



FIRSTRAND

FIRSTRAND BANK LIMITED

(Incorporated with limited liability in the Republic of South Africa under Registration Number 1929/001225/06)

ZAR30,000,000,000 Note Programme

Under this ZAR30,000,000,000 Note Programme (the "Programme"), FirstRand Bank Limited (the "Issuer") may, from time to time, issue notes or other similar instruments (the "Notes") denominated in such currencies as may be agreed, or as may be otherwise designated by the Issuer at the time of issue and on the terms and conditions (the "Terms and Conditions") set out in this document (hereinafter referred to as the "Programme Memorandum") as amended and supplemented from time to time, in the relevant applicable pricing supplement (the "Applicable Pricing Supplement") and any supplement to the Programme Memorandum or other document that may be required to be issued in connection with the listing or issue of any Notes.

This Programme Memorandum will apply to Notes issued under the Programme in an aggregate outstanding Nominal Amount which will not exceed ZAR30,000,000,000 unless such amount is increased by the Issuer in the manner set out in the section of this Programme Memorandum headed "General Description of the Programme".

The types of Notes that may be issued under the Programme will include Standard Notes and/or Structured Notes and/or such other types of Notes as may be determined by the Issuer and the relevant Dealer as specified in the Applicable Pricing Supplement. Structured Notes may comprise, without limitation, Equity Linked Notes, Single Index Notes, Equity Basket Notes, Basket of Indices Notes, Currency Linked Notes, Credit Linked Notes, Commodity Linked Notes and/or other types of Notes that are designated by the Issuer as "Non-Standard Structured Notes". Deposit Notes may also be issued under the Programme.

Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. A Tranche of Notes will be issued on, and subject to, the Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Tranche of Notes set out in the Applicable Pricing Supplement. Each Applicable Pricing Supplement will set out certain information with respect to Notes of the relevant Series, including the denomination of each Note, the aggregate principal amount of the Notes being issued, the currency of the Notes, the designation, the aggregate number and type of Notes, the date of issue, the issue price, the redemption amount, the redemption date or dates and such other terms applicable to the particular Series of Notes as are specified therein (including any changes to the Terms and Conditions set out in this Programme Memorandum).

S20.14(d) This Programme Memorandum has been approved by the JSE. A Tranche of Notes may be listed on the JSE or on such other or additional Relevant Stock Exchange(s) as may be determined by the Issuer, subject to all applicable laws. Unlisted Notes may also be issued under the Programme. The holders of Notes that are not listed on the JSE will have no recourse against the JSE Guarantee Fund. Claims against the JSE Guarantee Fund may only be made in respect of the trading of Notes listed on the JSE and in accordance with the rules of the JSE Guarantee Fund. Unlisted Notes are not regulated by the JSE. A copy of the signed Applicable Pricing Supplement relating to a Tranche of Notes which is to be listed on the JSE will be delivered to the JSE and the CSD, 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, in accordance with the Applicable Procedures. The settlement of trades on the JSE will take place in accordance with the electronic settlement procedures of the JSE and the CSD for all trades done through the JSE. The placement of a Tranche of unlisted Notes may (at the sole discretion of the Issuer) be reported through the JSE reporting system, in which event the settlement of trades in such Notes will take place in accordance with the electronic settlement procedures of the JSE and the CSD for all trades done through the JSE. The settlement and redemption procedures for a Tranche of Notes listed on any Relevant Stock Exchange (other than or in addition to the JSE) will be specified in the Applicable Pricing Supplement.


The Notes may be issued on a continuing basis and be placed by one or more of the Dealers specified under the section headed "Summary of the Programme" and any additional Dealer appointed under the Programme from time to time by the Issuer, which appointment may be for a specific issue or on an ongoing basis. References in this Programme Memorandum to the "relevant Dealer" shall be, in the case of Notes being (or intended to be) placed by more than one Dealer, to all Dealers agreeing to place such Notes.

As at the date of this Programme Memorandum, the Notes to be issued under this Programme are not rated by any rating agency, however, the Issuer may at any time obtain a rating from a rating agency for the Programme or any issue of Notes issued pursuant to the terms of the Programme. The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a supplementary Programme Memorandum, if appropriate, will be made available, which will describe the effect of the agreement reached in relation to such Notes.

SEE "RISK FACTORS" FOR A DISCUSSION OF CERTAIN INFORMATION THAT SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS IN NOTES. THIS PROGRAMME MEMORANDUM DOES NOT DESCRIBE ALL OF THE RISK FACTORS RELATING TO AN INVESTMENT IN AN ISSUE OF NOTES. THE APPLICABLE PRICING SUPPLEMENT IN RESPECT OF AN ISSUE OF NOTES MAY CONTAIN ADDITIONAL RISK FACTORS IN RESPECT OF SUCH NOTES.

S20.7
Arranger and Dealer
Rand Merchant Bank,
a division of FirstRand Bank Limited

Programme Memorandum dated 24 August 2010



IMPORTANT NOTICES

Where any term is defined within the context of any particular clause or section in this Programme Memorandum, the term so defined, unless it is clear from the clause or section in question that the term so defined has limited application to the relevant clause or section, shall bear the meaning ascribed to it for all purposes in this Programme Memorandum, unless qualified by the terms and conditions of any particular Tranche of Note as set out in the Applicable Pricing Supplement or unless the context otherwise requires. Expressions defined in this Programme Memorandum shall bear the same meanings in supplements to this Programme Memorandum which do not themselves contain their own definitions.

The directors of the Issuer accept full responsibility for the information contained in this Programme Memorandum. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case) the information contained in this Programme Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

S7.B.22 The Issuer, having made all reasonable enquiries, confirms that this Programme Memorandum contains or incorporates all information which is material in the context of the issuing and the offering of Notes, that the information contained or incorporated in this Programme Memorandum is true and accurate in all material respects and is not misleading, that the opinions and the intentions expressed in this Programme Memorandum are honestly held and that there are no other facts the omission of which would make this Programme Memorandum or any of such information or expression of any such opinions or intentions misleading in any material respect.

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

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

No person has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Programme Memorandum or any other document entered into in relation to the Programme or any other information supplied by the Issuer in connection with the Programme and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger, the Dealers, other professional advisers or the JSE.

Neither this Programme Memorandum nor any other information supplied in connection with the Programme is intended to provide a basis for any credit or other evaluation, or should be considered as a recommendation by the Issuer, the Arranger or any of 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 the subscription for, or purchase of, any Notes should determine for itself the relevance of the information contained in this Programme Memorandum and should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and its subscription for, or purchase of, Notes should be based upon any such investigation as it deems necessary. Neither this Programme Memorandum nor any Applicable Pricing Supplement nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuer, the Arranger or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Programme Memorandum nor any Applicable Pricing Supplement nor the offering, issue, sale or delivery of any Note shall at any time imply that the information contained herein is correct at any time subsequent to the date hereof or that any other financial statements or other information supplied in connection with the Programme is correct at any time subsequent to the date indicated in the document containing the same. The

Arranger and the Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme. Investors should review, *inter alia*, the most recent financial statements, if any, of the Issuer when deciding whether or not to subscribe for, or purchase, any Notes.

The Applicable Pricing Supplement will specify the nature of the responsibility taken by the Issuer for the information relating to any underlying equity security, index, debt security, credit, currency exchange rate, commodity, commodity index or other item(s) (each a "Reference Item") (if applicable) to which the relevant Structured Notes relate and which is contained in such Applicable Pricing Supplement. However, unless otherwise expressly stated in the relevant Applicable Pricing Supplement, any information contained therein relating to a Reference Item will only consist of extracts from, or summaries of, information contained in financial and other information released publicly by the issuer, owner or sponsor, as the case may be, of such Reference Item or which is otherwise publicly available. The Issuer will, unless otherwise expressly stated in the relevant Applicable Pricing Supplement, accept responsibility for accurately reproducing such extracts or summaries (insofar as it is applicable), but the Issuer will not accept any further or other responsibility (express or implied) in respect of such information.

Investors should conduct their own investigations into the relevant Reference Item and, in deciding whether to purchase Structured Notes, investors should form their own views of the merits of such an investment based upon such investigations and not in reliance solely upon any information given in the Programme Memorandum or any Applicable Pricing Supplement.

The Issuer in its capacity as Issuer or any affiliates of the Issuer may hold, retain, buy or sell any Reference Item and may hold, retain, buy or sell any Notes issued under the Programme and/or enter into transactions relating thereto or derived therefrom, from time to time, in such amounts, with such purchasers and/or counterparties and at such prices (including at different prices) and on such terms as any such entity may determine as part of its business and/or any hedging transactions in connection with the arrangements described in this document or otherwise. In addition the Issuer or any affiliate of the Issuer may enter into arrangements with Underlying Companies and/or Reference Entities (as defined in the terms of the relevant Notes) the effect or consequence of which may be to affect the price of Underlying Securities, Reference Items and/or the Structured Notes or which otherwise may have an effect on the relevant Reference Item (as the case may be) and/or the Structured Notes.

Neither this Programme Memorandum nor any Applicable Pricing Supplement constitutes an offer to sell or the solicitation of an offer to buy or an invitation to subscribe for or purchase any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Programme Memorandum and any Applicable Pricing Supplement and the issue, sale or offer of Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Programme Memorandum or any Applicable Pricing Supplement or any Notes come are required by the Issuer, the Arranger and the Dealers to inform themselves about, and observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Programme Memorandum or any Applicable Pricing Supplement and other offering material relating to the Notes, see the section headed "*Subscription and Sale*".

In particular, there are restrictions on the distribution of this Programme Memorandum and the offer or sale of Notes in the United States of America, the United Kingdom, the European Economic Area and South Africa. None of the Issuer, the Arranger, the Dealers or the other professional advisers represent that this Programme Memorandum and any Applicable Pricing Supplement may be lawfully distributed, or that any 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, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger, the Dealers or the professional advisers which would permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Programme Memorandum, any Applicable Pricing Supplement 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.

This Programme Memorandum and the Applicable Pricing Supplement are not for distribution in, and does not constitute an offer of securities for sale or subscription in, the United States of America or in any other jurisdiction in which such an offer for sale or subscription would be unlawful or would require qualification or registration. Securities may not be offered in the United States of America without registration or an exemption from registration under the securities laws of the United States of America or in any other jurisdiction, except in accordance with applicable law. The Notes have not been and will not be registered under the United States Securities Act of 1933 (the "Securities Act"). Notes may not be offered, sold or delivered within the United States of America or to U.S. persons except in accordance with Regulation S under the Securities Act.

All references in this document to "Rand", "ZAR", "South African Rand", "R" and "cent" refer to the currency of South Africa, to "US Dollars", "U.S.\$" and "\$" to the currency of the United States of America, "sterling" and "£" are to pounds sterling and to "Euro" or "€" to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended.

Prospective subscribers for or purchasers of the Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risk and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition. See also the section of this Programme Memorandum headed "Risk Factors" starting on page 15.

In connection with the issue and distribution of any Tranche of Notes under the Programme, the Dealer, if any, which is specified in the Applicable Pricing Supplement as the Stabilising Manager (or any person acting for the Stabilising Manager) may, if specified in that Applicable Pricing Supplement and only if such stabilising is permitted by the rules of, and approved by, the JSE or such other Relevant Stock Exchange on which such Tranche of Notes will be listed, over-allot or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period. However, there may be no obligation on the Stabilising Manager (or any agent of the Stabilising Manager) to do this. Such stabilising, if commenced, may be discontinued at any time and must be brought to an end after a limited period. Such stabilising shall be in compliance with all applicable laws, regulations and rules.

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DOCUMENTS INCORPORATED BY REFERENCE

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

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

- (a) all amendments and supplements to this Programme Memorandum prepared by the Issuer from time to time;
- (b) in respect of any issue of Notes under the Programme, the audited annual financial statements, together with such statements, reports and the notes attached to or intended to be read with such financial statements of the Issuer for its three financial years prior to the date of such issue;
- (c) each Applicable Pricing Supplement relating to any Tranche of Notes issued under the Programme;
- (d) all information pertaining to the Issuer which is relevant to the Programme and/or this Programme Memorandum which is electronically submitted by the Securities Exchange News Service ("SENS") established by the JSE, to SENS subscribers, if required,

S4.13(b)
S8.3(a)-(b)
S8.4-8.7
S8.9
S8.45-8.52

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

The Issuer will provide at its Specified Office, without charge, to each person to whom a copy of the Programme Memorandum has been delivered, upon request of such person, a copy of any or all of the documents which are incorporated herein by reference, unless such documents have been modified or superseded. Requests for such documents should be directed to the Issuer at its Specified Office. The audited annual financial statements of the Issuer are also available on the Issuer's website, www.firststrand.co.za.

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

- (a) there is a material adverse change in the financial or trading condition of the Issuer; or
- (b) an event has occurred which affects any matter contained in this Programme Memorandum, the disclosure of which would reasonably be required by Noteholders and/or potential investors in the Notes; or
- (c) any of the information contained in this Programme Memorandum becomes outdated in a material respect; or
- (d) this Programme Memorandum no longer contains all the material correct information required by the Applicable Procedures,

provided that, in the circumstances set out in paragraphs (c) and (d) above, no new Programme Memorandum or supplement to this Programme Memorandum, as the case may be, is required in respect of the Issuer's annual financial statements if such annual financial statements are incorporated by reference into this Programme Memorandum and such annual financial statements are published, as required by the Companies Act, and submitted to the JSE within six months after the financial year end of the Issuer.

GENERAL DESCRIPTION OF THE PROGRAMME

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

The Issuer may from time to time issue one or more Tranches of Notes under the Programme, pursuant to this Programme Memorandum, provided that the aggregate outstanding Nominal Amount of all of the Notes issued under the Programme from time to time does not exceed the Programme Amount.

A Tranche of Notes may be listed on the JSE or on such other or additional Relevant Stock Exchange(s) as may be determined by the Issuer, subject to applicable laws. Unlisted Notes may also be issued under the Programme. The Applicable Pricing Supplement will specify whether or not a Tranche of Notes will be listed and, if so, on which Relevant Stock Exchange. If the Issuer issues a Tranche of unlisted Notes or a Tranche of Notes is listed on any Relevant Stock Exchange other than (or in addition to) the JSE, the Issuer will, by no later than the last day of the month of issue of that Tranche of Notes, inform the JSE in writing of the aggregate Nominal Amount and the Maturity Date (if any) of that Tranche of Notes.

This Programme Memorandum and any supplement will only be valid for the issue of Notes in an aggregate Nominal Amount which, when added to the aggregate Nominal Amount then outstanding of all the Notes previously or simultaneously issued under the Programme, does not exceed ZAR30,000,000,000 or its equivalent in other currencies. For the purpose of calculating the South African Rand equivalent of the aggregate Nominal Amount of the Notes issued under the Programme from time to time, the South African Rand equivalent of the Notes denominated in another Specified Currency (as specified in the Applicable Pricing Supplement) shall be determined as of the date of agreement to issue such Notes (the "Agreement Date") on the basis of the spot rate for the sale of the South African Rand against the purchase of such Specified Currency in the South African foreign exchange market quoted by any leading bank selected by the Issuer on the Agreement Date (the "Conversion Rate") and in respect of:

- (a) Zero Coupon Notes and other Notes, the Conversion Rate shall be applied to the net subscription proceeds received by the Issuer for the relevant issue; and
- (b) Partly-Paid Notes and Index-Linked Notes, the Conversion Rate shall be applied to the Nominal Amount regardless of the amount paid up on such Notes.

From time to time the Issuer may wish to increase the Programme Amount. Subject to the Applicable Procedures and all applicable laws, the Issuer may, without the consent of Noteholders, increase the Programme Amount by delivering a notice thereof to the Noteholders in accordance with Condition 21 (*Notices*) of the Terms and Conditions, and with a copy thereof to the Arrangers and the Dealer(s). Upon such notice being given to the Noteholders, all references in this Programme Memorandum (and each agreement, deed or document relating to the Programme and/or this Programme Memorandum) to the Programme Amount will be, and will be deemed to be, references to the increased Programme Amount set out in such notice.

The Programme is not rated. A Tranche of Notes may, on or before the Issue Date, be rated by a rating agency on a national scale or international scale basis. Unrated Tranches of Notes may also be issued. A rating of a Tranche of Notes is not a recommendation to subscribe for, buy, sell or hold any Notes, and may be subject to revision, suspension or withdrawal at any time by the rating agency.

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

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

SUMMARY OF THE PROGRAMME

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Programme Memorandum and, in relation to the Terms and Conditions of any particular Tranche of Notes, the Applicable Pricing Supplement. Words and expressions defined in the Terms and Conditions shall have the same meanings in this summary. The contents of this section shall not form part of the Terms and Conditions and may not be utilised in interpreting the Terms and Conditions.

Issuer	FirstRand Bank Limited (registration number 1929/001225/06).
Arranger	FirstRand Bank Limited, acting through its Rand Merchant Bank division ("RMB").
Dealers	RMB and any additional Dealer appointed under the Programme by the Issuer from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the appointment of such Dealer.
Transfer Agent	RMB, or such other entity appointed by the Issuer as Transfer Agent, in which event that other entity will act as Transfer Agent, as specified in the Applicable Pricing Supplement.
Paying Agent	RMB, or such other entity appointed by the Issuer as Paying Agent, in which event that other entity will act as Paying Agent, as specified in the Applicable Pricing Supplement.
Calculation Agent	RMB, or such other entity appointed by the Issuer as Calculation Agent, in which event that other entity will act as Calculation Agent, as specified in the Applicable Pricing Supplement.
Emigrant Blocked Rand	Emigrant Blocked Rand may be used to subscribe for, or purchase, Notes, subject to the Exchange Control Regulations.
S20.14(i) Clearing and Settlement	Notes may be cleared and settled in accordance with the rules of the JSE and the CSD. The Notes may be accepted for clearance through the CSD, which forms part of the JSE clearing system that is managed by the CSD, and may be accepted for clearance through any additional clearing system as may be agreed between the JSE and the Issuer. As at the date of this Programme Memorandum, the Participants are Absa Bank Limited, FirstRand Bank Limited, Nedbank Limited, The Standard Bank of South Africa Limited and the South African Reserve Bank. Euroclear Bank S.A./N.V. as operator of the Euroclear System ("Euroclear") and Clearstream Banking, <i>societe anonyme</i> (Clearstream Luxembourg) ("Clearstream"), may hold Notes through their Participant.
Cross-Default	The Notes will have the benefit of a cross-default as described in Condition 19 (<i>Events of Default</i>).
CSD	Strate Limited (registration number 1998/022242/06), registered as a central securities depository in terms of the Securities Services Act or such additional, alternative or successor central securities depository as may be agreed between the Issuer and the relevant Dealer(s).

Denomination	<p>Notes will be issued in such denominations as may be agreed by the Issuer and the relevant Dealer(s) and as indicated in the Applicable Pricing Supplement, save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the central bank or regulator or any laws or regulations applicable to the Notes.</p> <p>Notes (other than (a) Deposit Notes and, (b) Structured Notes pursuant to which the repayment of the Final Redemption Amount is fully dependent on the performance of the Reference Item) will be issued with a minimum Specified Denomination of ZAR100,000.</p> <p>Structured Notes pursuant to which the Final Redemption Amount is fully dependent on the performance of the Reference Item will not be subject to any minimum Specified Denomination required by applicable law or regulation. In the case of a Deposit Note, the minimum Deposit by a Noteholder is R10 000 or such other minimum Deposit amount as specified in the Applicable Pricing Supplement. There is no maximum limit on the amount that a Noteholder may invest in a Deposit Note provided that such Deposit Notes are traded in integral multiples of R100 or as otherwise specified in the Applicable Pricing Supplement.</p>
Description of Programme	FirstRand Bank Limited ZAR30,000,000,000 Note Programme.
Distribution	Notes may be distributed by way of private placement or any other means permitted under South African law, and in each case on a syndicated or non-syndicated basis as may be determined by the Issuer and the relevant Dealer(s) and reflected in the Applicable Pricing Supplement.
Form of Notes	Notes will be issued in certificated form or electronically in uncertificated form as described in the section of this Programme Memorandum headed " <i>Form of the Notes</i> ".
§20.14(f) Governing Law	The Notes will be governed by and construed in accordance with the laws of South Africa in force from time to time.
Interest	Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or other variable rate or be index-linked, and the method of calculating interest may vary between the Issue Date and the Maturity Date.
Interest Period(s)/Interest Payment Date(s)	The Interest Rate, Interest Payment Date(s) and Interest Period(s), if any, applicable to a Tranche of Notes will be specified in the Applicable Pricing Supplement.
Issue and Transfer Taxes	As at the date of this Programme Memorandum, no securities transfer tax or any similar tax is payable in respect of the issue, transfer or redemption of the Notes (see the section of this Programme Memorandum headed " <i>South African Taxation</i> "). Any future transfer duties and/or taxes that may be introduced in respect of (or be applicable to) the transfer of Notes will be for the account of Noteholders.

