



CONFORMED COPY

**DATED 6 NOVEMBER 2017**

**(1) FIRSTRAND INTERNATIONAL LIMITED**  
**as Borrower**

**- and -**

**(2) FIRSTRAND BANK LIMITED**  
**as Lender**

**INTRA-GROUP LOAN**  
**AGREEMENT**

CONTENTS

1.	DEFINITIONS AND INTERPRETATION .....	1
2.	AMOUNT .....	3
3.	PURPOSE .....	3
4.	DRAWDOWN .....	3
5.	TERM AND REPAYMENT .....	3
6.	PREPAYMENT .....	3
7.	INTEREST .....	3
8.	COSTS .....	4
9.	COMMITMENT FEE .....	4
10.	EVENTS OF DEFAULT .....	4
11.	NOTICES .....	5
12.	AMENDMENTS .....	5
13.	THIRD PARTY RIGHTS .....	5
14.	COUNTERPARTS .....	6
15.	GOVERNING LAW AND JURISDICTION .....	6
	SCHEDULE 1: FORM OF DRAWDOWN REQUEST .....	7

THIS AGREEMENT is made on

6 November

2017

**BETWEEN:**

- (1) **FIRSTRAND INTERNATIONAL LIMITED**, a company incorporated in Guernsey with registered number 17166 and whose registered office is at La Plaiderie House, La Plaiderie, Saint Peter Port, Guernsey, GY1 4NL (the "**Borrower**"); and
- (2) **FIRSTRAND BANK LIMITED**, a company incorporated in South Africa with registered number 1929/001225/06 and whose registered office is at the Group Company Secretary's Office, 4 Merchant Place, corner Fredman Drive and Rivonia Road, Sandton, Gauteng, 2196 (the "**Lender**").

**BACKGROUND:**

The Lender has agreed to provide a loan facility to the Borrower on and subject to the terms and conditions of this Agreement.

**IT IS AGREED:**

**1. DEFINITIONS AND INTERPRETATION**

- (a) In this Agreement the following terms have the following meanings:

**"Business Day"** means a day (other than a Saturday or Sunday) on which banks are open for general business in London only in the case of Clause 4(b) below and in London, Johannesburg and Saint Peter Port in all other cases;

**"Certain Funds Period"** means the period commencing on the date of this Agreement and ending on the earlier of:

- (a) the date falling 364 days after the date of announcement of the Scheme or, if later, the long stop date for the Scheme;
- (b) the date on which the Scheme or Offer lapses, fails or is withdrawn;
- (c) the date 14 days following the date on which the Scheme becomes Effective;
- (d) the date 14 days following the later of the date on which the Offer is duly closed for further acceptances and (where applicable) the date of completion of the Squeeze Out Procedure; and
- (e) the date on which the Loan has been advanced in full;

**"Court"** means the High Court of Justice in England and Wales;

**"Effective"** means the Scheme having become effective pursuant to its terms, or the Offer having become unconditional in all respects;

**"Event of Default"** means any event or circumstance specified as such in Clause 10 (*Events of Default*);

**"Facility"** means the term loan facility made available under this Agreement;

**"Final Repayment Date"** means the date upon which the Loan is fully repaid;

**"LIBOR"** means the applicable Screen Rate for sterling for a period of one month as of 11:00 a.m. on the first day of the relevant period for which an interest rate is to be determined;

**"Loan"** means, at any time, the principal amount outstanding under the Facility (excluding any accrued interest not yet capitalised);

**"Offer"** means a takeover offer (within the meaning of section 974 of the Companies Act 2006) made by the Borrower for the entire issued and to be issued share capital of the Target (other than any shares held by the Borrower or any affiliate of the Borrower (if any)) including any amendment or revision thereto, the full terms of which will be set out in an offer document to be despatched to the holders of the shares in the Target or (as the case may be) any revised offer document(s);

**"Scheme"** means the recommended final offer made or to be made by the Borrower to acquire the entire issued and to be issued share capital of the Target not already directly or indirectly owned by the Borrower or any affiliate of the Borrower to be effected by means of the proposed scheme of arrangement under Part 26 of the Companies Act 2006 proposed by the Target to the holders of the shares in the Target, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by the Target and the Borrower and, where the context so requires, any subsequent revision, variation, extension or renewal of such offer;

**"Screen Rate"** means the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the relevant currency and period displayed on pages LIBOR01 or LIBOR02 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate);

**"Squeeze Out Procedure"** means the compulsory acquisition procedure under Part 28, Chapter 3 of the Companies Act 2006; and

**"Target"** means Aldermore Group plc.

- (b) Unless a contrary indication appears, any reference in this Agreement to:
- (i) this Agreement (or to any provision of or definition in this Agreement) or any other document is a reference to this Agreement, that provision or document in force for the time being and as amended from time to time (but only to the extent that any such amendment has been made in accordance with the terms of this Agreement);
  - (ii) the singular includes the plural and *vice versa*; and
  - (iii) a **"person"** shall include any firm, body corporate, company, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of any two or more of the foregoing.
- (c) References to clauses and schedules are to be construed as references to clauses and schedules of this Agreement and references to this Agreement include its schedules.

