial Markets Act 2012 ("**FMA**"), and that:

13.1 once it has received such information it must not act or use the information in any way that contravenes: (i) Article 8 MAR (insider dealing), Article 10 MAR (unlawful disclosure of inside information) and/or Article 12 MAR (market manipulation); and/or (ii) section 78 of the FMA for such time as the information remains inside information; and

13.2 subject to and in accordance with applicable law, it must not deal in securities that are: (i) price-affected securities (as defined in the CJA); or (ii) securities (as defined in the FMA) in relation to the inside information, encourage another person to deal in such securities or disclose the information (except as permitted by the CJA or FMA, as the case may be) for such time as the information remains inside information.

14 Privilege

Each party represents and agrees that to the extent any Confidential Information attracts any form of privilege or refers to other documents which attract any form of privilege, then such privilege shall not be waived, prejudiced or otherwise affected in any way (directly or indirectly) by being made available to the other party. Each party acknowledges that the other party expressly relies on such representation and agreement in permitting the Recipient to have access to such Confidential Information.

15 Principal

The Offeror confirms that it is acting as a principal on its own account and not as an agent or broker for any other person and that it shall be responsible for any costs incurred by it or on its behalf in connection with the Transaction and/or the consideration and evaluation of the Confidential Information.

16 Duration

The obligations set out in this letter shall cease to have effect upon completion of the Transaction. In the event of the termination of discussions or negotiations relating to the Transaction, the obligations set out in this letter, save where specifically provided to the contrary, shall continue in full force and effect notwithstanding the return or destruction of Confidential Information and any copies of it until the expiry of the period ending two years from the date of this letter.

17 Waiver

No failure or delay by either party in exercising any of its rights under this letter shall operate as a waiver thereof, nor shall any single or partial exercise preclude any other or further exercise of such rights.

18 Remedies

Without prejudice to any other rights or remedies which either party may have, each party acknowledges and agrees that damages would not be an adequate remedy for any breach by either party of the provisions of this letter and each party shall be entitled to the remedies of injunction, specific performance and other equitable relief for any threatened or actual breach of any such provision by the other party or any other relevant person and no proof of special damages shall be necessary for the enforcement by either party of the rights under this letter.

19 Variation

No variation of this letter shall be effective unless in writing and signed by or on behalf of each of the parties.

20 Severability

If any provision of this letter shall be held to be illegal, invalid or unenforceable, in whole or in part, the provision shall apply with whatever deletion or modification is necessary so that the provision is legal, valid and enforceable. To the extent that it is not possible to delete or modify the provision, then such provision or part of it shall, to the extent that it is illegal, invalid or unenforceable, be deemed not to form part of this letter and the legality, validity and enforceability of the remainder of this letter shall, subject to any deletion or modification made under this paragraph, not be affected.

21 Notices

Any notice, claim or demand in connection with this letter shall be given in writing to the relevant party at the address stated in this letter (or such other address as it shall previously have notified to the other party). Any notice sent by fax shall be deemed received when sent,

any notice sent by hand shall be deemed received when delivered and any notice sent by first class post within the United Kingdom shall be deemed received 48 hours after posting.

22 Third Party Rights

A person who is not party to this letter has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this letter but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

23 Counterparts

This letter may be entered into in any number of counterparts, all of which taken together shall constitute one and the same letter. Either party may enter into this letter by signing any such counterpart.

24 Governing Law and Jurisdiction

24.1 This letter and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

24.2 Each of the parties irrevocably agrees that the courts of England are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this letter and that accordingly any proceedings arising out of or in connection with this letter shall be brought in such courts. Each of the parties irrevocably submits to the jurisdiction of such courts and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

Please indicate your acceptance of these terms by signing the enclosed duplicate of this letter and returning it to us.

Yours faithfully

Marius van Niekerk
.....

Name: Marius van Niekerk

Title: General Counsel

For and on behalf of **Aldermore Group plc**

Dated: 29 September 2017

Harry S Kellan
.....

Name: Harry S Kellan

Title: CFO

For and on behalf of **FirstRand Limited**

Dated: 29 September 2017

Schedule 1
Persons with whom contact may be made (paragraph 3)

Company Nominated Representatives:

- (i) Danuta Gray
- (ii) Phillip Monks
- (iii) James Mack
- (iv) Marius van Niekerk
- (v) Martin Adams
- (vi) Ryan Jones

Schedule 2
Form of Undertaking by Advisers (paragraph 4)

We have received a copy of the letter dated • to which Aldermore Group plc and FirstRand Limited (“**Client**”) are parties and, in consideration of your agreement to make available to Client and its advisers Confidential Information as referred to in such letter, we undertake to be bound by the provisions of such letter, to the extent that they relate to such Confidential Information, as if we were a party thereto in place of Client.