Issue Price

Notes may be issued on a fully paid or a partly paid basis and at their Nominal Amount or at a discount or premium to their Nominal Amount as specified in the Applicable Pricing Supplement.

Listing

This Programme has been approved by the JSE. Notes issued under the Programme may be listed on the JSE or on such other or additional Relevant Stock Exchange(s) as may be determined by the Issuer and the Dealer(s), subject to all applicable laws. Unlisted Notes may also be issued under the Programme. The Applicable Pricing Supplement will specify whether or not a Tranche of Notes will be listed and, if so, on which Relevant Stock Exchange(s).

Maturities of Notes

Such maturity(ies) that is/are acceptable to the JSE and as specified in the Applicable Pricing Supplement. The Notes are not subject to any minimum or maximum maturity.

Notes

Standard Notes and Structured Notes may be issued under the Programme.

The types of Structured Notes that may be issued under the Programme include the following:

- (a) **Equity Linked Notes**, being notes in respect of an equity security;
- (b) **Single Index Notes**, being notes relating to a particular Index;
- (c) **Equity Basket Notes**, being notes in respect of a basket of equity securities;
- (d) **Basket of Indices Notes**, being notes in respect of a basket of indices;
- (e) **Currency Linked Notes**, being notes relating to a particular currency or currency pair;
- (f) **Credit Linked Notes**, being notes relating to the credit of a Reference Entity or Entities, or a Reference Obligation or a basket of Reference Obligations; and
- (g) **Commodity Linked Notes**, being notes relating to a particular commodity or commodities or, a particular index or indices comprising various commodities.

Other types of Structured Notes may from time to time be issued under the Programme, subject to, if such Structured Notes are to be listed, the approval of the JSE, or its successor, or such other or further exchange or exchanges as may be selected by the Issuer. Any such other Structured Notes will be designated "*Non-Standard Structured Notes*", and the Applicable Pricing Supplement pertaining to the issue of any such Non-Standard Structured Notes will specify all the terms and conditions applicable thereto, which may or may not include certain or all of the terms and conditions set out in the Terms and Conditions contained herein.

Deposit Notes (which may be either Standard Notes or Structured Notes) may also be issued under the Programme.

Noteholders

The holders of the listed or unlisted registered Notes (as recorded in the Register). The CSD's Nominee will be named in the Register as the registered Noteholder of each Tranche of Notes in uncertificated form or which is represented by a Global Certificate and which is listed on the JSE. Each holder of Notes which is represented by an Individual Certificate will be named in the Register as the registered Noteholder of such Notes.

Rating

As at the date of this Programme Memorandum, the Notes to be issued under this Programme are not rated by any rating agency.

S20.11 Rating of Notes

A Tranche of Notes may, on or before the Issue Date, be rated by a Rating Agency. Unrated Tranches of Notes may also be issued provided that the Rating Agency has confirmed in writing that all of its respective current Rating(s) of Tranches of Notes then in issue will not be downgraded or withdrawn as a result of the issue of such unrated Tranche 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.

Redemption

The Applicable Pricing Supplement relating to a Tranche of Notes will indicate either that the Notes cannot be redeemed prior to their stated maturity (other than in specified instalments (see below), if applicable, or for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders, as the case may be, and, upon giving not less than 30 (thirty) and not more than 60 (sixty) calendar days' irrevocable notice (or such other notice period (if any) as is indicated in the Applicable Pricing Supplement) to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the Applicable Pricing Supplement.

The Applicable Pricing Supplement may provide that Notes may be redeemable in two or more instalments of such amounts and on such dates as indicated in the Applicable Pricing Supplement.

Selling Restrictions

The distribution of this Programme Memorandum and any offering or sale of or subscription for a Tranche of Notes may be restricted in certain jurisdictions, and is restricted by law in the United States of America, the United Kingdom, the European Economic Area and South Africa (see the section of this Programme Memorandum headed "*Subscription and Sale*"). Any other or additional restrictions which are applicable to the placing of a Tranche of Notes will be set out in the Applicable Pricing Supplement. Persons who come into possession of this Programme Memorandum or any Applicable Pricing Supplement must inform themselves about and observe all applicable selling restrictions.

Size of the Programme

As at the date of this Programme Memorandum, the Programme Amount is ZAR30,000,000,000. This Programme Memorandum will only apply to Notes issued under the Programme in an

aggregate outstanding Nominal Amount which does not exceed the Programme Amount. The Issuer may increase the Programme Amount in the manner set out in the section of this Programme Memorandum headed "*General Description of the Programme*".

S20.14(b) Specified Currency

South African Rand ("ZAR") or, subject to all applicable laws and, in the case of Notes listed on the JSE and the rules of the JSE, such other currency as is specified in the Applicable Pricing Supplement.

Status of Notes

The Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* and ratably without any preference among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured and unsubordinated obligations of the Issuer from time to time outstanding. The Notes (other than Deposit Notes) do not evidence deposits of the Issuer and are not insured by any government agency. Deposit Notes evidence deposits of the Issuer and will be treated as such for purposes of the Banks Act.

Stabilisation

In connection with the issue and distribution of any Tranche of Notes under the Programme, the Dealer, if any, that is specified in the Applicable Pricing Supplement as the Stabilising Manager (or any person acting for the Stabilising Manager) may, if specified in that Applicable Pricing Supplement and only if such stabilising is permitted by the applicable laws, and approved by, the JSE, over-allot or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period. However, there may be no obligation on the Stabilising Manager (or any agent of the Stabilising Manager) to do this. Such stabilising, if commenced, may be discontinued at any time and must be brought to an end after a limited period. Such stabilising shall be in compliance with all applicable laws, regulations and rules.

S7.C.15(e) Taxation

All payments of principal and interest in respect of the Notes will be made without withholding or deduction for or on account of taxes levied in South Africa unless such withholding or deduction is required by law. In the event that withholding tax or such other deduction is required by law, then the Issuer will, subject to certain exceptions as provided in Condition 14 (*Taxation*) of the Terms and Conditions, make such payments as shall be necessary in order that the net amounts received by the holders of the Notes after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, as the case may be, in the absence of such withholding or deduction. For a summary of the position in relation to issue and transfer taxes, see "*Issue and Transfer Taxes*" above.

Use of Proceeds

The Issuer will use the issue proceeds of the Notes for its general corporate purposes, or as may otherwise be described in the Applicable Pricing Supplement.

RISK FACTORS

Prospective investors should read the entire Programme Memorandum (and, where appropriate, the Applicable Pricing Supplement). Words used in this section headed "Risk Factors" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or clearly inappropriate from the context. Investing in securities involves certain risks.

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. The Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive.

An investment in Structured Notes linked to one or more Reference Items may involve a number of risks, some of which are referred to below and are not associated with investment in a conventional debt security. The Applicable Pricing Supplement in respect of an issue of Structured Notes may contain additional Risk Factors in respect of such Notes. The amount paid by the Issuer on redemption of the Structured Notes may be less than the Nominal Amount of the Structured Notes and may in certain circumstances be zero.

Potential investors should ensure that they fully understand all of the risks prior to making any investment decision. Potential investors should seek independent financial advice prior to investing in Notes. Potential investors should also read the detailed information set out elsewhere in this Programme Memorandum (and, where appropriate, any Applicable Pricing Supplement) and reach their own views prior to making any investment decision.

Prospective investors should note that the risks described below are not the only risks the Issuer faces. The Issuer has described only those risks relating to its operations that it considers to be material. There may be additional risks that the Issuer currently considers not to be material or of which it is not currently aware, and any of these risks could have the effect set forth above. Prospective investors should consider, among other things the following:

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

Risks relating to the Issuer

Risk Management

The Issuer, in common with other banks in South Africa and elsewhere, is exposed to commercial and market risks in its ordinary course of business, the most significant of which are credit risk, market risk, liquidity risk, interest rate risk and operational risk. Credit risk is the risk of loss due to non-performance of a counterparty in respect of any financial or performance obligation due to deterioration in the financial status of the counterparty. Market risk is the risk of loss on trading instruments and portfolios due to changes in market prices and rates. Liquidity risk is the inability to discharge funding or trading obligations which fall due at market related prices. Interest rate risk is defined as the sensitivity of the balance sheet and income statement to unexpected, adverse movements of interest rates. Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

Whilst the Issuer believes that it has implemented appropriate policies, systems and processes to control and mitigate these risks, Investors should note that any failure to control these risks adequately could have an adverse effect on the financial condition and reputation of the Issuer.

Concentration Risk

The Issuer's business is significantly focussed on the South African markets and therefore faces a geographic concentration risk. Any adverse changes affecting the South African economy are likely to have an adverse impact on the Issuer's loan portfolio and, as a result, on its financial condition and results of its operations.

Liquidity Risk

The Issuer, in common with other banks in South Africa, is very reliant on wholesale funding rather than retail deposits, due to the low savings rate within South Africa. Although the Issuer believes that its level of access to domestic and international inter-bank and capital markets and its liquidity risk management policy allow and will continue to allow the Issuer to meet its short-term and long-term liquidity needs, any maturity mismatches may have a material adverse effect on its financial condition and results of operation. Furthermore, there can be no assurance that the Issuer will be successful in obtaining additional sources of funds on acceptable terms or at all.

Competitive Landscape

The Issuer is subject to significant competition from other major banks operating in South Africa, including competitors that may have greater financial and other resources, and, in certain markets, from international banks. Many of these banks operating in the Issuer's markets compete for substantially the same customers as the Issuer. Competition may increase in some or all of the Issuer's principal markets and may have an adverse effect on its financial condition and results of operations.

The Issuer is subject to capital requirements that could limit its operations

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

Risks Relating to the Notes

General Considerations

The Notes involve a degree of risk, which may include interest rate, corporate, market, foreign exchange, time value and/or political risks, as well as other risks arising from fluctuations in the values of the relevant securities (or basket of securities), index (or basket of indices), commodity (or commodity index) or other Reference Item(s) which may be specified in the Applicable Pricing Supplement, and general risks applicable to the stock market (or markets) and capital markets.

In order to realise a return upon an investment in a Structured Note, an investor must have correctly anticipated the timing and magnitude of an anticipated increase or the absence of a decrease of the value of the relevant Reference Item(s) relative to the Issue Price and must also be correct about when any change will occur. If the value of the Reference Item(s) does not increase, or decreases, as the case may be, before such Structured Note is redeemed, part of the investor's investment in such Structured Note may be lost on such redemption. Other than in respect of Notes which are redeemable prior to the Maturity Date at the option of the Noteholder, the only means by which a Noteholder can realise value from its Notes prior to their Maturity Date is to sell such Notes at their then market price in the secondary market (if available) (see "*Possible Illiquidity of the Secondary Market*" below). Fluctuations in the value of the relevant index or basket of indices (including the prices of securities included in an Index or Basket of Indices) will affect the value of Single Index Notes and Basket of Indices Notes. Fluctuations in the price of the relevant equity security or value of the basket of equity securities will affect the value of Equity Linked Notes and Equity Basket Notes. In both these cases and in the case of Currency Linked Notes, fluctuations in the value of the currency or currencies in or to which the notes or the Underlying Securities or Index are denominated or linked will also affect the value of such notes. Also, due to the character of the particular markets on which most equity securities are traded, the absence of last sale information and the limited availability of quotations for such equity securities may make it difficult for many investors to obtain timely, accurate data for the price or yield of such equity securities.

The occurrence of certain events or circumstances, in each case as specified in the Applicable Pricing Supplement, will affect the value of Credit Linked Notes and the Issuer's obligation to pay principal may be replaced by an obligation to pay other amounts calculated by reference to the value of the Reference Obligation(s) and/or to deliver the Reference Obligation(s). The Issuer's obligations in respect of Credit Linked Notes are not dependant on the existence of credit exposure of the Issuer to a Reference Entity and the Issuer need not itself suffer any loss nor provide evidence of any loss as a result of the occurrence of a Credit Event.

Fluctuations in the value of a Relevant Commodity or Commodity Index may affect the value of Commodity Linked Notes. An investment in Commodity Linked Notes may bear similar market risks to a direct investment in the Relevant Commodity(ies) and investors should take advice accordingly.

Prospective investors in Notes should understand the risks of transactions involved in the Relevant Notes and should reach an investment decision only after careful consideration of the suitability of such Notes in the light of their particular financial circumstances, information set forth herein and any other available information regarding the relevant Notes and the Reference Item(s) to which the value of such Notes may relate. Where the Issuer is required to redeem the Notes prior to the Maturity Date, at the option of the Noteholders an investor should understand the consequences of liquidating any investment in the Notes by redeeming such investment as opposed to selling it. This includes knowing when the Notes are redeemable and how to redeem them.

The Issuer may vary the manner in which a particular series of Notes are redeemed. At its sole and unfettered discretion, it may elect not to pay the relevant Noteholders the Redemption Amount or the Early Redemption Amount, as the case may be, or to deliver or, in the case of a Structured Note, procure delivery of the relevant Underlying Securities or Deliverable Obligations to the relevant Noteholders, as the case may be, and in lieu thereof, deliver or procure the delivery of the relevant Underlying Securities or Deliverable Obligations or make payment of the Redemption Amount or the Early Redemption Amount on the Maturity Date or the Early Redemption Payment Date, as the case may be, to the relevant Noteholders. See Condition 9 (*Redemption and Purchase*) of the Terms and Conditions.

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 Pricing Supplement or supplement to this Programme Memorandum;
- 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 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 of this investment will have on the potential investor's overall investment portfolio.

Disrupted Days and Disruption Events

Where the Structured Notes are Equity Basket Notes, Equity Linked Notes, Single Index Notes or Basket of Indices Notes, and a Disrupted Day is specified as applying in the Applicable Pricing Supplement, the Calculation Agent may determine that an event giving rise to a Disrupted Day has occurred at any relevant time. Where the Structured Notes are Currency Linked Notes, the Calculation Agent may determine that a Disruption

Event has occurred at any relevant time. Where the Structured Notes are Commodity Linked Notes, the Calculation Agent may determine that a Commodity Market Disruption Event has occurred at any relevant time. Any such determination may have an effect on the timing of valuation and consequently the value of the Structured Notes and/or may delay settlement in respect of the Structured Notes. Perspective purchasers should review the Terms and Conditions of the Structured Notes and the Applicable Pricing Supplement to ascertain whether and how such provisions apply to the Structured Notes. See "*Time Lag After Redemption*" below and Condition 11 (*Rights of the Issuer in the Event of a Disrupted Day or Disruption Event*) of the Terms and Conditions.

Settlement Risk

Where the Notes provide for physical delivery, the Calculation Agent may determine that a Settlement Disruption Event is subsisting. Any such determination may affect the value of the Structured Notes and/or may delay settlement in respect of the Structured Notes.

Certain Factors Affecting the Value and Trading Price of Structured Notes

Generally, Structured Notes offer investment diversification opportunities, but also pose some additional risks with regard to interim value. The interim value of Structured Notes varies with the price and/or level of the Reference Item and is affected by a number of other factors, including but not limited to:

- (i) the value and volatility of the Reference Item(s);
- (ii) where the Reference Item(s) is/are equity securities, the dividend rate on the Reference Item(s) and the financial results and prospects of the issuer of each Reference Item;
- (iii) in the case of Credit Linked Notes, the creditworthiness of the specified Reference Entity or Entities;
- (iv) market interest rates;
- (v) fluctuations in currency exchange rates;
- (vi) fluctuations in commodities prices;
- (vii) the liquidity of the Structured Notes or any Reference Item(s) in the secondary market;
- (viii) the time remaining to any redemption date or the maturity date; and
- (ix) economic, financial and political events in one or more jurisdictions, including factors affecting capital markets generally and stock exchange(s) on which any Reference Item or Structured Notes may be traded.

There can be no assurance that a Noteholder will be able to sell any Structured Notes prior to maturity at a price equal to or greater than the market value of the Structured Notes on the Issue Date and such Noteholder may only be able to sell the Structured Notes at a discount, which may be substantial to the Issue Price. The past performance of any Reference Item should not be taken as an indication of the future performance of that Reference Item during the term of any Structured Note.

Some Notes are not principal protected and Noteholders may lose some or a significant part of their principal. Noteholders may lose the value of their entire investment or part of it, as the case may be.

No Claim against any Reference Item

A Structured Note will not represent a claim in respect of any Reference Item and, in the event that the amount paid by the Issuer on redemption of the Structured Notes is less than the Nominal Amount of the Structured Notes, a Noteholder will not have recourse under a Structured Note to any Reference Item.

Limitations on Redemption

If so indicated in the Applicable Pricing Supplement, the Issuer will have the option to limit the number of Notes which Noteholders (whether or not acting in concert) may require the Issuer to redeem at any one time to the maximum number specified in the Applicable Pricing Supplement (see Condition 13 (*Limits on number of Notes that can be redeemed*) of the Terms and Conditions). In the event that the total number of Notes which Noteholders have requested the Issuer to redeem on any date exceeds such maximum number and the Issuer elects to limit the number of Notes redeemable on such date, a Noteholder may not be able to redeem all the Notes that such holder desires to redeem on such date. Notes to be redeemed on such date will be selected on a *pro rata* basis (unless otherwise specified in the Applicable Pricing Supplement). Unless otherwise specified in the Applicable Pricing Supplement, the Notes in respect of which the Issuer has received requests for redemption from Noteholders but which are not redeemed on such date will be redeemed on the next date on which Notes may be redeemed, subject to the same daily maximum limitation and delayed redemption provisions.

If so indicated in the Applicable Pricing Supplement, the number of Notes which a Noteholder may request the Issuer to redeem on any day may be subject to a specified minimum number of Notes and thereafter to specified integral multiples of Notes. Thus, Noteholders with fewer than the specified minimum number of Notes or specified multiples thereof will either have to sell their Notes or purchase additional Notes, incurring transaction costs in each case, in order to realise their investment. Furthermore, holders of such Notes incur the risk that there may be differences between the trading price of such Notes and the Redemption Amount or Early Redemption Amount, as the case may be, or the value of any Reference Item which the Issuer elects to deliver on redemption of such Notes.

Subject to the immediately following paragraph, when the Issuer elects to deliver Underlying Securities, Structured Notes may only be redeemed in such amounts as will ensure that the number of Underlying Securities to be delivered is equal to an integral multiple of the minimum board lot for the trading of the Underlying Securities on the relevant Exchange as from time to time specified by such Exchange (a "Board Lot") (see Condition 13.4 (*Minimum Board Lot*)). Noteholders who request that the Issuer redeem a holding of Structured Notes which would not result in the purchase of a number of Underlying Securities equal to an integral multiple of the relevant Board Lot, will receive the maximum number of Underlying Securities equivalent to the maximum permissible integral multiple of a Board Lot and may be entitled to a payment in lieu thereof at the option of the Issuer in respect of the remaining Underlying Securities unless any such payment is of a *de minimis* amount, in which case Noteholders shall not receive anything in respect of the remaining Structured Notes. Noteholders will, therefore, either have to sell their Structured Notes or purchase additional Structured Notes, incurring transaction costs in either case, in order to realise their investment.

Time Lag After Redemption

Unless otherwise specified in the Applicable Pricing Supplement, in the case of Notes which the Issuer is required to redeem prior to the Maturity Date at the option of the Noteholder, there will be a time lag between the time a Noteholder gives the instruction to redeem and the time the applicable Early Redemption Amount is determined by the Calculation Agent. Such time lag could be significantly longer, however, particularly in the case of a delay in the redemption of Notes due to there being a limit on the maximum number of Notes redeemable on any one day, following the imposition of any exchange controls or similar regulations affecting the ability to obtain or exchange any relevant currency (or basket of currencies), or following a determination by the Paying Agent, or the Calculation Agent, as applicable, that there is any Settlement Disruption Event or that a Disrupted Day has occurred. The applicable Early Redemption Amount may change significantly during any such period, and such movement or movements could decrease the Early Redemption Amount, and may result in a Noteholder not realising a return on an investment in the Notes.

Hedging

In connection with the offering of the Notes, the Issuer and/or any of its affiliates may enter into one or more hedging transactions with respect to the Reference Item(s) or related derivatives. In connection with such hedging activities or with respect to proprietary or other trading activities by the Issuer and/or any of its affiliates, the Issuer and/or any of its affiliates may enter into transactions in the Reference Item(s) or related derivatives which may, but are not intended to, affect the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interest of the relevant Noteholders.