- (d) Clause and schedule headings are for convenience only and shall not affect the construction of this Agreement.

**2. AMOUNT**

The total principal amount of the Facility which may be borrowed is £1,300,000,000 (or such higher amount as may be agreed between the Lender and the Borrower from time to time).

**3. PURPOSE**

The Facility is being made available for the purpose of financing the consideration payable by the Borrower to the holders of shares in the Target pursuant to the Scheme or Offer (as applicable) and for funding the related stamp duty and/or stamp duty reserve tax payable by the Borrower.

**4. DRAWDOWN**

- (a) Drawdown of the Facility shall be conditional upon the Scheme or Offer having become Effective.
- (b) Subject to Clause 4(a) above, the Facility may be drawn down on any Business Day in the Certain Funds Period in any amount when required to fund payments permitted under Clause 3 above until such time as the aggregate amount of the Loan (which, for the purposes of this Clause 4(b), excludes any capitalised interest) is not less than the amount of the Facility.
- (c) The Borrower may drawdown the Facility by delivery to the Lender of a written drawdown request in the form of Schedule 1 (*Form of drawdown request*) specifying the proposed drawdown date, the amount of the requested drawdown and the account and bank to which the proceeds of the drawdown are to be credited.
- (d) If any amounts drawn under the Facility are not applied towards funding payments permitted under Clause 3 within 14 days of the applicable drawdown date, the Borrower shall, at the Lender's request, grant a charge over the account in which the proceeds of the drawdown are credited in a form to be agreed between the Lender and the Borrower provided that such security shall be on terms which would not impede any payments to be made by the Borrower under the Scheme or Offer.

**5. TERM AND REPAYMENT**

- (a) The Loan must be repaid upon the Lender's demand, which may only be served after the expiry of the Certain Funds Period.
- (b) No amount repaid or prepaid can be reborrowed.

**6. PREPAYMENT**

The Borrower may at any time prepay without penalty all or any part of the Loan together with all accrued interest upon the Loan.

**7. INTEREST**

- (a) The Borrower will pay interest on the outstanding amount of the Loan on the Final Repayment Date.

- (b) Interest will be calculated at 0.75 per cent. above LIBOR from time to time (or such other rate as may be agreed between the Lender and the Borrower from time to time).
- (c) Interest will accrue from day to day on the daily outstanding amount of the Loan and be calculated on the basis of the actual number of days elapsed and a 365 day year.
- (d) Interest shall compound on a monthly basis on the last Business Day of each calendar month in which there is an outstanding amount of the Loan.

**8. COSTS**

Each party shall bear its own legal costs and expenses in connection with the Facility.

**9. COMMITMENT FEE**

No commitment fee will be charged.

**10. EVENTS OF DEFAULT**

The Lender may, on the occurrence of any of the events specified below and provided that the Certain Funds Period has expired, by giving written notice, cancel any outstanding commitment and demand repayment of the Loan (together with all accrued interest upon the Loan) and any other monies payable under the terms of this Agreement and may exercise its rights in respect of any security it may hold if:

- (a) the Borrower fails to pay on the due date any sum due under this Agreement and such default continues for seven days;
- (b) the Borrower fails to comply with any of the terms and conditions set out in this Agreement (other than failure to pay any sum due under this Agreement when due) and such failure, if capable of remedy, shall not have been remedied within 14 days after the earlier of:
  - (i) the Borrower or any of its officers becoming aware of such default; and
  - (ii) the Lender despatching notice to the Borrower advising of such default;
- (c) the Borrower ceases or threatens to cease to carry on its business or a substantial part of its business except as a result of a winding up pursuant to a scheme previously approved by the Lender; or
- (d) any of the following occurs in relation to the Borrower:
  - (i) a meeting of its directors, shareholders or creditors is convened for its dissolution or a resolution is passed for its winding up (other than a voluntary amalgamation or reconstruction of the Borrower on a solvent basis previously approved by the Lender);
  - (ii) the presentation of a winding-up petition that is not being contested in good faith or the making of a winding-up order;

- (iii) the appointment of a liquidator, administrator, receiver, receiver and manager or administrative receiver or similar officer in relation to the whole or any material part of its assets, rights or revenues;
- (iv) it becomes unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986;
- (v) it takes corporate action or other formal step to a composition or arrangement with its creditors including (without prejudice to the generality of the foregoing) a voluntary arrangement under the Insolvency Act 1986 or a scheme of arrangement under the Companies Act 2006; or
- (vi) an analogous act or event occurs in any other jurisdiction,

unless any such action, meeting, petition, procedure, filing, application or proceeding is frivolous or vexatious and is discharged, stayed or dismissed within 20 Business Days of being commenced.