Possible Illiquidity of the Secondary Market

There can be no assurance as to how Notes will trade in the secondary market or whether such market will be liquid or illiquid. The number of Notes of any Series may be relatively small, further adversely affecting the liquidity of such Notes. The Issuer may list Notes on the JSE or any other exchange as is specified in the Applicable Pricing Supplement or may issue Notes which are not listed on any exchange. However, no assurance can be given that any secondary trading market will develop for the Notes (other than in the case of Deposit Notes, in which case the Issuer undertakes to ensure and maintain a secondary trading market in respect thereof). If Notes are not listed or traded on any exchange, pricing information for such Notes may be more difficult to obtain and the liquidity of such Notes may be adversely affected. Certain Notes are also subject to transfer restrictions. See Condition 3 (*Form and Denomination*), Condition 4 (*Title*) and Condition 17 (*Transfer of Notes*) of the Terms and Conditions.

Termination of the Notes in the Event of Unlawfulness or Impracticability

If the Calculation Agent determines that the Issuer's performance under the Notes, or any arrangements made to hedge the Issuer's obligations under the Notes, have or shall become unlawful or impracticable in whole or in part for any reason, the relevant Issuer may terminate the Notes by paying each holder of such Notes an amount determined by the Calculation Agent. Such termination may result in an investor not realising a return on an investment in the relevant Notes.

Potential Conflicts of Interest

The Issuer and its affiliates may engage in trading and market-making activities and may hold long or short positions in the relevant Reference Item(s) and other instruments or derivative products based on or related to the relevant Reference Item(s) for their proprietary accounts or for other accounts under their management. The Issuer and its respective affiliates may also issue Structured Notes in respect of the relevant Reference Item(s) which are securities, or issue derivative instruments in respect thereof. To the extent that either of the Issuers, directly or through its affiliates, serves as issuer, agent, manager or underwriter of such securities or other instruments, its interests with respect to such products may be adverse to those of the Noteholders. The Issuer or its affiliates may also act as underwriter in connection with future offerings of securities which comprise the Reference Items or may act as financial advisers to certain Underlying Companies or Reference Entities. Such activities could present certain conflicts of interest, could influence the prices of such Reference Items and could adversely affect the value of the Structured Notes.

Deposit Notes

An investment in Deposit Notes exposes Noteholders to risks usually associated with retail depositors and a bank. Each potential investor in a Deposit Note must determine the suitability of that investment in light of its own circumstances. The risks associated with Deposit Notes include, but are not limited to, the following:

- (i) *Issuer Risk*: risk that Issuer will not be able to make payments of interest and/or capital in respect of Deposit Notes as and when required. However, the Issuer is required by regulation to meet certain capital adequacy guidelines in order to ensure that it is in a position to make payments to holders of Deposit Notes as and when required, thereby mitigating such "*Issuer Risk*".
- (ii) *Interest Rate Risk*: in the case of interest-bearing Deposit Notes, fluctuations in short term interest rates. Depending on the Interest Basis specified in respect of the Deposit Notes (if any), the Noteholder may not enjoy full benefit of such fluctuations in short term interest rates as, for example, interest payable in respect of a Floating Rate Note, is calculated for each Interest Period at its commencement and the Deposit Notes will accrue interest at the specified Interest Rate until the interest is reset periodically in accordance with the terms and conditions of the relevant Deposit Notes.

Status of the Notes

The Notes are unconditional, unsubordinated and unsecured obligations of the Issuer and will rank equally among themselves and, with the exception of certain obligations given priority by applicable law, will rank *pari passu* with all other present and future outstanding unsecured and unsubordinated obligations of the relevant Issuer. See Condition 5 (*Status of the Notes*) of the Terms and Conditions.

Taxation

Potential purchasers of Notes should be aware that stamp duty and other taxes and/or charges may be levied in accordance with the laws and practices in the countries where the Notes are transferred and/or where Reference Items are delivered.

The summaries set out under the section of this Programme Memorandum headed "*Taxation*" do not consider the tax treatment of payments in respect of Notes linked to one or more Reference Items ("**Relevant Notes**"). Potential subscribers for or purchasers of Relevant Notes should note that the tax treatment of payments in respect of Relevant Notes may be different (and in some cases significantly different) from that set out in those summaries.

Potential subscribers for or purchasers of Notes who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, potential subscribers for or purchasers should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

Credit Rating

Tranches of Notes issued under the Programme may be rated or unrated. If a rating is assigned to any issue of Notes, the rating may not reflect the potential impact of all risks related to the structure, market, additional factors discussed herein, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities 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 prices for the Notes issued under the Programme.

Risks related to the structure of the 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:

Index-Linked and Dual Currency 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 movement in currency exchange rates or other factors (each, a "**Relevant Factor**") or with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- the market price of such 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.

Partly Paid Notes

The Issuer may issue Notes where the Issue Price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investments.

Notes issued at a substantial discount or premium

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

Modification and Waivers and Substitution

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.

FORM OF THE NOTES

Words used in this section headed "Form of the Notes" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or clearly inappropriate from the context.

A Tranche of Notes may be issued in the form of listed or unlisted Registered Notes, Bearer Notes or Order Notes as specified in the Applicable Pricing Supplement.

The Notes may be listed on the JSE and/or a successor exchange to the JSE or such other or further exchange or exchanges as the Issuer may select in relation to an issue and specify in the Applicable Pricing Supplement.

Registered Notes

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

Notes issued in certificated form

A Tranche of Registered Notes which is listed on the JSE and/or lodged and immobilised in the CSD may, subject to applicable laws and the Applicable Procedures, be issued in certificated form. If applicable, each such Tranche of Registered Notes will be represented by a single Global Certificate in registered form, and the CSD's Nominee will be named in the Register as the registered Noteholder of such Tranche of Registered Notes (see "*Beneficial Interests in Notes held in the CSD*" below). Unlisted Registered Notes may also be lodged and immobilised in the CSD, in the form of a Global Certificate.

Each Global Certificate will be physically deposited with and lodged in the CSD.

All certificated Registered Notes which are not represented by a Global Certificate, will be represented by single Individual Certificates in registered form. Registered Notes represented by Individual Certificates will be registered in the Register in the name of the individual Noteholders of such Notes.

Title to Registered Notes represented by Certificates will pass upon registration of transfer in accordance with Condition 17.1.2 (*Transfer of Registered Notes represented by Certificates*) of the Terms and Conditions.

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

Payments of all amounts due and payable in respect of Registered Notes represented by Certificates will be made in accordance with Condition 8 (*Payments*) of the Terms and Conditions to the person reflected as the registered Noteholder of such Registered Notes in the Register at 17h00 (South African time) on the Last Day to Register, and the Issuer will be discharged by proper payment to or to the order of such registered holder in respect of each amount so paid.

S11.1(f) *Notes issued in uncertificated form*

A Tranche of Registered Notes which is listed on the JSE may, subject to applicable laws and Applicable Procedures, be issued in uncertificated form in terms of section 37 of the Securities Services Act.

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

S11.1(f) *Beneficial Interests in Notes held in the CSD*

A Tranche of Registered Notes which is listed on the JSE will either be issued in certificated form and lodged in the CSD under a Global Certificate or be issued in uncertificated form and held in the CSD. A Tranche of

unlisted Registered Notes may also be lodged in the CSD under a Global Certificate. While a Tranche of Registered Notes is held in its entirety in the CSD, the CSD's Nominee will be named in the Register as the sole Noteholder of the Registered Notes in that Tranche.

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

The CSD maintains central securities accounts only for Participants. As at the date of the Programme Memorandum, the Participants are Absa Bank Limited, FirstRand Bank Limited, Nedbank Limited, The Standard Bank of South Africa Limited and the South African Reserve Bank. Beneficial Interests which are held by Participants will be held directly through the CSD, and the CSD will hold such Beneficial Interests, on behalf of such Participants, through the central securities accounts maintained by the CSD for such Participants.

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

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

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

The holder of a Beneficial Interest will only be entitled to exchange such Beneficial Interest for Registered Notes represented by an Individual Certificate in accordance with Condition 15 (*Exchange of Beneficial Interests and Replacement of Certificates*) of the Terms and Conditions.

Bearer and Order Notes

Bearer Notes issued in bearer form and Order Notes issued in order form and which are interest bearing may, if indicated in the Applicable Pricing Supplement, have interest coupons and, if indicated in the Applicable Pricing Supplement, Talons for further Coupons attached on issue. Notes repayable in instalments may have Receipts for the payment of the instalments of principal (other than the final instalment) attached on issue, as if indicated in the Applicable Pricing Supplement.

Title to Bearer Notes and/or Receipts, Coupons and Talons attached on issue to the Certificate evidencing such Bearer Notes will pass by delivery of such Certificate, Receipt, Coupon or Talon (as the case may be). Title to Order Notes and/or any Receipts, Coupons and Talons attached on issue to the Certificate evidencing such Order Note, will pass by way of endorsement and delivery of such Certificate, Receipt, Coupon or Talon (as the case may be).

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:



FIRSTRAND

FIRSTRAND BANK LIMITED

S7.C.2

(Incorporated with limited liability in the Republic of South Africa under Registration Number 1929/001225/06)

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

Under its ZAR30,000,000,000 Note Programme

This document constitutes the Applicable Pricing Supplement relating to the issue of the Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the "Terms and Conditions") set forth in the Programme Memorandum dated 24 August 2010 (the "Programme Memorandum"). This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum. The Notes described herein are issued on and subject to the Terms and Conditions as amended and/or supplemented by the terms and conditions contained in this Applicable Pricing Supplement. 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 meaning ascribed to them in the Terms and Conditions. To the extent that certain provisions of the *pro forma* Pricing Supplement do not apply to the Notes described herein, they may be deleted in this Applicable Pricing Supplement or indicated to be not applicable.

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Applicable Pricing Supplement.]

Description of the Notes

	1.	Issuer:	FirstRand Bank Limited
S20.14(d)	2.	Status of Notes:	Unsecured
S20.15(e)	3.	Form of Notes:	[Listed] [Unlisted] [Registered Notes] [Bearer Notes] [Order Notes]. [The Notes in this Tranche are issued in uncertificated form and held by the CSD.] [The Notes in this Tranche are issued in certificated form and lodged in the CSD under a single Global Certificate.]
	4.	Series Number:	[]
	5.	Tranche Number:	[]
S20.14(h)	6.	Specified Currency of the Notes:	[]
	7.	Aggregate Nominal Amount:	
		(a) Series:	[]
		(b) Tranche:	[]
	8.	Nominal Amount per Note:	[]
	9.	Specified Denomination and number of Notes:	[]
	10.	Issue Date of the Notes:	[]
S7.C.7	11.	Issue Price of the Notes:	[] % ([] percent) of par

12. Relevant Stock Exchange: [JSE] [Other] [N/A]
13. Integral multiples of Notes required for transfer: [] [N/A]
14. Type of Notes: [Standard Notes] [Structured Notes]
15. If Structured Notes: *(if "Structured Notes" is not specified, delete the remaining sub-paragraphs of this paragraph and insert "N/A")*
- (a) Type of Structured Notes: [Equity Linked Notes]
[Single Index Notes]
[Equity Basket Notes]
[Basket of Indices Notes]
[Currency Linked Notes]
[Credit Linked Notes]
[Commodity Linked Notes]
[Non-Standard Structured Notes]
- (b) Capital guarantee [Yes] [No]
16. Deposit Notes [Yes] [No]
17. Redemption/Payment Basis: [Redemption at par]
[Index Redemption Notes]
[Dual Currency Notes]
[Partly Paid Notes]
[Instalment Notes]
[Exchangeable Notes]
[Other (*specify*)]
18. Automatic/Optional Conversion from one Redemption/Payment Basis to another: [*insert details including date for conversion*] [N/A]
19. Partly Paid Note Provisions: [Applicable] [N/A] *(if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Amount of each payment comprising the issue Price: []
- (b) Dates upon which each payment is to be made by a Noteholder: []
- (c) Consequences (if any) of failure to make such payment by Noteholder: []
- (d) Interest rate to accrue on the first and subsequent instalments after the due date for payment of such instalments: []% ([] per annum

S20.14(a) Provisions relating to interest (if any) payable on the Note

20. General Interest Provisions

- (a) Interest payable on the Note: [Yes] [No]
- (b) Interest Basis: [Fixed Rate Note]
[Floating Rate Note]
[Zero Coupon Note]
[Index Linked Interest Note]
[Other (specify)]
[N/A]
- (c) Automatic/Optional Conversion from one Interest Basis to another: [insert details including date for conversion] [N/A]
- (d) Interest Commencement Date: [] [N/A]
- (e) Default Rate: [] [N/A]

21. Fixed Rate Note Provisions:

[Applicable] / [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)

- (a) Interest Rate[s]: [[]% ([] percent) per annum payable [on the Maturity Date / annually/ semi-annually / quarterly / monthly] in arrear]
- (b) Interest Payment Date[s]: [[] in each year] [Maturity Date] [adjusted in accordance with [specify Business Day Convention and any applicable Additional Business Centre(s) for the definition of "Business Day"] / not adjusted]
- (c) Fixed Coupon Amount[s]: [] per Nominal Amount
- (d) Initial Broken Amount: [] per Nominal Amount payable on the Interest Payment Date falling on []
- (e) Final Broken Amount: [] per Nominal Amount payable on the Interest Payment Date falling on []
- (f) Day Count Fraction: [Actual/Actual (ICMA)] [Actual/365] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]

22. Floating Rate Note Provisions:

[Applicable] / [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)

- (a) Manner in which the Interest Rate[s] is/are to be determined: [Screen Rate Determination] [ISDA Determination] [Other (specify other basis for interest rate)]
- (b) Party responsible for calculating the Interest Rate[s] and Interest Amount[s] (if not the Calculation Agent): [Name] shall be the Calculation Agent (no need to specify if the Calculation Agent is to perform this function)
- (c) If Screen Rate Determination:
 - Reference Rate: [JIBAR] [Other (specify)]
 - Interest Determination Date[s]: [The first day of each Interest Period] [Other (give details)]
 - Relevant Screen Page and Reference Code: []

- Relevant Time: []
 - Relevant Financial Centre: []
 - (d) If ISDA Determination:
 - Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []
 - ISDA Definitions to apply: [Yes] [No]
 - (e) Margin[s]: [[+/-][]% ([] percent) per annum]
 - (f) Minimum Rate[s] of Interest: []
 - (g) Maximum Rate[s] of Interest: []
 - (h) Interest Payment Date[s]: [[] in each year] [Maturity Date] [adjusted in accordance with [specify Business Day Convention and any applicable Additional Business Centre(s) for the definition of "Business Day"] / not adjusted]
 - (i) Interest Period[s]: [As stated in Condition 1 (Interpretation)] [Other (specify)]
 - (j) Specified Period: [] [N/A] (Specified Period and Interest Payment Dates are alternatives. A Specified Period, rather than specified Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, the Floating Rate Convention or the Eurodollar Convention. Otherwise insert "N/A")
 - (k) Day Count Fraction: [Actual/Actual (ICMA)] [Actual/365] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]
 - (l) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on the Floating Rate Notes, if different from those set out in the Terms and Conditions []
23. Zero Coupon Note Provisions: [Applicable] / [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Implied Yield: []% ([] percent) per annum
 - (b) Reference Price: []
 - (c) any other formula/basis for determining amount payable: []
24. Index Linked Interest Note Provisions: [Applicable] / [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Index/Formula: [Give or annex details]
 - (b) Party responsible for calculating the Interest Rate[s] and Interest Amount[s] (if not the Calculation Agent): [Name] shall be the Calculation Agent (no need to specify if the Calculation Agent is to perform this function)
 - (c) Provisions for determining the Interest Amount(s) where []

calculation by reference to the Index and/or Formula is impossible or impracticable:

- (d) Interest Payment Date[s]: [[] in each year] [Maturity Date] [adjusted in accordance with [specify Business Day Convention and any applicable Additional Business Centre(s) for the definition of "Business Day"] / not adjusted]
- (e) Interest Period[s]: [As stated in Condition 1 (Interpretation)] [Other (specify)]
- (f) Additional Business Centre[s]: []
- (g) Minimum Rate[s] of Interest: []
- (h) Maximum Rate[s] of Interest: []
- (i) Day Count Fraction: [Actual/Actual (ICMA)] [Actual/365] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]
- (j) Market Disruption or Settlement Disruption Events: [Describe any market disruption or settlement disruption events that affect the Index]
- (k) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision): []

25. **Dual Currency Note Provisions:** [Applicable] / [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)

- (a) Rate of Exchange/method of calculating Rate of Exchange: [Give details]
- (b) Party responsible for calculating the principal and/or interest due (if not the Calculation Agent): [Name] shall be the Calculation Agent (no need to specify if the Calculation Agent is to perform this function)
- (c) Provisions applicable where calculation by reference to Rate of Exchange is impossible or impracticable: []
- (d) Person at whose option Specified Currency(ies) is/are payable: []

26. **Mixed Rate Note Provisions:** [Applicable] / [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)

Period(s) during which the Interest Rate for the Mixed Rate Notes will be (as applicable) that for:

- (a) Fixed Rate Notes: []
- (b) Floating Rate Notes: []
- (c) Index Linked Interest Notes: []
- (d) Dual Currency Notes: []
- (e) Other Notes: []

S20.14(b) **Provisions relating to redemption**

- 27. Exchange Rate Time: [] [N/A]
- 28. Maturity Date: [] [subject as provided in Conditions 9.1.2.4,

9.1.2.5 and 9.1.2.6(vi) (include for Credit Linked Notes)]

29. Early Redemption following the occurrence of:
- (a) Tax Event: [Applicable] [N/A]
 - (b) Change in Law: [Applicable] [N/A]
 - (c) Hedging Disruption: [Applicable] [N/A]
 - (d) Increased Cost of Hedging: [Applicable] [N/A]
30. Early Redemption at the Option of the Issuer: [Applicable] [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Optional Redemption Date[s]: []
 - (b) Optional Redemption Amount[s] and method, if any, of calculation of such amount[s]: []
 - (c) Optional Redemption Payment Date: [Optional Redemption Date] [Other (specify)]
 - (d) Notice period: [As stated in Condition 9.3 (Early Redemption at the Option of the Issuer)] [Other (specify)]
 - (e) If redeemable in part: [Applicable] [N/A]
 - Minimum Redemption Amount(s): []
 - Higher Redemption Amount(s) []
31. Early Redemption at the Option of the Noteholders: [Applicable] [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Optional Redemption Date[s]: []
 - (b) Optional Redemption Amount[s] and method, if any, of calculation of such amount[s]: []
 - (c) Optional Redemption Payment Date: [Optional Redemption Date] [Other (specify)]
 - (d) Notice period: [As stated in Condition 9.2 (Early Redemption at the Option of Noteholders)] [Other (specify)]
 - (e) Daily Maximum Amount: [] [N/A]
 - (f) If redeemable in part: [Applicable] [N/A]
 - Minimum Redemption Amount(s): []
 - Higher Redemption Amount(s) []
32. Valuation Date: [] [N/A]
33. Valuation Time: [] [N/A]
34. Market Disruption Event: [Applicable] [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Trading Disruption: [Applicable] [N/A]
 - (b) Exchange Disruption: [Applicable] [N/A]
 - (c) Early Closure: [Applicable] [N/A]

35. (a) Averaging Dates: [] [N/A]
- (b) Consequences of an Averaging Date being a Disrupted Day: [Omission] [Postponement] [Modified Postponement] [N/A]
36. Final Redemption Amount: [] % ([] percent) of par
 In cases where the Note is an Indexed Linked Redemption Note or other variable-linked Note: [give or annex details] [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Index/Formula/variable: []
- (b) Party responsible for calculating the Final Redemption Amount (if not the Calculation Agent): []
- (c) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: []
- (d) Determination Date[s]: []
- (e) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: []
- (f) Payment Date: []
- (g) Minimum Final Redemption Amount: []
- (h) Maximum Final Redemption Amount: []
37. Early Redemption Amount: [In relation to an Early Redemption in accordance with Condition 9.5 (*Early Redemption Amounts*), an amount in [] as determined by the Determination Agent in its sole discretion using its reasonable judgement] [Other (*specify*)]
38. Settlement Currency: []
39. The maximum and minimum number of Business Days prior to the Early Redemption Date on which Issuer Redemption Notices and Special Redemption Notices must be given by the Issuer: [2 (two), as stated in the Terms and Conditions] [Other (*specify*)]
40. Time for receipt of Early Redemption Notice and/or Noteholder's Notice: [10:00 am Johannesburg time, as stated in the Terms and Conditions] [Other (*specify*)]
41. Redemption Notice Time: [10:00 am Johannesburg time, as stated in the Terms and Conditions] [Other (*specify*)]
42. Procedures for giving Issuer Redemption Notice if other than as specified in Condition 10.3 (*Redemption Notices*): [] [N/A]
43. Procedure for giving Special Redemption Notice if other than as [] [N/A]

- specified in Condition 10.3 (*Redemption Notices*):
44. Basis for selecting Notes where Daily Maximum Amount is exceeded if other than on a pro rata basis: [] [N/A]
45. Additional provisions relating to the redemption of the Notes: [] [N/A]
46. **Instalment Note Provisions:** [Applicable] [N/A] (*if not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (a) Instalment Dates: []
- (b) Instalment Amounts (expressed as a percentage of the aggregate Nominal Amount of the Notes): []
47. **Exchangeable Notes Provisions:** [Applicable] [N/A] (*if not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (a) Mandatory Exchange applicable: [Yes] [No]
- (b) Noteholders' Exchange Rights applicable: [Yes] [No]
- (c) Exchange Securities: []
- (d) Manner of determining Exchange Price: []
- (e) Exchange Period: []
- (f) Other terms or special conditions: []
48. **Equity Linked Notes, Equity Basket Notes Provisions:** [Applicable] [N/A] (*if not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (a) Whether the Notes relate to a single equity security or a basket of equity securities (each, an "Underlying Security") and the identity of the relevant issuer(s) and class of the Underlying Security (each, an "Underlying Company"): [Single Underlying Security]
[Basket of Underlying Securities]
(If the Notes are listed on an Exchange, give or annex details of the Underlying Security(ies) and Underlying Company(ies))
- (b) Whether redemption of the Notes will be by (i) Cash Settlement, (ii) Physical Settlement or (iii) in certain circumstances depending on the closing price of the Underlying Securities, Cash Settlement or Physical Delivery at the option of the Issuer: [Cash Settlement]
[Physical Settlement]
[In the event of (*describe triggers linked to the closing price of the Underlying Securities*), Cash Settlement or Physical Delivery at the option of the Issuer]
- (c) Exchange[s]: []
- (d) Related Exchange[s]: []
- (e) Exchange Rate: [Insert Details] [N/A]
- (f) Weighting for each Underlying Security comprising the basket: [Insert Details] [N/A]
- (g) Delivery provisions for Underlying Securities (including details of who is to make such [As stated in the Terms and Conditions] [Other (*specify*)] (*only applicable where Physical Delivery is, depending on the closing price of the Underlying*

- delivery):
- (h) Substitution of Shares: [Applicable] [N/A]
- (i) Physical Settlement: [Applicable] [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)
- legislation under which the Underlying Securities are created []
 - form of the Underlying Securities Bearer/Registered form certificate/uncertificated form
[If in uncertificated form, specify entity responsible for record keeping]
 - currency of the Underlying Securities []
 - description of the rights, including limitations thereon, attached to the Underlying Securities [Dividend rights]
[Voting rights]
[Pre-emption rights]
[Right to share of profits]
[Share in surplus of liquidation]
[Redemption/Conversion rights]
 - restrictions, if any, on the free transferability of the Underlying Securities []
- (j) Other terms or special conditions: []
49. **Single Index Notes, Basket of Indices Notes Provisions:** [Applicable] [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Whether the Notes relate to a single index or a basket of indices and the identity of the relevant Index/Indices and details of the relevant sponsors: [Single Index] [Basket of Indices]
(Give or annex details)
 - (b) Exchange[s]: [] [The/Each Index is a Multi-Exchange Index]
 - (c) Related Exchange[s]: [] [All Relevant Stock Exchanges]
 - (d) Weighting for each Index comprising the basket: [] (Insert details) [N/A]
 - (e) Other terms or special conditions: []
50. **Currency Linked Notes Provisions:** [Applicable] [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Relevant Currency: []
 - (b) Other terms or special conditions: []
51. **Credit Linked Notes Provisions:** [Applicable] [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Redemption Amount: [] (express per Denomination of each Note)
 - (b) Trade Date: []
 - (c) Scheduled Maturity Date: []
 - (d) Calculation Agent City: []

- (e) Reference Entity[ies]: []
- (f) Reference Obligation[s]: []
 [The obligation[s] identified as follows:
 Primary Obligor: []
 Guarantor: []
 Maturity: []
 Coupon: []
 CUSIP/ISIN:] []
- (g) All Guarantees: [Applicable] [N/A]
- (h) Credit Events: [Bankruptcy]
 [Failure to Pay] [Applicable / N/A]
 [Grace Period Extension
 [If applicable:
 Grace Period: []]
 [Obligation Default]
 [Obligation Acceleration]
 [Repudiation/Moratorium]
 [Restructuring]
 - [Restructuring Maturity Limitation and Fully Transferable Obligation [Applicable / N/A]]
 - [Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation [Applicable / N/A]]
 [Other (specify)]
- Default Requirement: []
- Payment Requirement: []
- (i) Notice Delivery Period: []
- (j) Conditions to Settlement: Notice of Publicly Available Information: [Applicable]
 [N/A]
 [If Applicable:
 Public Source(s): []
 Specified Number: []]
- (k) Obligation[s]:
 Obligation Category
 (select one only) [Payment]
 [Borrowed Money]
 [Reference Obligations Only]
 [Bond]
 [Loan]
 [Bond or Loan]
- Obligation Characteristics
 (select all of which apply) [Not Subordinated]
 [Specified Currency:
 (specify currency)
 [Not Sovereign Lender]
 [Not Domestic Currency:]
 [Domestic Currency means: (specify currency)]
 [Not Domestic Law]

	[Listed]
	[Not Domestic Issuance]
Additional Obligation[s]:	[]
(l) Excluded Obligation[s]:	[]
(m) Whether redemption of the Notes will be by (a) Cash Settlement or (b) Cash Settlement or Physical Delivery at the option of the Issuer:	[Cash Settlement] [Cash Settlement or Physical Delivery at the option of the Issuer]
(n) Accrual of Interest Upon Credit Event:	[Applicable] [N/A]
(o) Merger Event Redemption Date:	[]
<i>Terms relating to Cash Settlement</i>	
(p) Credit Event Redemption Amount:	[express per each Note Denomination]
(q) Credit Event Redemption Date:	[] Business Days
(r) Valuation Date:	[Single Valuation Date: [] Business Days] [Multiple Valuation Dates: [] Business Days; and each [] Business Days thereafter. Number of Valuation Dates: []]
(s) Valuation Time:	[]
(t) Quotation Method:	[Bid] [Offer] [Mid-Market]
(u) Quotation Amount:	[] [Representative Amount]
(v) Dealers:	[]
(w) Quotations:	[Include Accrued Interest] [Exclude Accrued Interest]
(x) Valuation Method:	[Market/Highest] [Average Market/Highest/Average Highest] [Blended Market/Blended Highest] [Average Blended Market/Average Blended Highest]
(y) Other terms or special conditions:	[]
<i>Terms relating to Physical Delivery</i>	
(z) Physical Settlement Period:	[] Business Days
(aa) Deliverable Amount:	[Include Accrued Interest] [Exclude Accrued Interest]
(bb) Settlement Currency:	[]
(cc) Deliverable Obligations:	
Deliverable Obligation Category (select only one)	[Payment] [Borrowed Money] [Reference Obligations Only] [Bond] [Loan] [Bond or Loan]

	Deliverable Characteristics (select all of which apply)	Obligation	[Not Subordinated] [Specified Currency: [] (specify currency) [Standard Specified Currencies] [Not Sovereign Lender] [Not Domestic Currency] [Domestic Currency means: [] (specify currency)] [Not Domestic Law] [Listed] [Not Contingent] [Not Domestic Issuance] [Assignable Loan] [Consent Required Loan] [Direct Loan Participation] [Qualifying Participation Seller: [] (insert details)] [Transferable] [Maximum Maturity: []] [Accelerated or Matured] [Not Bearer]
	Additional Obligation[s]:	Deliverable	[]
(dd)	Excluded Obligation[s]:	Deliverable	[]
(ee)	Indicative Quotations:		[] [N/A]
(ff)	Cut-off Date:		[]
(gg)	Delivery provisions for the Deliverable Amount (including details of who is to make such delivery) if different from Terms and Conditions:		[As stated in the Programme Memorandum] [Other (specify)]
(hh)	Other terms or special conditions:		[]
52.	Commodity Linked Notes Provisions:		[Applicable] [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)
(a)	Trade Date:		[]
(b)	Relevant Commodity/ies or Commodity Index/Indices:		[]
(c)	Commodity Reference Price:		[specify Commodity Reference Price]
(d)	Exchange:		[]
(e)	Specified Price:		[[Bid] [Asked] [Average of high and low prices][Final settlement price]] [Morning fixing] [Other (specify)] (if appropriate, specify time as of which the price will be determined)
(f)	Delivery Date:		[] (specify whether price based on spot market, First Nearby Month, Second Nearby Month, etc.)
(g)	Pricing Date:		[], subject to adjustment in accordance with the Commodity Business Day Convention.
	Common Pricing:		[Applicable] [N/A]

(include only if Basket of Commodities)

- (h) Commodity Market Disruption Events: [As stated in Condition 11.7 (*Commodity Linked Notes*)]
[specify any other applicable additional Commodity Market Disruption Events]
- Disruption Fallback[s]: [As stated in Condition 11.7 (*Commodity Linked Notes*)]
[specify any other applicable additional Disruption Fallback(s)]
- Additional provisions for Trading Disruption: [N/A]
[If Trading Disruption applies, specify any additional futures contracts, options contracts or commodities and the related exchange to which Trading Disruption relates]
- (i) Commodity Business Day[s]: []
- (j) Commodity Business Day Convention: [Following Business Day Convention]
[Modified Following Business Day Convention]
[Nearest Business Day Convention]
[Preceding Business Day Convention]
[No Adjustment]
- (k) Other terms or special conditions: []

Provisions relating to settlement

53. Settlement type: [Cash Settlement] [Physical Settlement] [Cash or Physical Settlement at the Issuer's option, provided certain conditions are met with respect to the closing price of the Underlying Security]
54. Board Lot: [Applicable] [N/A]
55. Currency in which cash settlement will be made: []
56. Early Redemption Payment Date: [As defined in Condition 1 (*Interpretation*)]
[Other (*specify*)]
57. Clearing System: []
58. Physical Delivery Date: [As defined in Condition 1 (*Interpretation*)]
[Other (*specify*)]

Definitions

59. Definition of Business Day: [As defined in Condition 1 (*Interpretation*)]
[Other (*specify*)]
60. Definition of Exchange Business Day: [As defined in Condition 1 (*Interpretation*)]
[Other (*specify*)]
61. Definition of Maturity Notice Time: [As defined in Condition 1 (*Interpretation*)]
[Other (*specify*)]
62. Definition of Issuer Tax Event: [As defined in Condition 1 (*Interpretation*)]
[Other (*specify*)]

General Provisions

63. Business Day Convention: [Floating Rate Convention]

- [FRN Convention]
 [Eurodollar Convention]
 [Following Business Day Convention]
 [Modified Following Business Day Convention]
 [Nearest Business Day Convention]
 [Preceding Business Day Convention]
 [No Adjustment]
64. Relevant Clearing System: [Strate]
 [Specify details if different]
65. (a) Reuters page(s) (or other reference source) from which the exchange rate for currency conversion will be taken when calculating the Redemption Amount and/or the Early Redemption Amount, or [] [N/A]
- (b) the Reference Bank or Central Bank quoting the exchange rate for conversion pursuant to Condition 10.9.1 (*Exchange Date*) [] [N/A]
66. Last Day to Register: []
67. Books Closed Period[s]: The Register will be closed from [] to [] and from [] to [] (all dates inclusive) in each year until the Maturity Date
68. Determination Agent: []
69. Specified Office of the Determination Agent: []
70. Specified Office of the Issuer: []
71. Calculation Agent: []
72. Specified Office of the Calculation Agent: []
73. Paying Agent: []
74. Specified Office of the Paying Agent: []
75. Transfer Agent: []
76. Specified Office of the Transfer Agent: []
77. Provisions relating to stabilisation: []
78. Stabilising manager: []
79. Additional Selling Restrictions: []
80. ISIN No.: []
81. Stock Code: []
82. Method of distribution: [Syndicated] [Non-syndicated]
83. If syndicated, names of Managers: [] [N/A]
84. If non-syndicated, name of Dealer: [] [N/A]
85. Governing law (if the laws of South Africa are not applicable): []

86. Other Banking Jurisdiction: []
87. Surrendering of Notes in the case of Notes represented by a Certificate: [] days after the date on which the Certificate in respect of the Note to be redeemed has been surrendered to the Issuer
88. Use of proceeds: []
89. Pricing Methodology: [Standard JSE pricing methodology / other – insert details] [N/A]
90. Ratings: [The short term unsecured obligations of the Issuer are rated [] by Standard & Poor's, [] by Moody's and [] by Fitch Ratings Limited and the long-term obligations of the Issuer are rated [] by Standard & Poor's, [] by Moody's and [] by Fitch Ratings Limited.

For the avoidance of doubt, the Notes have not been individually rated.] [N/A]

[The Notes to be issued have been rated:

[S & P: []]

[Moody's: []]

[Fitch: []]

[[Other]: []]

91. Receipts attached? [Yes] [No]
If yes, number of Receipts attached: []
92. Coupons attached? [Yes][No]
If yes, number of Coupons attached: []
93. Stripping of Receipts and/or Coupons prohibited as provided in Condition 17.4 (*Prohibition on Stripping*): [Yes] [No]
94. Any Conditions additional to, or modified from, those set forth in the Terms and Conditions: [] [N/A]

s7.c.5 Responsibility:

The Issuer accepts responsibility for the information contained in this Applicable Pricing Supplement. Application [is hereby]/[will not be] made to list this issue of Notes [on • • • • •].

SIGNED at _____ on this _____ day of _____ 200•

For and on behalf of
FIRSTRAND BANK LIMITED

For and on behalf of
FIRSTRAND BANK LIMITED

Name:
Capacity:
Who warrants his authority hereto

Name:
Capacity:
Who warrants his authority hereto

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes to be issued by the Issuer which (subject to completion and amendment) will be incorporated by reference into each Note. A Tranche of Notes will be issued on, and subject to, the below Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Tranche of Notes set out in the Applicable Pricing Supplement.

Before the Issuer issues any Tranche of listed Notes, the Issuer shall complete, sign and deliver to the JSE or such other or further exchange or exchanges and the CSD a pricing supplement based on the *pro forma* Applicable Pricing Supplement included in the Programme Memorandum setting out details of such Notes.

The Notes may be Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes, Indexed Linked Interest Notes or Notes utilising any other basis for determining interest payable on the Notes (if any), or a combination of the foregoing depending on the Interest Basis specified in the Applicable Pricing Supplement. The Notes may be Standard Notes or Structured Notes as specified in the Applicable Pricing Supplement. Structured Notes may comprise Equity Linked Notes, Equity Basket Notes, Single Index Notes, Basket of Indices Notes, Currency Linked Notes, Credit Linked Notes, Commodity Linked Notes or Non-Standard Structured Notes, or a combination of the foregoing, depending on the Type of Structured Note specified in the Applicable Pricing Supplement.

Although many of the Terms and Conditions contained in this Programme Memorandum are applicable to all of the types of Notes that may be issued by the Issuer under the Programme, due to the diverse nature and characteristics of the different types of Notes, some of the Terms and Conditions will not be applicable, whether in whole or in part, to certain types of Notes. The application of any Term and Condition to a particular type of Note may be altered and the relevant Applicable Pricing Supplement may specify additional terms and conditions which apply to the relevant Notes, which shall, to the extent so specified replace or modify these Terms and Conditions for the purposes of these Notes. The Applicable Pricing Supplement for each Tranche of Notes is (to the extent relevant) incorporated herein for the purposes of those Notes and supplements these Terms and Conditions.

If there is any conflict or inconsistency between provisions set out in the Applicable Pricing Supplement and the provisions set out in these Terms and Conditions of the Notes, then the provisions in the Applicable Pricing Supplement will prevail.

Capitalised expressions used in the Applicable Pricing Supplement shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated.

1. INTERPRETATION

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

“**Acceleration Notice**” has the meaning set out in Condition 19.1 (*Events of Default*);

“**Affected Jurisdiction**” means the jurisdiction of the Hedge Positions as specified in the Applicable Pricing Supplement;

“**Affiliate**” means, in relation to the Issuer, any Subsidiary of the Issuer or a Holding Company of the Issuer or any other Subsidiary of that Holding Company;

“**Agents**” means the Calculation Agent(s), the Determination Agent(s), the Paying Agent(s) and the Transfer Agent(s) and “**Agent**” means, as the context requires, any one of them;

“**Announcement Date**” means (a) in respect of a Merger Event or Nationalisation or Delisting, the date of the first public announcement of a firm intention, in the case of a Merger Event, to merge or to make an offer and, in the case of a Nationalisation, to nationalise (whether or not amended or on the terms originally announced) and, in the case of a Delisting, the date of the first public announcement by the

Exchange that the relevant shares will cease to be listed, traded or publicly quoted, that leads to the Merger Event or the Nationalisation or Delisting, as the case may be, and (b) in respect of an Insolvency, the date of the first public announcement of the institution of a proceeding, presentation of a petition or passing of a resolution (or other analogous procedure in any jurisdiction) that leads to the Insolvency, in each case as determined by the Determination Agent;

"Applicable Pricing Supplement" means, in relation to a Tranche of Notes, the pricing supplement completed and signed by the Issuer in relation to that Tranche of Notes, setting out the additional and/or other terms and conditions as are applicable to that Tranche of Notes, based upon the *pro forma* applicable pricing supplement which is set out in the section of the Programme Memorandum entitled "*Pro Forma Applicable Pricing Supplement*";

"Applicable Procedures" means the rules and operating procedures for the time being of the CSD and the JSE, as the case may be;

"Averaging Date" means, in respect of each Valuation Date, each date specified or otherwise determined in the manner specified in the Applicable Pricing Supplement (or, if such day is not a Scheduled Trading Day, the next following Scheduled Trading Day);

"Bank Account" means the cash account of the Paying Agent at the Relevant Clearing System as notified by the Paying Agent when requested by the relevant Noteholder or the Issuer, as the case may be;

"Banks Act" means the Banks Act, 1990;

"Basket Companies" means, in relation to a particular Tranche of Notes, the companies identified in the Applicable Pricing Supplement as the companies whose securities and/or equity units comprise the Basket of Securities for such Tranche of Notes;

"Basket of Commodities" means, in relation to a particular Tranche of Notes, a basket composed of Relevant Commodities and/or Commodity Indices in the relative proportions specified in the Applicable Pricing Supplement;

"Basket of Commodities Note" means a Note, payments in respect of which will be calculated by reference to a Basket of Commodities as specified in the Applicable Pricing Supplement;

"Basket of Indices" means, in relation to a particular Tranche of Notes, a basket composed of each Index specified in the Applicable Pricing Supplement in the relative proportions indicated in the Applicable Pricing Supplement;

"Basket of Indices Note" means a Note, payments in respect of which will be calculated by reference to a Basket of Indices as are specified in the Applicable Pricing Supplement;

"Basket of Securities" means, in relation to a particular Tranche of Notes, a basket composed of Underlying Securities of each of the Basket Companies specified in the Applicable Pricing Supplement in the relative proportions and numbers of Underlying Securities of each Basket Company specified in the Applicable Pricing Supplement;

"Basket of Shares" means, in relation to a particular Tranche of Notes, a basket composed of Shares of each Basket Company specified in the Applicable Pricing Supplement in the relative proportions and numbers of Shares of each Basket Company specified in the Applicable Pricing Supplement;

"Bearer" means the bearer of a Certificate evidencing a Bearer Note or of a Receipt or Coupon attached to such Certificate in issue;

"Bearer Note" means a Note payable to the Bearer thereof, transferable by way of delivery in accordance with Condition 17.2 (*Transfer of Bearer Notes*) and the term "*Bearer Note*" shall include the rights to payment of any interest or principal represented by a Coupon or Receipt (if any) attached on issue to the Certificate evidencing such Bearer Note;

"Beneficial Interest" means, in relation to a Tranche of Notes which is held in the CSD, the beneficial

interest as co-owner of an undivided share of all of the Notes in that Tranche, as contemplated in section 41(1) of the Securities Services Act, the nominal value of which beneficial interest, in relation to any number of Notes in that Tranche, is determined by reference to the proportion that the aggregate outstanding Nominal Amount of such number of Notes bears to the aggregate outstanding Nominal Amount of all of the Notes in that Tranche, as provided in section 41(3) of the Securities Services Act;

“**Board Lot**” means the minimum board lot for the trading of the Underlying Securities on the relevant Exchange as from time to time specified by such Exchange;

“**Board Lot Payment**” has the meaning given to it in Condition 13.4 (*Minimum Board Lot*);