## 11. NOTICES

- (a) Each communication to be made under this Agreement shall be made in writing and, unless otherwise stated, may be made by email or letter.
- (b) Any communication or document to be made or delivered pursuant to this Agreement shall:
  - (i) (unless that other person has by 15 days' written notice to the other specified another address or another person for whose attention the communication or document should be marked) be made or delivered to the addresses specified on the execution page; and
  - (ii) in each case shall be deemed to have been made:
    - (A) (if made by email) when actually received in readable form by the recipient; or
    - (B) (in the case of any communication made by letter) when left at that address or (as the case may be) two days after being deposited in the post first class postage prepaid in an envelope addressed to it at that address.

## 12. AMENDMENTS

If the Scheme or Offer becomes Effective, after the expiry of the Certain Funds Period the terms of the Facility (including, without limitation, the term, repayment and interest payable on the outstanding amount of the Loan) may be amended in any manner as may be agreed between the Lender and the Borrower from time to time.

## 13. THIRD PARTY RIGHTS

A person who is not party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement. This clause does not affect

any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

**14. COUNTERPARTS**

This Agreement may be executed in one or more counterparts, each of which, taken together, shall constitute one and the same instrument, and any of the parties may execute this Agreement by signing one such counterpart, each of which shall be deemed an original, and all of which, when taken together shall constitute one and the same instrument.

**15. GOVERNING LAW AND JURISDICTION**

- (a) This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by English law.
- (b) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement).

**IN WITNESS** of which the parties have executed this Agreement on the date stated at the beginning of this Agreement.



**SCHEDULE 1: FORM OF DRAWDOWN REQUEST**

From: FirstRand International Limited

To: FirstRand Bank Limited


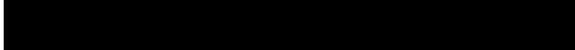

Dated:

Dear Sirs

**FirstRand International Limited – £1,300,000,000 Intra-Group Loan Agreement  
dated [◆ ] 2017 (the "Agreement")**

1. We refer to the Agreement. This is a drawdown request pursuant to Clause 4(c) of the Agreement (a "**Drawdown Request**"). Terms defined in the Agreement have the same meaning in this Drawdown Request unless given a different meaning in this Drawdown Request.
2. We wish to borrow a Loan on the following terms:  

Proposed drawdown date:	[◆ ] (or, if that is not a Business Day, the next Business Day)
Currency of Loan:	sterling
Amount:	£[◆ ]
3. We confirm that the condition specified in Clause 4(a) of the Agreement is satisfied on the date of this Drawdown Request.
4. The proceeds of this Loan should be credited to:  

Bank:	
Account Name:	
Account Number:	
5. This Drawdown Request is irrevocable.

Yours faithfully

Signed for and on behalf of **FIRSTRAND** )  
**INTERNATIONAL LIMITED** by: )  
)

Signature \_\_\_\_\_

Name \_\_\_\_\_

Signature \_\_\_\_\_

Name \_\_\_\_\_

EXECUTION PAGE

**The Borrower**

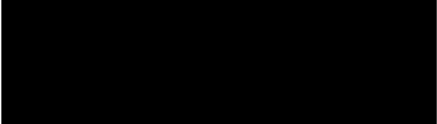
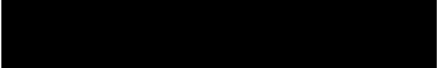
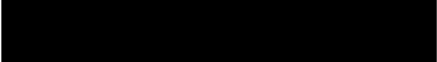
Signed for and on behalf of **FIRSTRAND** )  
**INTERNATIONAL LIMITED** by: )  
)

Signature James Chamberlain

Name JAMES CHAMBERLAIN

Signature Alexander Ross

Name ALEXANDER ROSS

**Address:**   
**Attention:**   
**Email:** 

**The Lender**

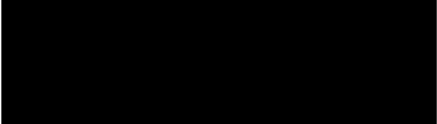
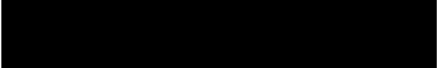
Signed for and on behalf of **FIRSTRAND BANK** )  
**LIMITED** by: )  
)

Signature HS Kellan

Name HS KELLAN

Signature AP Pullinger

Name AP PULLINGER

**Address:**   
**Attention:**   
**Email:** 