“**Books Closed Period**” means the period, as specified in the Applicable Pricing Supplement, commencing after the Last Day to Register, during which transfer of the Notes will not be registered, or such shorter period as the Issuer may decide in order to determine those Noteholders entitled to receive interest;

“**Borrowed Money**” means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit);

“**Business Day**” means a day which is both:

- (a) a day (other than a Saturday or Sunday or public holiday within the meaning of the Public Holidays Act, 1994) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Johannesburg and any Additional Business Centre specified in the Applicable Pricing Supplement; and
- (b) either:
 - (i) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant currency (if other than Johannesburg and any Additional Business Centre specified in the Applicable Pricing Supplement); or
 - (ii) in relation to any sum payable in euro, a day on which the TARGET System is open,

save that, if the Applicable Pricing Supplement so provides, “*Business Day*” shall include a Saturday;

“**Business Day Convention**” means any of the business day conventions specified in Condition 7.8 (*Business Day Convention*);

“**Calculation Agent**” means RMB, unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Notes, another entity as Calculation Agent in respect of that Tranche or Series of Notes;

“**Cash Account**” means the cash account at the Relevant Clearing System designated by a Noteholder in a Maturity Redemption Notice, an Early Redemption Notice or a Noteholder’s Notice, as the case may be, or otherwise notified to the Issuer;

“**Cash Settlement Amount**” means for each Undeliverable Obligation an amount calculated by the Determination Agent equal to the greater of (a) (i) the outstanding principal balance, Due and Payable Amount or Currency Amount, as applicable, of each Undeliverable Obligation multiplied by (ii) the Final Price with respect to such Undeliverable Obligation less (iii) any costs incurred by the Issuer in connection therewith, and (b) zero;

“**Cash Settlement Date**” is deemed to be the date falling three Business Days after the calculation of the Final Price;

"Certificate" means a Global Certificate and/or an Individual Certificate, as the context requires;

"Change in Law" means that, on or after the Issue Date of any Series of Notes (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in good faith that (i) it has become illegal to hold, acquire, deal in or dispose of the Underlying Securities or any other property or assets comprised in an Index, any Currency, any Future Contracts or Commodities or contracts in securities, options, futures, derivatives or foreign exchange relating to such Notes, or (ii) it will incur a materially increased cost in performing its obligations under such Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"Class of Noteholders" means the holders of a Series of Notes or, where appropriate, the holders of different Series of Notes;

"Clearing System" means, in respect of an Underlying Security relating to a Physically Settled Transaction, the clearing system specified as such for such Underlying Security in the Applicable Pricing Supplement or any successor to such clearing system as determined by the Determination Agent. If the Applicable Pricing Supplement does not specify a Clearing System, the Clearing System will be the principal domestic clearing system customarily used for settling trades in the relevant Underlying Security. If the Clearing System ceases to settle trades in such Underlying Security, the Determination Agent will, acting in good faith and in a commercially reasonable manner, select another method of delivery;

"Clearing System Business Day" means, in respect of a Clearing System, any day on which such Clearing System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions;

"Commodity Business Day" means, in respect of a Commodity Linked Note, (a) in respect of any Note for which the Commodity Reference Price is a price announced or published by an Exchange, a day that is (or would have been, but for the occurrence of a Commodity Market Disruption Event) a day on which that Exchange is open for trading during its regular trading session, notwithstanding any such Exchange closing prior to its scheduled closing time and (b) in respect of any Note for which the Commodity Reference Price is not a price announced or published by an Exchange, a day in respect of which the relevant Price Source published (or would have published, but for the occurrence of a Commodity Market Disruption Event) a price;

"Commodity Business Day Convention" means, in respect of a Commodity Linked Note, any of the business day conventions specified in Condition 7.8 (*Business Day Convention*);

"Commodity Index" means, in relation to a Commodity Linked Note, an index comprising various commodities, as is specified in the Applicable Pricing Supplement;

"Commodity Linked Note" means a Note, payments in respect of which will be calculated by reference to the price of a Relevant Commodity, Commodity Index or a Basket of Commodities, each as specified in the Applicable Pricing Supplement;

"Commodity Reference Price" means, in relation to a Commodity Linked Note, the commodity reference price specified in the Applicable Pricing Supplement;

"Common Monetary Area" means South Africa, Lesotho, Namibia, and Swaziland;

"Companies Act" means the Companies Act, 1973;

"Component" means in relation to an Index, any security which comprises such Index;

"Conditions to Settlement" means, in respect of a Credit Linked Note, the delivery by the Determination Agent to the Issuer of a Credit Event Notice that is effective during the Notice Delivery Period and the

further conditions, if any, set out in the Applicable Pricing Supplement;

"Coupon" means an interest coupon evidencing title to an interest payment in respect of an interest bearing Note which is a Bearer Note or an Order Note, attached to the Certificate evidencing such interest bearing Note;

"Credit Event" means the occurrence during the Notice Delivery Period of any one or more of the Credit Events specified and defined in the Applicable Pricing Supplement or any additional Credit Event each as specified in the Applicable Pricing Supplement, as determined by the Determination Agent.

If an occurrence would otherwise constitute a Credit Event, such occurrence will constitute a Credit Event whether or not such occurrence arises directly or indirectly from, or is subject to a defence based upon:

- (a) any lack or alleged lack of authority or capacity of a Reference Entity to enter into any Obligation;
- (b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation however described;
- (c) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or
- (d) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

"Credit Event Determination Date" means the date on which the Conditions to Settlement in respect of a Credit Linked Note are satisfied;

"Credit Event Notice" means, subject as provided in the Applicable Pricing Supplement, an irrevocable notice from the Determination Agent to the Issuer that describes a Credit Event that occurred during the Notice Delivery Period. A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. The Credit Event that is the subject to the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective;

"Credit Event Redemption Amount" means the amount calculated in the manner and in accordance with the formula specified in the Applicable Pricing Supplement;

"Credit Event Redemption Date" means the day following the number of Business Days specified in the Applicable Pricing Supplement after the calculation of the Final Price;

"Credit Linked Note" means a Note, payments in respect of which will be made by reference to the credit of the specified entity or entities, as specified in the Applicable Pricing Supplement;

"CSD" means Strate, or its nominee, operating in terms of the Securities Services Act (or any successor legislation thereto), or any additional or alternate depository approved by the Issuer;

"CSD's Nominee" means a wholly owned subsidiary of the CSD approved by the Registrar of Securities Services in terms of the Securities Services Act, and any reference to "CSD's Nominee" shall, whenever the context permits, be deemed to include any successor nominee operating in terms of the Securities Services Act;

"Currency" means the money in use of a country;

"Currency Amount" means, whenever an amount is denominated in a currency other than the Settlement Currency and is specified to be determined by reference to a Currency Amount, such amount converted to the relevant Settlement Currency using the Currency Rate;

“Currency Linked Note” means a Note, payments in respect of which are made in such currencies and by reference to such rates of exchange and/or formulae, as specified by the Issuer in the Applicable Pricing Supplement;

“Currency Rate” means:

- (a) the rate determined by the Determination Agent equal to the rate of conversion of the currency of the Deliverable Obligation into the Settlement Currency by reference to:
 - (i) if the Settlement Currency is US Dollars, the Federal Reserve Bank of New York 10:00 am (New York time) mid-point rate as displayed on Reuters page FEDSPOT on the date that the Notice of Physical Settlement is deemed given, or in such other manner as it shall in a commercially reasonable manner determine; or
 - (ii) if the Settlement Currency is Euro, the MEAN price as displayed on Reuters Page EUROFX/1 as of 12:00 pm (London time) on the date that the Notice of Physical Settlement is deemed given, or in such other commercially reasonable manner as it shall determine; or
- (b) if the Settlement Currency is not US Dollars or Euro, the rate determined by the Determination Agent in its sole and absolute discretion in a commercially reasonable manner;

“Daily Maximum Amount” has the meaning given to it in Condition 13.3 (*Maximum number of Notes redeemable on any particular day*);

“Day Count Fraction” means, in relation to a Tranche of Notes (where applicable) and the calculation of an amount for any period of time (the **“Calculation Period”**), the day count fraction specified as such in the Terms and Conditions or the Applicable Pricing Supplement and:

- (a) if **“Actual/Actual (ICMA)”** is so specified:
 - (i) where the Calculation Period is equal to or shorter than the Determination Period during which it falls, the actual number of days in the Calculation Period divided by the product of (A) the actual number of days in such Regular Period and (B) the number of Regular Periods in any year; and
 - (ii) where the Calculation Period is longer than one Regular Period, the sum of:
 - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (x) the actual number of days in such Regular Period and (y) the number of Regular Periods in any year; and
 - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (x) the actual number of days in such Regular Period and (y) the number of Regular Periods normally ending in any year;
- (b) if **“Actual/365”** **“Actual/Actual (ISDA)”** is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if **“Actual/365 (Fixed)”** is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) if **“Actual/360”** is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if **“30/360”**, **“360/360”** or **“Bond Basis”** is so specified, means the number of days in the

Calculation period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the first day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the first day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (f) if "30E/360" or "Eurobond Basis" is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period unless such number would be 31, in which case D₂ will be 30;

- (g) if "30E/360 (ISDA)" is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30;

"Dealer" means RMB, unless the Issuer elects to appoint any other entity(ies) as Dealer, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the appointment of any such Dealer, as indicated in the Applicable Pricing Supplement;

"Default Rate" means in relation to a Tranche of Notes, the default rate specified as such in the Applicable Pricing Supplement;

"Default Requirement" means the amount specified as such in the Applicable Pricing Supplement, or if none is specified, ZAR[•] or its equivalent as calculated by the Determination Agent in the relevant currency as of the occurrence of the relevant Credit Event;

"Delisting" means, in respect of any Underlying Securities, that the Exchange announces that pursuant to the rules of such Exchange, the Underlying Securities cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union);

"Deliverable Amount" means, in respect of each Nominal Amount of Notes equal to the lowest denomination, Deliverable Obligations as selected by the Determination Agent in its sole discretion with:

(a) in the case of Deliverable Obligations that are Borrowed Money, an outstanding principal balance (including accrued but unpaid interest, as determined by the Determination Agent, if "Include Accrued Interest" is specified as applying in the Applicable Pricing Supplement, but excluding accrued but unpaid interest if "Exclude Accrued Interest" is specified as applying in the Applicable Pricing Supplement, and if neither "Include Accrued Interest" nor "Exclude Accrued Interest" is specified as applying in the Applicable Pricing Supplement, excluding accrued but unpaid interest); or

(b) in the case of Deliverable Obligations that are not Borrowed Money, a Due and Payable Amount,

(or, in the case of either (a) or (b), the equivalent Currency Amount of any such amount), in an aggregate amount as of the relevant Delivery Date equal to the lowest denomination of a Note less Deliverable Obligations with a market value determined by the Determination Agent in its sole discretion on the Business Day selected by the Determination Agent falling during the period from and including the Credit Event Determination Date to and including the Delivery Date equal to any costs which the Applicable Pricing Supplement specifies are to be deducted from the Deliverable Amount (which may, without limitation, include the costs of the Issuer incurred in connection with the redemption of the Notes and related termination or re-establishment of any hedge or related trading position).

If an Obligation by its terms represents or contemplates an obligation to pay an amount greater than the

outstanding principal balance of such Obligation as of the Delivery Date as a result of the occurrence or non-occurrence of an event or circumstance, the outstanding principal balance of such Obligation shall not include any additional amount that would be payable upon the occurrence or non-occurrence of such event or circumstance.

“Deliverable Obligations” has the meaning set out in the Applicable Pricing Supplement;

“Delivery Date” means, with respect to a Deliverable Obligation, the date such Deliverable Obligation is delivered and, with respect to a Commodity Linked Note, the date specified in the Applicable Pricing Supplement;

“Deposits” means, with respect to a Deposit Note, the amount deposited by the Noteholder with the Issuer, in terms of which the Issuer issues to that Noteholder a Deposit Note subject to the Terms and Conditions;

“Deposit Note” means either a Standard Note or Structured Note which represents the aggregate principal amount of Deposits made by a Noteholder with the Issuer.

“Determination Agent” means RMB, unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Notes, another entity as Determination Agent in respect of that Tranche or Series of Notes. All determinations made by the Determination Agent pursuant to these Terms and Conditions will be notified to the Paying Agent in accordance with Condition 21 (*Notices*);

“Determination Date” means the date on which the level of an Index is to be calculated;

“Disappearance of Commodity Reference Price” means, in respect of a Commodity Linked Note, (a) the permanent discontinuation of trading in the relevant Futures Contract on the relevant Exchange; (b) the disappearance of, or of trading in, the Relevant Commodity; or (c) the disappearance or permanent discontinuance or unavailability of a Commodity Reference Price, notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract or the Relevant Commodity;

“Disrupted Day” means (a) except with respect to a Multi-exchange Index, any Scheduled Trading Day on which a relevant Exchange or Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred, and (b) with respect to any Multi-exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the Index, (ii) the Related Exchange fails to open for trading during its regular trading sessions, or (iii) a Market Disruption Event has occurred;

“Disruption Event” has the meaning set out in Condition 11.3 (*Currency Linked Notes*);

“Disruption Redemption Amount” means the Redemption Amount or Early Redemption Amount, as the case may be, calculated by the Determination Agent in its absolute discretion following the occurrence of a Disruption Event taking into consideration all available information that it deems relevant less the costs to the Issuer of unwinding any underlying related hedging arrangements;

“Dual Currency Notes” means Notes which pay interest in a base currency and the principal in a non-base currency or *vice versa*;

“Dual Exchange Rate” means, with respect to any Exchange Rate, that the Exchange Rate splits into dual or multiple currency exchange rates;

“Due and Payable Amount” means the amount that is due and payable under (and in accordance with the terms of) a Deliverable Obligation on the Delivery Date, whether by reason of acceleration, maturity, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts);

“Early Closure” means (a) except with respect to a Multi-exchange Index, the closure on any Exchange Business Day of the relevant Exchange (or in the case of a single index note or basket of Indices Note, any relevant Exchange(s) relating to securities that comprise 20 percent or more of the level of the relevant Index) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is

announced by such Exchange(s) or any Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time or the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day, and (ii) the submission deadline of orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day, and (b) with respect to any Multi-Exchange Index, the closure on any Exchange Business Day of the Exchange in respect of any Component or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or related Exchange, as the case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange, as the case may be, on such Exchange Business Day, and (ii) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day;

“Early Redemption Amount” means, in relation to any particular Tranche of Notes, the amount specified in, or determined in the manner specified in, the Applicable Pricing Supplement, or in all other cases, at the sole discretion of the Determination Agent, which will always be rounded down to the nearest minimum unit of the currency in which the payment of the Early Redemption Amount is made or, in relation to the early redemption of Notes pursuant to Condition 12.1.1 (*Consequences of Merger Events*), the Merger Event Settlement Amount, at which the Notes will be redeemed by the Issuer prior to the Maturity Date;

“Early Redemption Date” means, in relation to a particular Tranche of Notes, subject to Conditions 11 (*Rights of the Issuer in the event of a Disrupted Day or Disruption Event*) and 12 (*Adjustments*), the date on which the Issuer is obliged to redeem Notes pursuant to Condition 9.4 (*Early Redemption following the occurrence of a Tax Event, Change in Law, Hedging Disruption and/or Increased Cost of Hedging*) or Condition 19.1 (*Events of Default*), being the dates specified in the Applicable Pricing Supplement and in the absence of any such specification, shall be deemed to be the second Business Day after the Special Redemption Notice or the Acceleration Notice, as the case may be, is received (unless otherwise stated in the Applicable Pricing Supplement) provided that, in the case of a redemption pursuant to Condition 9.4 (*Early Redemption following the occurrence of a Tax Event, Change in Law, Hedging Disruption and/or Increased Cost of Hedging*), the Early Redemption Date must fall no later than 2 (two) Business Days prior to the Maturity Date;

“Early Redemption Notice” means the notice referred to in Condition 10.3.1.2;

“Early Redemption Payment Date” means the date specified as such in the Applicable Pricing Supplement and if no such date is specified, shall be the Early Redemption Date or the earliest practicable date thereafter;

“Endorsement” means an “*indorsement*”, *mutatis mutandis*, within the meaning defined in the Bills of Exchange Act, 1964;

“Endorsement in Blank” means an Endorsement which specifies no named Payee;

“Equity Basket Note” means a Note, payments in respect of which will be calculated by reference to the Basket of Securities as specified in the Applicable Pricing Supplement;

“Equity Linked Note” means a Note, payments in respect of which will be calculated by reference to the Underlying Security or Securities as specified in the Applicable Pricing Supplement;

“Event of Default” means any of the events described in Condition 19.1 (*Events of Default*);

“Exchange” means:

- (a) (i) in respect of an Index relating to Single Index Notes or Basket of Indices Notes other than a Multi-exchange Index, each exchange or quotation system specified as such for such Index or Indices in the Applicable Pricing Supplement, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the shares underlying such Index or Indices has temporarily relocated provided that the Determination Agent has determined that there is comparable liquidity relative to the shares underlying such Index or Indices on such temporary substitute exchange or quotation system as on the original Exchange, and (ii) with

respect to any Multi-exchange Index, and in respect of each Component, the principal stock exchange on which such Component is principally traded, as determined by the Determination Agent;

- (b) in respect of an Underlying Security relating to Equity Linked Notes or Equity Basket Notes, each exchange or quotation system specified as such for each Underlying Security in the Applicable Pricing Supplement, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Underlying Security has temporarily relocated provided that the Determination Agent has determined that there is comparable liquidity relative to such Underlying Security on such temporary substitute exchange or quotation system as on the original Exchange; and
- (c) in respect of a Relevant Commodity relating to Commodity Linked Notes, each exchange or principal trading market specified in the Applicable Pricing Supplement or Commodity Reference Price;

“Exchangeable Notes” means Notes which may be redeemed by the Issuer in the manner indicated in the Applicable Pricing Supplement by the delivery to the Noteholders of cash or of so many of the Exchange Securities as is determined in accordance with the Applicable Pricing Supplement;

“Exchange Business Day” means (a) except with respect to a Multi-exchange Index, any Scheduled Trading Day on which each Exchange is open for trading during its regular trading sessions, notwithstanding any such Exchange closing prior to its Scheduled Trading Time, and (b) with respect to a Multi-exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor publishes the level of the Index, and (ii) the Related Exchange is open for trading during its regular trading session, notwithstanding any Exchange or Related Exchange closing prior to its Scheduled Closing Time;

“Exchange Disruption” means (a) except with respect to a Multi-exchange Index, any event (other than Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Underlying Securities on the Exchange (or, in the case of a Single Index Notes or Basket of Indices Note, on any relevant Exchange(s) relating to securities that comprise 20 percent or more of the level of the relevant Index), or (ii) to effect transactions in, or obtain market value for, the Relevant Currency or the Underlying Security or the relevant Index (or any Component thereof), and (b) with respect to any Multi-exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general to effect transactions in, or obtain market values for (i) any Component on the Exchange in respect of such Component, or (ii) futures or options contracts relating to the Index on the Related Exchange;

“Exchange Period” means; in respect of Exchangeable Notes to which the Noteholders’ Exchange Right applies (as indicated in the Applicable Pricing Supplement), the period indicated in the Applicable Pricing Supplement during which such right may be exercised;

“Exchange Price” means the amount determined in accordance with the manner described in the Applicable Pricing Supplement, according to which the number of Exchange Securities which may be delivered in redemption of an Exchangeable Note will be determined;

“Exchange Securities” means the securities indicated in the Applicable Pricing Supplement which may be delivered by the Issuer in redemption of Exchangeable Notes to the value of the Exchange Price;

“Exchange Rate” means the rate of exchange of the Currency of one country or the Currency of another country, as specified in the Applicable Pricing Supplement;

“Exchange Rate Time” means the time or times on the relevant Pricing Date at which the relevant Exchange Rate will be taken for conversion into the Currency in which any Redemption Amount or Early Redemption Amount as the case may be, in respect of an issue of Notes is to be paid;

“Extraordinary Resolution” means a resolution passed at a meeting (duly convened) of the Noteholders by a majority consisting of not less than 66⅔% (sixty six and two thirds per cent.) of the Persons voting thereat upon a show of hands or if a poll be duly demanded then by a majority consisting of not less than

66⅔% (sixty six and two thirds per cent.) of the votes given on such poll;

"Failure to Pay" means, following the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure;

"Final Broken Amount" means, in relation to a Tranche of Notes, the final broken amount specified as such in the Applicable Pricing Supplement;

"Final Price" means the price of Reference Obligation, expressed as a percentage, determined in accordance with the Valuation Method specified in the Applicable Pricing Supplement;

"Final Redemption Amount" means the amount of principal specified in the Applicable Pricing Supplement payable in respect of each Note upon the Maturity Date;

"Financial Indebtedness" means any indebtedness of any Person for money borrowed or raised including (without limitation) any indebtedness for or in respect of:

- (a) amounts raised by acceptance under any acceptance credit facility;
- (b) amounts raised under any note purchase facility;
- (c) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;
- (d) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of ninety days; and
- (e) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;

"Fixed Coupon Amount" means, in relation to a Fixed Rate Note, the amount of interest payable on each Interest Payment Date as specified in the Applicable Pricing Supplement;

"Fixed Rate" means interest determined at a fixed rate of interest;

"Fixed Rate Notes" means Notes which will bear interest at the fixed Interest Rate, as indicated in the Applicable Pricing Supplement;

"Floating Rate" means interest determined at a floating rate of interest;

"Floating Rate Notes" means Notes which will bear interest at a floating Interest Rate as indicated in the Applicable Pricing Supplement and more fully described in Condition 7.2 (*Interest on Floating Rate Notes*);

"Futures Contract" means, in relation to a Commodity Linked Note, in respect of Commodity Reference Price, the contract for future delivery of a contract size in respect of the relevant Delivery Date relating to the Relevant Commodity or Commodity Index referred to in that Commodity Reference Price;

"Futures or Options Exchange" means the relevant exchange in options or futures contracts on the relevant Underlying Securities or the Relevant Index, as the case may be, as determined by the Determination Agent in its absolute discretion;

"Global Certificate" means, in relation to a Tranche of Notes which is issued in certificated form and immobilised in the CSD, a certificate in definitive registered form deposited with and lodged in the CSD and registered in the name of the CSD's Nominee, representing all of the Notes in that Tranche (other than

those Notes in that Tranche (if any) which are represented by Individual Certificates);

“Governmental Authority” means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial market (including the central bank) of the countries for which the Relevant Currencies are the lawful currencies;

“Grace Period” means:

- (a) subject to paragraphs (b) and (c) below, the applicable grace period with respect to payments under the relevant Obligation under the terms of such Obligation in effect as of the later of the Issue Date and the date as of which such Obligation is issued or incurred;
- (b) if Grace Period Extension is specified as applying in the Applicable Pricing Supplement, a Potential Failure to Pay has occurred on or prior to the Scheduled Maturity Date and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Maturity Date, the Grace Period shall be deemed to be the lesser of such grace period and the period specified as such in the Applicable Pricing Supplement or, if no period is specified in the Applicable Pricing Supplement, 30 (thirty) calendar days; and
- (c) if, at the later of the Issue Date and the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Business Days is applicable under the terms of such Obligation, a Grace Period of three Business Days shall be deemed to apply to such Obligation; provided that, unless Grace Period Extension is specified as applying in the Applicable Pricing Supplement, such deemed Grace Period shall expire no later than the Scheduled Maturity Date;

“Grace Period Extension Date” means, if:

- (a) Grace Period Extension is specified as applying in the Applicable Pricing Supplement; and
- (b) a Potential Failure to Pay occurs on or prior to the Scheduled Maturity Date,

the day that is the number of days in the Grace Period after the date of such Potential Failure to Pay;

“Group” means the Issuer and its consolidated Subsidiaries;

“Guarantee” means, in relation to any Financial Indebtedness of any Person, any obligation of another Person to pay such Financial Indebtedness including (without limitation):

- (a) any obligation to purchase such Financial Indebtedness;
- (b) any obligation to lend money, to purchase or subscribe for shares or other securities or to purchase assets or services in order to provide funds for the payment of such Financial Indebtedness;
- (c) any indemnity against the consequences of a default in the payment of such Financial Indebtedness; and
- (e) any other agreement to be responsible for such Financial Indebtedness;

“Hedging Disruption” means that the Issuer is unable, after using commercially reasonable efforts to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of issuing and performing its obligations with respect to the relevant Tranche of Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s);

“Hedging Positions” means any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, options, futures, derivatives or foreign exchange, (b) stock loan transactions, or (c) other instruments or arrangements (howsoever described) by the Issuer or any of its Affiliates in order to

hedge individually or on a portfolio basis, the Issuer's obligations in respect of the Notes;

"Higher Redemption Amount" means, in relation to a Tranche of Notes, the higher redemption amount specified as such in the Applicable Pricing Supplement;

"Holding Company" means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary;

"Illiquidity Disruption" means, in relation to an Exchange Rate, the occurrence of an event whereby it becomes impossible to obtain a firm quote of the Settlement Rate for an amount to be determined by the Determination Agent on the Valuation Date (or, if different, the day on which rates for that Valuation Date would, in the ordinary course, be published or announced by the relevant price source);

"Implied Yield" means the yield accruing on the Issue Price of Zero Coupon Notes, as specified in the Applicable Pricing Supplement;

"Income Tax Act" means the Income Tax Act, 1962;

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of issuing and performing its obligations with respect to the relevant Tranche of Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"Index" means any Proprietary Index or such other index as is specified in the Applicable Pricing Supplement, all as more particularly described in the Applicable Pricing Supplement pertaining to a particular Tranche of Notes;

"Indexed Linked Interest Notes" means Notes in respect of which the Interest Amount is calculated by reference to an index and/or a formula as indicated in the Applicable Pricing Supplement;

"Index Linked Notes" means an Indexed Linked Interest Note and/or an Indexed Linked Redemption Note, as applicable;

"Indexed Linked Redemption Notes" means Notes in respect of which the Final Redemption Amount is calculated by reference to an index and/or a formula as may be indicated in the Applicable Pricing Supplement;

"Indices" means more than one Index;

"Individual Certificate" means a Note in the definitive registered form of a single certificate and being a certificate exchanged for Beneficial Interest in accordance with Condition 15 (*Exchange of Beneficial Interests and Replacement of Certificates*) and any further certificate issued in consequence of a transfer thereof;

"Initial Broken Amount" means, in relation to a Tranche of Notes, the initial broken amount specified as such in the Applicable Pricing Supplement;

"Insolvency" means that by reason of the voluntary or involuntary liquidation, bankruptcy or insolvency of or any analogous proceeding affecting an Underlying Company, (a) all the Underlying Securities of that Underlying Company are required to be transferred to a trustee, liquidator or other similar official or (b) holders of the Underlying Securities of that Underlying Company become legally prohibited from transferring them;

"Instalment Amount" means the amount expressed as a percentage of the Nominal Amount of an Instalment Note, being an instalment of principal (other than the final instalment) on an Instalment Note;

“Instalment Notes” means Notes issued on the same date but redeemed in Instalment Amounts by the Issuer on an amortised basis on different Instalment Dates, as indicated in the Applicable Pricing Supplement;

“Instalment Dates” means, in relation to a Tranche of Instalment Notes, the dates specified as such in the Applicable Pricing Supplement;

“Interest Amount” means the amount of interest payable in respect of each Nominal Amount of Fixed Rate Notes, Floating Rate Notes and Indexed Notes, as determined in accordance with Condition 8 (*Payments*);

“Interest Basis” means the basis upon which interest will be determined on any Tranche of Notes as specified in the Applicable Pricing Supplement;

“Interest Commencement Date” means the first date from which interest on the Notes, other than Zero Coupon Notes, will accrue, as specified in the Applicable Pricing Supplement;

“Interest Determination Date” means, in relation to a Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;

“Interest Payment Date” means the Interest Payment Date(s) specified in the Applicable Pricing Supplement or, if no express Interest Payment Date(s) is/are specified in the Applicable Pricing Supplement, the last day of the Interest Period commencing on the preceding Interest Payment Date, or, in the case of the first Interest Payment Date, commencing on the Interest Commencement Date;

“Interest Period” means, in respect of any Tranche of Notes, the period from and including one Interest Payment Date (or, in the case of the first Interest Period, the Interest Commencement Date) up to but excluding the next (or first) Interest Payment Date, or such other meaning as may be set out in the Applicable Pricing Supplement;

“Interest Rate” means the rate or rates of interest applicable to Notes, other than Zero Coupon Notes, as indicated in the Applicable Pricing Supplement;

“ISDA” means the International Swaps and Derivatives Association Inc.;

“ISDA Definitions” means the 2006 ISDA Definitions published by ISDA (as amended, supplemented, revised or republished from time to time) as specified in the Applicable Pricing Supplement;

“Issue Date” means, in relation to a Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;

“Issue Price” means, in relation to a Tranche of Notes, the price specified as such in the Applicable Pricing Supplement;

“Issuer” means FirstRand Bank Limited (registration number 1929/001225/06), a public company with limited liability duly incorporated in accordance with the company laws of South Africa;

“Issuer Redemption Notice” has the meaning set out in Condition 10.3.1.3;

“JSE” means the JSE Limited (registration number 2005/022939/06), a licensed financial exchange in terms of the Securities Services Act or any exchange which operates as a successor exchange to the JSE;

"JSE Guarantee Fund" means the JSE Guarantee Fund established and operated by the JSE, in terms of the of the rules of the JSE, as required by sections 9(1)(e) and 18(2)(x) of the Securities Services Act or any successor fund;

"Last Day to Register" means, with respect to a particular Series of Notes (as reflected in the Applicable Pricing Supplement), the last date or dates preceding a Payment Day on which the Transfer Agent will accept Transfer Forms and record the transfer of Notes in the Register for that particular Series of Notes and whereafter the Register is closed for further transfers or entries until the Payment Day;

"Mandatory Exchange" means, in relation to a Tranche of Notes, the mandatory exchange specified as such in the Applicable Pricing Supplement;

"Margin" means, in relation to a Tranche of Notes (where applicable), the margin specified as such in the Applicable Pricing Supplement;

"Market Disruption Event" means (a) in respect of any Note relating to an Underlying Security, a currency, a rate of exchange and/or a formula or any Note relating to an Index other than a Multi-exchange Index, the occurrence or existence of (in each case if specified as applicable in the Applicable Pricing Supplement) (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, (iii) an Early Closure or (iv) any event which disrupts or impairs the ability of the Issuer or of any market participants to effect transactions in, or obtain market values for, future, options or derivative contract relating to the Underlying, the Relevant Currency or an Index (including a Proprietary Index) other than a Multi-exchange Index. For the purposes of determining whether any of a Trading Disruption, Exchange Disruption or Early Closure exists in respect of an Index at any time, if a Market Disruption Event occurs in respect of a security included in the Index at any time then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (x) the portion of the level of the index attributable to that security and (y) the overall level of the Index, in each case immediately before the Market Disruption Event occurred, and (b) with respect to a Multi-exchange Index either (i)(A) the occurrence or existence, in respect of any Component, of: (1) a Trading Disruption in respect of such Component Security, which the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component is principally traded; (2) an Exchange Disruption in respect of such Component, which the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component is principally traded; OR (3) an Early Closure in respect of such Component; AND (B) the aggregate of all Component in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of the Index; OR (ii) the occurrence or existence, in respect of futures or options contracts relating to the Index, of: (A) a Trading Disruption; (B) an Exchange Disruption, which in either case the Determination Agent determines is material, at any time during the one hour period that ends at the Valuation Time in respect of the Related Exchange; or (C) an Early Closure, in each case in respect of such futures or options contracts.

For the purposes of determining whether a Market Disruption Event exists in respect of a Component at any time, if a Market Disruption Event occurs in respect of such Component at that time, then the relevant percentage contribution of that Component to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that Component to (y) the overall level of the Index, in each case using the official opening weightings as published by the Sponsor as part of the market "opening data".

"Material Change in Content" means, in respect of a Commodity Linked Note, the occurrence since the Trade Date of a material change in the content, composition or constitution of the relevant Commodity or relevant Futures Contract;

"Material Change in Formula" means, in respect of a Commodity Linked Note, the occurrence of a material change in the formula for or method of calculating the relevant Commodity Reference Price since the Trade Date;

"Maturity Date" means, in relation to a Tranche of Notes, the date specified as such in the Applicable

Pricing Supplement, subject to the Modified Following Business Day Convention unless otherwise specified in such Applicable Pricing Supplement;

“**Maturity Notice Time**” has the meaning set out in the relevant Applicable Pricing Supplement, in the absence of which it shall be deemed to be 10:00 am Johannesburg time;

“**Maturity Redemption Notice**” has the meaning set out in Condition 10.3.1.1;

“**Merger Date**” means, in respect of a Merger Event, the date upon which all holders of the relevant Underlying Shares (other than, in the case of a takeover offer, Underlying Shares owned or controlled by the offeror) have agreed or have irrevocably become obliged to transfer their Underlying Shares;

“**Merger Event**” means in respect of any relevant Underlying Shares, any:

- (a) reclassification or change of such Underlying Shares that results in a transfer of or an irrevocable commitment to transfer 20 per cent. or more of such Underlying Shares outstanding;
- (b) consolidation, amalgamation, merger or binding share exchange of the Underlying Company with or into another entity (other than a consolidation, amalgamation, merger or binding share exchange in which such Underlying Company is the continuing entity and which results in a reclassification or change of less than 20 per cent. of the relevant Underlying Shares outstanding);
- (c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity for such Underlying Shares that results in a transfer of or an irrevocable commitment to transfer 20 per cent. or more of such Underlying Shares (other than such Underlying Shares owned or controlled by the offeror); or
- (d) consolidation, amalgamation, merger or binding share exchange of the Underlying Company or its subsidiaries with or into another entity in which the Underlying Company is the continuing entity and which does not result in a reclassification or change of all such Underlying Shares outstanding but results in the outstanding Underlying Shares (other than Underlying Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding Underlying Shares immediately following such event,

if, in each case, the date on which the Determination Agent determines that such event occurs is on or before, in the case of a Physically Settled Transaction, the Maturity Date, or in any other case, the Valuation Date in respect of the relevant Note;

“**Merger Event Settlement Amount**” means an amount which the Determination Agent in its sole and absolute discretion, determines is the fair value to the Noteholder of a Note with terms that would preserve for the Noteholder the economic equivalent of any payment or delivery (assuming satisfaction of each applicable condition precedent) to which the Noteholder would have been entitled under the relevant Note after that date but for the occurrence of the Merger Event;

“**Minimum Redemption Amount**” means, in relation to a Tranche of Notes, the minimum redemption amount specified as such in the Applicable Pricing Supplement;

“**Mixed Rate Notes**” means Notes which will bear interest over respective periods at differing Interest Rates applicable to any combination of Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or Index Linked Interest Notes, each as indicated in the Applicable Pricing Supplement and as more fully described in Condition 7.4 (*Mixed Rate Notes*);

“**Multi-exchange Index**” means any Index specified as such in the relevant Applicable Pricing Supplement;

“**Nationalisation**” means that all the Underlying Shares or all the assets or substantially all the assets of the Underlying Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity;

“**Nominal Amount**” means, in relation to any Note, the total amount, excluding interest and any

adjustments on account of any formula, owing by the Issuer under the Note;

"Noteholders" means the holders of the Registered Notes (as recorded in the Register) and/or the Bearers of the Bearer Notes and/or the Payees of the Order Notes;

"Noteholders' Exchange Right" means, if indicated as applicable in the Applicable Pricing Supplement, the right of Noteholders of Exchangeable Notes to elect to receive delivery of the Exchange Securities *in lieu* of cash from the Issuer upon redemption of such Notes;

"Noteholder's Notice" means a notice in a form provided by, and available from, the Issuer at its registered office as set out at the end of this Programme Memorandum which, *inter alia*, contains details of the relevant Noteholder's Cash Account and Securities Account;

"Notes" means Standard Notes and/or Structured Notes issued or to be issued by the Issuer under the Programme, pursuant to this Programme Memorandum, together with Receipts and/or Coupons (if any);

"Notice Delivery Period" means the period from and including the Issue Date to and including (a) the Scheduled Maturity Date; (b) the Grace Period Extension Date if (i) Grace Period Extension is specified as applicable in the Applicable Pricing Supplement, (ii) the Credit Event that is the subject of the Credit Event Notice is a Failure to Pay that occurs after the Scheduled Maturity Date and (iii) the Potential Failure to Pay with respect to such Failure to Pay occurs on or prior to the Scheduled Maturity Date; or (c) the Repudiation/Moratorium Evaluation Date if (i) the Credit Event that is the subject of the Credit Event Notice is a Repudiation/Moratorium that occurs after the Scheduled Maturity Date, (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the Scheduled Maturity Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied;

"Number of Underlying Securities" means in the case of (a) an Equity Linked Note, the number of Underlying Securities specified as such in the Applicable Pricing Supplement and (b) no Equity Basket Note, the number of Underlying Securities of each Underlying Company comprised in the Basket of Securities, as specified in the Applicable Pricing Supplement;

"Obligations" in respect of a Credit Linked Note, has the meaning set out in the Applicable Pricing Supplement;

"Optional Redemption Amount" means, in relation to a Tranche of Notes, the optional redemption amount specified as such in the Applicable Pricing Supplement;

"Optional Redemption Date" means, in relation to a Tranche of Notes, subject to Condition 11 (*Rights of the Issuer in the event of a Disrupted Day or Disruption Event*), the date(s) specified as such in the Applicable Pricing Supplement and in the absence of any such specification, shall be deemed to be the second Business Day after the Early Redemption Notice is received (unless otherwise stated in the Applicable Pricing Supplement); provided that the Optional Redemption Date (or the last such date specified in the Applicable Pricing Supplement) must fall no later than 2 (two) Business Days prior to the Maturity Date;

"Optional Redemption Payment Date" means the date specified as such in the Applicable Pricing Supplement and if no such date is specified, shall be the Optional Redemption Date or the earliest practicable date thereafter;

"Order Note" means a Note payable to the Payee thereon, transferable by way of Endorsement and delivery in accordance with Condition 17.3 (*Transfer of Order Notes*) and the term **"Order Note"** shall include the rights to interest or principal represented by a Coupon or Receipt (if any) attached on issue to the Certificate evidencing such Order Note;

"Outstanding" means, in relation to the Notes, all the Notes issued other than:

- (a) those which have been redeemed in full;
- (b) those in respect of which the date for redemption in accordance with the Terms and Conditions has occurred and the redemption moneys wherefor (including all interest (if any) accrued thereon to the

date for such redemption and any interest (if any) payable under the Terms and Conditions after such date) remain available for payment;

- (c) those which have been purchased and cancelled as provided in Condition 9 (*Redemption and Purchase*);
- (d) those which have become prescribed under Condition 18 (*Prescription*);
- (e) those represented by those mutilated or defaced Certificates which have been surrendered in exchange for replacement Certificates pursuant to Condition 15 (*Exchange of Beneficial Interests and Replacement of Certificates*);
- (f) (for the purpose only of determining how many Notes are Outstanding and without prejudice to their status for any other purpose) those Notes represented by Certificates alleged to have been lost, stolen or destroyed and in respect of which replacement Certificates have been issued pursuant to Condition 15 (*Exchange of Beneficial Interests and Replacement of Certificates*),

provided that for each of the following purposes:

- (i) the right to attend and vote at any meeting of the Noteholders; and
- (ii) the determination of how many and which Notes are for the time being Outstanding for the purposes of Conditions 22 (*Amendment of these Terms and Conditions*) and 23 (*Meetings of Noteholders*),

all Notes (if any) which are for the time being held by the Issuer (subject to any applicable law) or by any Person for the benefit of the Issuer and not cancelled (unless and until ceasing to be so held) shall be deemed not to be Outstanding;

"Participant" means a Person accepted by the CSD as a participant in terms of section 34 of the Securities Services Act, and who is approved by the CSD, in terms of the rules of the CSD, as a settlement agent to perform electronic settlement of funds and scrip;

"Partly Paid Notes" means Notes which are issued with the Issue Price partly paid and which Issue Price is paid up fully by the Noteholder in instalments (as indicated in the Applicable Pricing Supplement);

"Payee" means a Person reflected (either as the subscriber or by way of Endorsement) as the payee on a Certificate evidencing an Order Note or a Receipt or Coupon attached thereto on issue and to whom such Certificate, Receipt or Coupon (as the case may be) has been delivered;

"Paying Agent" means RMB, or such other entity appointed by the Issuer as Paying Agent, in which event that other entity shall act as Paying Agent in respect of that Tranche or Series of Notes;

"Payment Day" means any day which is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (i) the relevant place of presentation;
 - (ii) Johannesburg;
 - (iii) any Additional Business Centre specified in the Applicable Pricing Supplement; and
- (b) either:
 - (i) in relation to any sum payable in a currency other than Euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal

financial centre of the country of the relevant currency; or

(ii) in relation to any sum payable in Euro, a day on which the TARGET System is open;

“Payment Requirement” means the amount specified as such in the Applicable Pricing Supplement or, if a Payment Requirement is not specified in the Applicable Pricing Supplement, ZAR1,000,000, or its equivalent in the relevant currency as calculated by the Determination Agent, in either case, as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable;

“Person” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of state or other entity, whether or not having separate legal personality;

“Physical Delivery Date” means in relation to Underlying Securities or the Deliverable Amount to be delivered, subject to Condition 10.6 (*Settlement Disruption Event*), in respect of any Note, the date following a Maturity Date or Early Redemption Date or Credit Event Determination Date, as the case may be, being the first day on which settlement of a sale of such Underlying Securities or Deliverable Obligations comprising the Deliverable Amount executed on that Maturity Date or Early Redemption Date or Credit Event Determination Date, as the case may be, customarily would take place through the relevant Clearing System unless otherwise specified in the Applicable Pricing Supplement;

“Physical Settled Transaction” means in relation to any particular Tranche of Notes, Notes in respect of which Underlying Securities may, at the option of the Issuer or the Noteholder (as the case may be) be delivered to the Noteholder, the delivery of which amounts to **“Physical Settlement”**;

“Postponement” in relation to Commodity Linked Notes has the meaning set out in Condition 11.7 (*Commodity Linked Notes*);

“Potential Adjustment Event” means any of the following:

- (a) a subdivision, consolidation or reclassification of the relevant Underlying Securities (unless a Merger Event), or, a free distribution or dividend of any such Underlying Shares to existing holders by way of bonus, capitalization or similar issue;
- (b) a distribution or dividend to existing holders of the relevant Underlying Securities of (i) such Underlying Securities, or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Underlying Company equally or proportionately with such payments to holders of such Underlying Securities, or (iii) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other) at less than the prevailing market price as determined by the Determination Agent;
- (c) an extraordinary dividend;
- (d) a call by the Underlying Company in respect of the relevant Underlying Securities that are not fully paid;
- (e) a repurchase by the Underlying Company of relevant Underlying Securities whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (f) in respect of the Underlying Company, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Underlying Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Determination Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (g) any other similar event that may have a diluting or concentrative effect on the theoretical value of the relevant Underlying Securities;

"Potential Failure to Pay" means the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations, in accordance with the terms of such Obligations at the time of such failure;

"Price Source" means, in respect of a Commodity Linked Note, the publication (or such other origin of reference, including an Exchange) containing (or reporting) the Specified Price (or prices from which the Specified Price is calculated) as specified in the relevant Commodity Reference Price or otherwise in the Applicable Pricing Supplement containing the Commodity Reference Price;

"Price Source Disruption" means:

- (a) in relation to an Exchange Rate in respect of a Currency Linked Note, it becomes impossible to obtain the Settlement Rate on the Valuation Date (or, if different, the day on which rates for that Valuation Date would, in the ordinary course, be published or announced by the relevant price source); and
- (b) in respect of a Commodity Linked Note (i) the failure of the Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price; or (ii) the temporary or permanent discontinuance or unavailability of the Price Source;

"Pricing Date" means, in respect of a Commodity Linked Note, the date specified in the Applicable Pricing Supplement;

"Principal Subsidiary" means a Subsidiary of the Group whose (a) total profits, before tax and extraordinary items represent in excess ten percent (10%) of the consolidated total profits, before tax and extraordinary items of the Issuer and its Subsidiaries, or (b) total value of net assets represent in excess ten percent (10%) of the total value of all consolidated net assets owned by the Issuer and its Subsidiaries in each case calculated by reference to the latest audited financial statements of each Subsidiary and the latest audited consolidated financial statements of the Issuer and its Subsidiaries but if a Subsidiary has been acquired or sold since the date as at which the latest audited consolidated financial statements of the Issuer and its Subsidiaries were prepared, the financial statements shall be adjusted in order to take into account the acquisition or sale of that Subsidiary (that adjustment being certified by the Issuer and its Subsidiaries' auditors as representing an accurate reflection of the revised consolidated profits before interest and tax or turnover of the Issuer and its Subsidiaries). A report by the auditors of the Issuer that a Subsidiary is or is not a Principal Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Noteholders;

"Programme" means the FirstRand Bank Limited ZAR30,000,000,000 Note Programme under which the Issuer may from time to time issue Notes;

"Programme Amount" means the maximum aggregate outstanding Nominal Amount of all of the Notes that may be issued under the Programme at any one point in time, being ZAR30,000,000,000 or such increased amount as is determined by the Issuer from time to time, subject to the Applicable Procedures and applicable laws, as set out in the section of this Programme Memorandum entitled "*General Description of the Programme*";

"Proprietary Index" means any proprietary index created by the Issuer or an associate of the Issuer and described in the Applicable Pricing Supplement;

"Put" means, in relation to a Physically Settled Transaction the right of the Issuer, if it so elects and subject to compliance with the Terms and Conditions, to transfer or procure the transfer of the Underlying Securities and Transfer Documentation to, or to the order of, the Noteholders as specified in the relevant Maturity Redemption Notice, *in lieu* of paying the Final Redemption Amount or Optional Redemption Amount or Early Redemption Amount, as the case may be;

"Rate Calculation Date" means the Valuation Date or the Averaging Date, as appropriate;

"Rating" means, in relation to a Tranche of Notes (where applicable), the rating of the Tranche of Notes granted by the Rating Agency, specified in the Applicable Pricing Supplement;

"Rating Agency" means any rating agency(ies) as is/are appointed by the Issuer for the purpose of a Tranche of Notes and as specified in the Applicable Pricing Supplement;

"Receipt" means a receipt evidencing title to payment of an Instalment Amount payable in an Instalment Note which is a Bearer Note or an Order Note, attached upon issue to the Certificate representing such Instalment Note;

"Redemption Expenses" means in respect of any Note or Notes, any expenses (other than in relation to Taxes) payable on or in respect of or in connection with the redemption of such Note or Notes;

"Redemption Notice Time" means, in relation to a particular Tranche of Notes the time specified in the Applicable Pricing Supplement as the time by which an Issuer Redemption Notice, Early Redemption Notice or Noteholder's Notice, as the case may be, has to be delivered to the Relevant Clearing System for that Issuer Redemption Notice, Early Redemption Notice or Noteholder's Notice, as the case may be, to be deemed to have been deposited with it/them on that Business Day and, in the absence of any such specification shall be deemed to be 10am Johannesburg time;

"Reference Asset" means, in respect of any Note, any Underlying Security, Underlying Share, Deliverable Obligation or other non-cash asset, the price or level of which determines the Final Redemption Amount or the Early Redemption Amount of such Note;

"Reference Banks" means four leading banks in the South African inter-bank market selected by the Calculation Agent;

"Reference Entity" means in respect of a Credit Linked Note, the entity named as such in the Applicable Pricing Supplement (if any are so specified or described);

"Reference Item" means any underlying equity security, index, debt security, credit, currency exchange rate, commodity, commodity index or other item(s) to which a Structured Note relates;

"Reference Obligation" means, in respect of a Credit Linked Note, each obligation specified or of a type described as such in the Applicable Pricing Supplement (if any are so specified or described);

"Reference Price" means, in relation to a Tranche of Notes (where applicable), the price specified as such in the Applicable Pricing Supplement;

"Reference Rate" means the rate specified as such in the Applicable Pricing Supplement;

"Register" means the register maintained by the Issuer in terms of Condition 16 (*Register*), including any sub-register, as the case may be;

"Registered Note" means a Note issued in registered form and transferable in accordance with Condition 17.1 (*Transfer of Registered Notes*);

"Regular Period" means:

- (a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date, where "*Regular Date*" means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of Notes where, apart from one Interest Period other than the first Interest Period,

interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date to but excluding the next Regular Date, where “*Regular Date*” means the day and the month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

“**Related Exchange**” means, subject to the proviso below, in respect of an Index relating to Single Index Notes, Basket of Indices Notes or an Underlying Security relating to Equity Linked Notes or Equity Basket Notes, each exchange or quotation system specified as such for such Index or Share in the Applicable Pricing Supplement, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures and options contracts relating to such Index or such Share has temporarily relocated (provided that the Determination Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index or such Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however that where “**All Relevant Stock Exchanges**” is specified as the Related Exchange in the Applicable Pricing Supplement, “**Related Exchange**” shall mean each exchange or quotation system where trading has a material effect (as determined by the Determination Agent) on the overall market for futures or options contracts relating to such Index or such Share;

“**Relevant Clearing System**” means, as appropriate, Strate and/or such other Relevant Clearing System, as the case may be, through which interests in Notes are to be held and through an account at which the Notes are to be cleared specified in the Applicable Pricing Supplement;

“**Relevant Commodity**” means, in respect of a Commodity Linked Note, the commodity specified in the Applicable Pricing Supplement;

“**Relevant Commodity Price**” means, in respect of a Commodity Linked Note, for any Pricing Date, the price, expressed as a price per unit of the Relevant Commodity or the price of the Commodity Index, determined with respect to that day for the specified Commodity Reference Price as specified in the Applicable Pricing Supplement;

“**Relevant Currencies**” means those currencies specified in the Applicable Pricing Supplement which comprise each Exchange Rate;

“**Relevant Date**” means the earlier to occur of:

- (a) the date on which all amounts due in respect of such Note have been paid; or
- (b) five days after the date on which the full amount of the moneys payable have been recovered by the Paying Agent and notice to that effect has been given to Noteholders in accordance with Condition 21 (*Notices*);

“**Relevant Index**” means in respect of a Single Index Note or a Basket of Indices Notes, the relevant index or indices identified in the Applicable Pricing Supplement as the Index or Indices pertaining to a particular Tranche of Notes;

“**Relevant Rules**” means the Rules of the Relevant Clearing System;

“**Relevant Screen Page**” means, in relation to a Tranche of Notes (where applicable), the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the Applicable Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

“**Relevant Stock Exchange**” means, in respect of any Tranche of Notes, the stock exchange upon which such Notes are listed as specified in the Applicable Pricing Supplement, if any;

“**Representative**” means a Person duly authorised to act on behalf of a Noteholder, the Transfer Agent and the Paying Agent who may be regarded by the Issuer (acting in good faith) as being duly authorised based upon the tacit or express representation thereof by such Representative, in the absence of express

notice to the contrary from such Noteholder, the Transfer Agent or the Paying Agent (as the case may be);

"Repudiation/Moratorium", in respect of a Credit Linked Note, has the meaning set out in the Applicable Pricing Supplement;

"Repudiation/Moratorium Evaluation Date", in respect of a Credit Linked Note, has the meaning set out in the Applicable Pricing Supplement;

"Repudiation/Moratorium Extension Condition", in respect of a Credit Linked Note, has the meaning set out in the Applicable Pricing Supplement;

"RMB" means FirstRand Bank Limited (registration number 1929/001225/06) (acting through its Rand Merchant Bank division), a public company with limited liability duly incorporated in accordance with the company laws of South Africa;

"Scheduled Closing Time" means, in respect of any Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after-hours or other trading outside regular trading session hours;

"Scheduled Maturity Date", in respect of a Credit Linked Note, has the meaning specified in the Applicable Pricing Supplement;

"Scheduled Trading Day" means:

- (a) except with respect to a Multi-exchange Index, any day on which each Exchange and each Related Exchange are scheduled to open for trading for their respective regular trading sessions; and
- (b) with respect to any Multi-exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Index and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session;

"Securities Account" means the securities account of a Noteholder at the Relevant Clearing System to which Notes are credited;

"Securities Act" means the US Securities Act of 1933;

"Securities Services Act" means the Securities Services Act, 2004;

"Security Interest" means any mortgage, charge, pledge, lien or other security interest including, without limitation, to anything analogous to any of the foregoing under the laws of any jurisdiction of a secured claim to a creditor but excluding statutory preferences and any security interest arising by operation of law;

"Series" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are:

- (a) expressed to be consolidated and form a single series; and
- (b) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices;

"Settlement Currency" means the currency specified as such in the Applicable Pricing Supplement;

"Settlement Disruption Event" means in relation to an Underlying Security, an event beyond the control of the parties as a result of which the relevant Clearing System cannot clear the transfer of such Underlying Security;

"Settlement Price" means, for the purposes of Condition 13.4 (*Minimum Board Lot*), the price of the Underlying Securities or Relevant Index as determined by the Determination Agent in its absolute

discretion;

"Settlement Rate" means, in relation to an Exchange Rate, for any Valuation Date in respect of a Maturity Date or an Early Redemption Date (as the case may be) the currency exchange rate equal to (a) the Settlement Rate specified or otherwise determined as provide in the Applicable Pricing Settlement or, (b) if a Settlement Rate or a means of determining a Settlement Rate is not so specified, the Spot Rate for that Valuation Date;

"Share" means an equity security;

"Single Index Note" means a Note, payments in respect of which will be calculated by reference to the particular Index as specified in the Applicable Pricing Supplement;

"Special Redemption Notice" has the meaning set out in Condition 10.3.1.4;

"Specified Currency" means, in relation to each Note in a Tranche of Notes, subject to all applicable laws, the currency specified in the Applicable Pricing Supplement;

"Specified Denomination" means, in relation to each Note in a Tranche of Notes, the amount specified as such in the Applicable Pricing Supplement;

"Specified Office" of any Agent or the Issuer means the address specified in respect of it in the Applicable Pricing Supplement or such other address as any such Agent or the Issuer (as the case may be) may specify by notice, in the case of any Agent, to the Issuer or, in the case of the Issuer to the Noteholders which change of address shall in each case be notified to the Noteholders in accordance with Condition 21 (*Notices*);

"Specified Price" means, in respect of a Commodity Linked Note, the price specified in the Applicable Pricing Supplement;

"Sponsor" means, in relation to an Index, the corporation or entity that is responsible for setting and reviewing the rules and procedures, and the methods of calculation and adjustments, if any, related to the relevant Index;

"Spot Rate" means, for any date, the exchange rate(s) determined in accordance with the method specified in the Applicable Pricing Supplement, or if not specified, the exchange rate at the time at which such exchange rate(s) is/are to be determined for foreign exchange transactions in the relevant Currencies for value on that date as determined by the Determination Agent in its absolute discretion;

"South Africa" means the Republic of South Africa;

"Standard Note" means a Note which does not relate to any Reference Item, and in terms of which the interest is determined and payable on the Interest Basis specified in the Applicable Pricing Supplement;

"Strate" means Strate Limited (registration number 1998/022242/06), a public company with limited liability duly incorporated in accordance with the company laws of South Africa;

"Structured Note" means a Note which relates to a Reference Item specified in the Applicable Pricing Supplement. Structured Notes may comprise Equity Linked Notes, Equity Basket Notes, Single Index Notes, Basket of Indices Notes, Currency Linked Notes, Credit Linked Notes, Commodity Linked Notes or Non-Standard Structured Notes, or a combination of the foregoing, depending on the Type of Structured Note specified in the Applicable Pricing Supplement;

"Subsidiary" means, in relation to a Person (the **"first Person"**) at any particular time, any other Person (the **"second Person"**) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise;

"Sub-register" means a Sub-register as contemplated in section 91A of the Companies Act;

“Sub-unit” means, with respect to any currency, the lowest amount of such currency that is available as legal tender in the country of such currency;

“TARGET Business Day” means a day on which the TARGET System is operating;

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System (or if such system ceases to be operative, such other system (if any) determined by the Determination Agent to be a suitable replacement);

“Tax Event” means an event where, as a result of a Tax Law Change, (a) the Issuer has paid or will or would on the next Interest Payment Date be required to pay additional amounts as provided or referred to in Condition 14 (*Taxation*); or (b) in respect of the Issuer’s obligation to make any payment of interest on the next following Interest Payment Date or any subsequent Interest Payment Date, the Issuer would not be entitled to claim a deduction in respect of computing its taxation liabilities in South Africa, or such entitlement is materially reduced, and in each case the Issuer cannot avoid the foregoing in connection with the Notes by taking measures reasonably available to it (such reasonable measures to exclude any requirement to instigate litigation in respect of any decision or determination of the South African Revenue Service that any such interest does not constitute a tax deductible expense), unless otherwise specified in the Applicable Pricing Supplement;

“Taxes” means any tax, duty, impost, levy, charge or contribution in the nature of taxation or any withholding or deduction for or on account thereof, including (but not limited to) any applicable stock exchange tax, turnover tax, stamp duty, stamp duty reserve tax and/or other Taxes chargeable or payable in connection with any redemption of a Note and/or payment of the Final Redemption Amount, Optional Redemption Amount, the Early Redemption Amount, the Credit Event Redemption Amount, the Cash Settlement Amount or the Disruption Redemption Amount (as the case may be) and/or the transfer or delivery of Underlying Securities, Deliverable Amounts or Deliverable Obligations (as the case may be) and/or the relevant Transfer Documentation (including, in the case of an Underlying Security, Deliverable Amount or Deliverable Obligation that is an equity unit, the transfer or delivery of any security comprised in such equity unit);

“Tax Law Change” means a change in or proposed change in, or amendment or proposed amendment to, the laws or regulations of South Africa, or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), whether or not having retrospective effect, which change or amendment is announced on or after the Issue Date;

“Tender Offer” means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or Person that results in such entity or Person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent and less than 100 per cent of the outstanding voting shares of the Underlying Company as determined by the Determination Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Determination Agent deems relevant;

“Tender Offer Date” means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Determination Agent);

“Terms and Conditions” means the terms and conditions incorporated in this section of the Programme Memorandum entitled “*Terms and Conditions of the Notes*” and in accordance with which the Notes will be issued;

“Trading Disruption” means:

- (a) (i) except with respect to a Multi-exchange Index, any suspension of, impairment of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise (A) relating to the Underlying Security on the Exchange, or in the case of a Single Index Note or Basket of Indices Note on any relevant Exchange(s) relating to securities or any Component that

comprise 20 per cent or more of the level of the relevant Index or Indices, or (B) in futures or options contracts relating to the Underlying Securities, the Relevant Currency or the relevant Index or Indices on any relevant Related Exchange; and (ii) with respect to any Multi-exchange Index any suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise (A) relating to any Component on the Exchange in respect of such Component; or (B) in futures or options contracts relating to the Index (or any Component thereof) on the Related Exchange; or

- (b) in respect of Commodity Linked Notes, the material suspension of, or the material limitation imposed on, trading in the Futures Contract or the Relevant Commodity on the Exchange or in any additional futures contract, options contract or commodity on any Exchange as specified in the applicable Final Terms. For these purposes:
- (i) a suspension of the trading in the Futures Contract or the Relevant Commodity on any Commodity Business day shall be deemed to be material only if:
 - (A) all trading in the Futures Contract or the Relevant Commodity is suspended for the entire Pricing Date; or
 - (B) all trading in the Futures Contract or the Relevant Commodity is suspended subsequent to the opening of trading on the Pricing Date, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract or such Relevant Commodity on such Pricing Date and such suspension is announced less than one hour preceding its commencement; and
 - (ii) a limitation of trading in the Futures Contract or the Relevant Commodity on any Commodity Business Day shall be deemed to be material only if the relevant Exchange establishes limits on the range within which the price of the Futures Contract or the Commodity may fluctuate and the closing or settlement price of the Futures Contract or the Commodity on such day is at the upper or lower limit of that range;

"Tranche" means, in relation to any particular Series, all Notes which are identical in all respects (including as to listing);

"Transaction" means a particular Tranche of Notes;

"Transfer Agent" means RMB, unless the Issuer elects to appoint another entity as a Transfer Agent in which event that other entity shall act as a Transfer Agent in respect of that Tranche or Series of Notes;

"Transfer Documentation" means, for each Tranche of Notes, such documentation as is generally acceptable for settlement of transfer of Underlying Securities or Deliverable Obligations on the relevant Exchange or through the Relevant Clearing System including, without limitation, stock notes and/or stock transfer forms in the case of settlement on the JSE;

"Transfer Form" means the written form for the transfer of a Note, in the form approved by the Transfer Agent, and signed by the transferor and transferee;

"Undeliverable Obligation" means a Deliverable Obligation included in the Deliverable Amount which on the settlement date for such Deliverable Obligation the Determination Agent determines for any reason it is impossible or illegal to deliver on such settlement date;

"Underlying Company" means the company which is the issuer of the Underlying Securities specified in the Applicable Pricing Supplement;

"Underlying Security" means, in relation to a particular Tranche of Notes as appropriate, an Underlying Share or the underlying bonds or debt securities to which such Notes relate specified as such in the Applicable Pricing Supplement;

"Underlying Share" means, in relation to a particular Tranche of Notes, a share or equity unit to which a

Note relates or in the case of a Basket of Shares a share or equity unit forming part of a Basket of Shares to which such Note relates;

"Valid Date" shall mean a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Valuation Date does not or is not deemed to occur;

"Valuation Date" means, in relation to a particular Tranche of Notes, the date specified as such in the Applicable Pricing Supplement (or, if such date is not an Exchange Business Day the next following Business Day) unless there is a Disrupted Day in respect of any relevant Underlying Security or Index on that day in which event Condition 11 (*Rights of the Issuer in the event of a Disrupted Day or Disruption Event*) will apply and provided that such date is at least two Business Days prior to the Maturity Date (other than where the Notes are redeemed early pursuant to Condition 9.2 (*Early Redemption at the Option of Noteholders*), 9.3 (*Early Redemption at the Option of the Issuer*) or 9.4 (*Early Redemption following the occurrence of a Tax Event, Change in Law, Hedging Disruption and/or Increased Cost of Hedging*) in which case it will be the second Business Day preceding the Early Redemption Date);

"Valuation Method" means, in respect of a Credit Linked Note, the valuation method specified in the Applicable Pricing Supplement;

"Valuation Time" means the time specified as such in the Applicable Pricing Supplement, or if no such time is specified, Scheduled Closing Time on the relevant Exchange on the Valuation Date or Averaging Date, as the case may be, in relation to each Index or Underlying Security to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time. In relation to a Multi-exchange Index, "Valuation Time" means (a) for the purposes of determining whether a Market Disruption Event has occurred: (i) in respect of any Component, the Scheduled Closing Time on the Exchange in respect of such Component, and (ii) in respect of any options contracts or future contracts on the Index, the close of trading on the Related Exchange; and (b) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor;

"Volatility" means, in respect of any Exchange Business Day, the volatility (calculated by referring to the closing price of the relevant Underlying Securities on the Exchange) for a period equal to the number of days between the Announcement Date and the Maturity Date;

"ZAR" means the lawful currency of South Africa, being South African Rand, or any successor currency;

"ZAR-JIBAR-SAFEX" means the mid-market rate for deposits in ZAR for a period of the Designated Maturity (as indicated in the Applicable Pricing Supplement) that appears on the Reuters Screen SAFEX Page as at 11h00, Johannesburg time on the relevant date; and

"Zero Coupon Notes" means Notes which will be offered and sold at a discount to their Nominal Amount or at par and will not bear interest other than in the case of late payment.

2. ISSUE

2.1 The Issuer may, at any time and from time to time (without the consent of any Noteholder), issue one or more Tranche(s) of Notes pursuant to the Programme; provided that the aggregate outstanding Nominal Amount of all of the Notes issued under the Programme from time to time does not exceed the Programme Amount.

2.2 Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. A Tranche of Notes will be issued on, and subject to, the applicable Terms and Conditions of that Tranche of Notes. The applicable Terms and Conditions of a Tranche of Notes are the Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Tranche of Notes set out in the Applicable Pricing Supplement relating to that Tranche of Notes.

2.3 The applicable Terms and Conditions of a Tranche of Notes are incorporated by reference into the Certificate(s) (if any) representing the Notes in that Tranche. The Applicable Pricing

Supplement relating to a Tranche of Notes issued in certificated form will be attached to the Certificate(s) representing the Notes in that Tranche.

S20.14(G) 3. **FORM AND DENOMINATION**

3.1 **Form**

3.1.1 **General**

3.1.1.1 A Tranche of Notes may be issued in the form of listed or unlisted Registered Notes, Bearer Notes or Order Notes as specified in the Applicable Pricing Supplement.

3.1.1.2 A Tranche of Notes may be listed on the JSE or on such other or further Relevant Stock Exchange(s) as may be determined by the Issuer, subject to any applicable laws. Unlisted Notes may also be issued under the Programme.

3.1.2 **Registered Notes**

A Tranche of Registered Notes will be issued in certificated form, as contemplated in Condition 3.1.2.1, or in uncertificated form, as contemplated in Condition 3.1.2.2, as specified in the Applicable Pricing Supplement. Each Tranche of Notes which is listed on the JSE whether issued in certificated form or in uncertificated form, will be held in the CSD, as contemplated in Condition 3.1.2.3. A Tranche of unlisted Notes may also be held in the CSD, as contemplated in Condition 3.1.2.3.

3.1.2.1 **Notes issued in certificated form**

3.1.2.1.1 Each Tranche of Registered Notes which is listed on the JSE and/or lodged and immobilised in the CSD may, subject to applicable laws and the Applicable Procedures, be issued in certificated form. If applicable, each such Tranche of Registered Notes will be represented by a Global Certificate, and the CSD's Nominee will be named in the Register as the registered Noteholder of that Tranche of Notes. Each Global Certificate will be physically deposited with and lodged in the CSD.

3.1.2.1.2 All Registered Notes issued in certificated form which are not represented by a Global Certificate will be represented by Individual Certificates.

3.1.2.2 **Notes issued in uncertificated form**

A Tranche of Registered Notes which is listed on the JSE may, subject to applicable laws and Applicable Procedures, be issued in uncertificated form in terms of section 37 of the Securities Services Act. Registered Notes issued in uncertificated form will be held in the CSD. Registered Notes issued in uncertificated form will not be represented by any certificate or written instrument. A Registered Note which is represented by an Individual Certificate may be replaced by uncertificated securities in terms of section 37 of the Securities Services Act.

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

3.1.2.3.1 A Tranche of Registered Notes which is listed on the JSE will either be issued in certificated form and lodged in the CSD under a Global Certificate or be issued in uncertificated form and held in the CSD. A Tranche of unlisted Registered Notes

may also be held in the CSD in the form of a Global Certificate.

3.1.2.3.2 The CSD will hold Registered Notes subject to the Securities Services Act and the Applicable Procedures.

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

3.1.2.3.4 A holder of a Beneficial Interest shall only be entitled to exchange such Beneficial Interest for Registered Notes represented by an Individual Certificate in accordance with Condition 15 (*Exchange of Beneficial Interests and Replacement of Certificates*).

3.1.3 Bearer Notes and Order Notes

Bearer Notes and Order Notes will be issued in certificated form and will be evidenced by Individual Certificates. Bearer Notes or Order Notes, other than Zero Coupon Notes, may have Coupons (as indicated in the Applicable Pricing Supplement) attached to the Certificate on issue. Instalment Notes which are Bearer Notes or Order Notes may have Receipts (as indicated in the Applicable Pricing Supplement) attached to the Certificate on issue.

3.2 Denomination

The Aggregate Nominal Amount, Specified Currency and Specified Denomination of the Notes of any Tranche will be specified in the Applicable Pricing Supplement. Notes (other than Deposit Notes and Structured Notes in terms of which repayment of the Final Redemption Amount at least equal to, or greater than, the Nominal Amount of such Notes is not guaranteed by the Issuer) will be issued with a minimum Specified Denomination of ZAR100,000. Structured Notes in terms of which the repayment of the Final Redemption Amount at least equal to, or greater than, the Nominal Amount is not guaranteed by the Issuer will not be classified as Deposit Notes and are not subject to any minimum Specified Denomination by any applicable laws or regulations unless otherwise specified. The Specified Denominations of such Structured Notes will be specified in the Applicable Pricing Supplement.

3.3 Recourse to the JSE Guarantee Fund

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

4. TITLE

4.1 Registered Notes

4.1.1 Registered Notes issued in certificated form

4.1.1.1 The CSD's Nominee will be named in the Register as the registered holder of each Tranche of Registered Notes which is represented by a Global Certificate.

- 4.1.1.2 Each holder of Registered Notes represented by an Individual Certificate will be named in the Register as the registered holder of such Registered Notes.
- 4.1.1.3 Title to Registered Notes will pass upon registration of transfer in the Register in accordance with Condition 17.1.2 (*Transfer of Registered Notes represented by Certificates*).
- 4.1.1.4 The Issuer, the Transfer Agent and the Paying Agent shall recognise a Noteholder as the sole and absolute owner of the Registered Notes registered in that Noteholder's name in the Register (notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) and shall not be bound to enter any trust in the Register or to take notice of or to accede to the execution of any trust, express, implied or constructive, to which any Registered Note may be subject.

4.1.2 Registered Notes issued in uncertificated form

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

4.1.3 Beneficial Interests in Registered Notes held in the CSD

- 4.1.3.1 While a Tranche of Registered Notes is held in its entirety in the CSD, the CSD's Nominee will be named in the Register as the sole Noteholder of the Registered Notes in that Tranche.
- 4.1.3.2 Beneficial Interests which are held by Participants will be held directly through the CSD, and the CSD will hold such Beneficial Interests, on behalf of such Participants, through the central securities accounts maintained by the CSD for such Participants.
- 4.1.3.3 Beneficial Interests which are held by clients of Participants will be held indirectly through such Participants, and such Participants will hold such Beneficial Interests, on behalf of such clients, through the securities accounts maintained by such Participants for such clients. The clients of Participants may include the holders of Beneficial Interests or their custodians. The clients of Participants, as the holders of Beneficial Interests or as custodians for such holders, may exercise their rights in respect of the Notes held by them in the CSD only through their Participants.
- 4.1.3.4 In relation to each Person shown in the records of the CSD or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular Nominal Amount of Registered Notes, a certificate or other document issued by the CSD or the relevant Participant, as the case may be, as to the aggregate Nominal Amount of such Registered Notes standing to the account of such Person shall be prima facie proof of such Beneficial Interest. The CSD's Nominee (as the registered holder of such Registered Notes named in the Register) will be treated by the Issuer, the Paying Agent, the Transfer Agent and the relevant Participant as the holder of that aggregate Nominal Amount of such Registered Notes for all purposes.
- 4.1.3.5 Beneficial Interests in Registered Notes may be transferred only in accordance with the Applicable Procedures. Such transfers will not be recorded in the Register and the CSD's Nominee will continue to be reflected in the Register as the registered holder of such Registered Notes, notwithstanding such transfers.
- 4.1.3.6 Any reference in the Terms and Conditions to the relevant Participant shall, in respect of a Beneficial Interest, be a reference to the Participant appointed to act as such by the holder of such Beneficial Interest.

4.2 Bearer Notes

Title to Bearer Notes (including rights to Instalment Amounts and/or interest thereon, as applicable) will pass by delivery of the Certificate evidencing such Note or of the Receipt and/or Coupon relating thereto, as the case may be, in accordance with Condition 17.2 (*Transfer of Bearer Notes*). The Issuer, the Transfer Agent and the Paying Agent may deem and treat the Bearer of any such Certificate, Receipt or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes.

4.3 Order Notes

Title to Order Notes (including rights to Instalment Amounts and/or interest thereof, as applicable) will initially pass by endorsement and delivery of the Certificate evidencing such Note or of the Receipt and/or Coupon relating thereto, as the case may be, in accordance with Condition 17.3 (*Transfer of Order Notes*). Any Certificate evidencing an Order Note or such Receipt or Coupon upon which the last Endorsement is an Endorsement in Blank shall be treated as a Bearer Note, for so long as not subject to further Endorsement. The Issuer and the Transfer Agent may deem and treat the Person who from the face of the Certificate, Receipt or Coupon relating to an Order Note appears to be the Payee thereto as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or notice of any previous loss or theft thereof) for all purposes and payment to such Person or their Representative shall discharge the Issuer from all liability to the Payee in relation to such Certificate, Receipt or Coupon, as the case may be, even if such Endorsement has been forged or made without authority. Provided the Issuer pays any amount due upon presentation and surrender of a Certificate evidencing an Order Note, or any Receipt or Coupon attached thereto on issue, in good faith, it shall not be incumbent upon the Issuer or the Transfer Agent to determine or prove that the Endorsement of the Payee making such Endorsement was made by or under the authority of the Person whose Endorsement it purports to be.

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S20.14(d)

5. STATUS OF NOTES

The Notes are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* and rateably without any preference among themselves and (save for certain debts required to be preferred by law that is both mandatory and of general application) equally with all other unsecured and unsubordinated obligations of the Issuer from time to time outstanding. The Notes (other than Deposit Notes) do not evidence deposits of the Issuer and are not insured by any government agency. Deposit Notes evidence deposits of the Issuer and will be treated as such for purposes of the provisions of, without limitation, the Banks Act.

6. DEPOSIT NOTES

Deposit Notes, in aggregate, represent the Aggregate Nominal Amount of Deposits made by the Notesholders with the Issuer. The nominal amount of the Deposit, without any interest, will be unconditionally repaid to the Noteholders on the Maturity Date as specified in the Applicable Pricing Supplement. The amount of interest payable in respect of Deposit Notes (if any) is indicated in the Applicable Pricing Supplement. Notwithstanding Condition 16.1 (*Register*), the Register shall not be closed during the Books Closed Period in respect of Deposit Notes and any trades of Deposit Notes during that will be ex-interest (if applicable).

Deposit Notes will be issued in uncertificated form. Notwithstanding Deposit Notes being Registered Notes, Beneficial Interests in a Deposit Note may not be exchanged for Notes in definitive form represented by an Individual Certificate as contemplated in Condition 15.1 (*Exchange of Beneficial Interests*). Noteholders may request a written instrument evidencing the Aggregate Nominal Amount of Deposit Notes held by that Noteholder from its Participant.

7. INTEREST

If the Applicable Pricing Supplement so specifies, the Notes of any Tranche will bear interest from the Interest Commencement Date at the Interest Rate(s) specified in, or determined in accordance with, the

Applicable Pricing Supplement and such interest will be payable in respect of each Interest Period on the Interest Payment Date(s) specified in the Applicable Pricing Supplement. The interest payable on the Notes of any Tranche for a period other than a full Interest Period shall be determined in accordance with the Applicable Pricing Supplement.

7.1 Interest on Fixed Rate Notes

Unless otherwise specified in the Applicable Pricing Supplement, six-monthly interest on Fixed Rate Notes is payable in arrear on the Interest Payment Dates.

Each Fixed Rate Note bears interest on its outstanding Nominal Amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Interest Rate specified in the Applicable Pricing Supplement, payable in arrear on each Interest Payment Date in each year specified in the Applicable Pricing Supplement and on the date of early redemption in accordance with Condition 9 (*Redemption and Purchase*) or the Maturity Date, as the case may be, if either such date does not fall on an Interest Payment Date.

The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date.

Unless otherwise specified in the Applicable Pricing Supplement, the amount of interest payable per Note on each Interest Payment Date in respect of the Interest Period ending on (but excluding) such date will amount equal to the Fixed Coupon Amount, provided that:

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

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

Save as provided above, if interest is required to be calculated for a period other than a full Interest Period, such interest shall be calculated by applying the Interest Rate specified in the Applicable Pricing Supplement to each Specified Denomination, multiplying the product by the applicable Day Count Fraction, as specified in the Applicable Pricing Supplement, and rounding the resultant figure to the nearest Sub-unit of the relevant Specified Currency, half such Sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

7.2 Interest on Floating Rate Notes

General

Floating Rate Notes will bear interest on such basis as indicated in the Applicable Pricing Supplement which shall either be (i) on such basis of a reference rate appearing on the agreed screen page of a commercial quotation service, or (ii) on such other basis as may be set out in the Applicable Pricing Supplement.

Interest Payment Dates

Each Floating Rate Note bears interest on its outstanding Nominal Amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date specified in the Applicable Pricing Supplement, and such interest will be payable in arrear on the Interest Payment Date(s) in each year specified in the Applicable Pricing Supplement and on the date of early redemption in accordance with Condition 9 (*Redemption and Purchase*) or the Maturity Date, as the case may be, if either such date does not fall on an Interest Payment Date.

Rate of Interest

The Interest Rate payable from time to time in respect of the Floating Rate Notes will be determined in the manner specified in the Applicable Pricing Supplement.

Minimum and/or Maximum Rate of Interest

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

Determination of Interest Rate and Calculation of Interest Amount

The Calculation Agent, in the case of Floating Rate Notes will at, or as soon as is practicable after, each time at which the Interest Rate is to be determined, determine the Interest Rate and calculate the Interest Amount payable in respect of each Floating Rate Note for the relevant Interest Period, and the Calculation Agent shall notify the Issuer of the Interest Rate for the relevant Interest Period as soon as is practicable after calculating the same. Each Interest Amount shall be calculated by applying the Interest Rate to the Nominal Amount of the Note, multiplying the product by the applicable Day Count Fraction and rounding the resultant figure to the nearest Sub-unit of the relevant Specified Currency, half a Sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Interest Determination, Screen Rate Determination including Fallback Provisions

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 be either:

- (a) if the Relevant Screen Page is available,
 - (i) the offered quotation (if only one quotation appears on the screen page); or
 - (ii) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage per annum) for the Reference Rate which appears on the Relevant Screen Page as at 11.00 a.m. (or as otherwise specified in the Applicable Pricing Supplement) (Johannesburg time) on the Interest Determination Date in question plus or minus (as indicated in the Applicable Pricing Supplement) the Margin (if any), all as determined by the Calculation Agent. If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations; or

- (b) if the Relevant Screen Page is not available or if, in the case of (i) above, no such offered quotation appears or, in the case of (ii) above, fewer than three such offered quotations appear, in each case as 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 11.00 a.m. (Johannesburg time) on the Interest 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 fifth 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; or

- (c) if the Interest Rate cannot be determined by applying the provisions of (a) and (b) above, 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 fifth decimal place, with 0.000005 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 11.00 a.m. (Johannesburg time) on the relevant Interest Determination Date, deposits in an amount approximately equal to the Nominal Amount of the Notes of the relevant Series, for a period equal to that which would have been used for the Reference Rate to prime 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 nominal amount of the Notes of the relevant Series, for a period equal to that which would have been used for the Reference Rate, quoted at approximately 11.00 a.m. (Johannesburg time) on the relevant Interest Determination Date, by the Reference Banks 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 Interest 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 last 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 ZAR-JIBAR-SAFEX, the Interest Rate in respect of such Notes will be determined as provided in the Applicable Pricing Supplement.

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 plus or minus (as indicated in the Applicable Pricing Supplement) the Margin (if any). For the purposes of this sub-paragraph, "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 an interest rate swap transaction if that agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the most recent 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 ZAR-JIBAR-SAFEX on the first day of that Interest Period; or (ii) in any other case, as specified in the Applicable Pricing Supplement.

For the purposes of the above sub-paragraph "Floating Rate", "Floating Rate Option", "Designated Maturity" and "Reset Date" have the meanings given to those terms in the ISDA Definitions specified in the Applicable Pricing Supplement.

Notification of Interest Rate and Interest Amount

The Issuer will cause the Interest Rate and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the JSE and the CSD and/or every other relevant exchange or authority as soon as possible after their determination but in any event no later than the fourth Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to the JSE, the CSD and/or every other relevant exchange or authority and to the Noteholders in accordance with Condition 21 (*Notices*).

Certificates to be Final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 7.2 (*Interest on Floating Rate Notes*), by the Calculation Agent shall (in the absence of wilful deceit, bad faith or manifest error or proven error) be binding on the Issuer and all Noteholders and in the absence as aforesaid no liability to the Issuer or the Noteholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

7.3 **Dual Currency Notes**

In the case of Dual Currency Notes, the Interest Rate or Interest Amount payable shall be determined in the manner specified in the Applicable Pricing Supplement.

7.4 **Mixed Rate Notes**

The Interest Rate payable from time to time on Mixed Rate Notes shall be the Interest Rate payable on the form of interest-bearing Note (be it a Fixed Rate Note, Floating Rate Note, Index Linked Interest Note or Dual Currency Note) specified for each respective period, each as specified in the Applicable Pricing Supplement. During each such applicable period, the Interest Rate on the Mixed Rate Notes shall be determined and fall due for payment on the basis that such Mixed Rate Notes are Fixed Rate Notes, Floating Rate Notes, Index Linked Interest Notes or Dual Currency Notes, as the case may be.

7.5 **Indexed Linked Interest Notes**

In the case of Indexed Linked Interest Notes, if the Interest Rate or Interest Amount falls to be determined by reference to an index and/or a formula, such rate or amount of interest payable in respect of Interest Period shall be determined in the manner specified in the Applicable Pricing Supplement. Any interest so accruing shall fall due for payment on the Applicable Interest Payment Date(s) in each year and on the date of early redemption in accordance with Condition 9 (*Redemption and Purchase*) or the Maturity Date, as the case may be, if either such date does not fall on an Interest Payment Date.

7.6 **Partly Paid Notes**

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

7.7 **Accrual of Interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date of its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will (save in the case of Zero Coupon Notes) continue to accrue at the Default Rate specified in the Applicable Pricing Supplement until the date on which all amounts due in respect of such Note have been paid, or, in respect of uncertificated Notes or Notes evidenced by a Global Certificate, the date on which the full amount of the money payable has been received by the CSD and/or the Participants and notice to that effect has been given to Noteholders in accordance with Condition 21 (*Notices*).

7.8 **Business Day Convention**

7.8.1 If (a) there is no numerically corresponding day of the calendar month in which an Interest Payment Date should occur, or (b) if any date (including, for the avoidance of doubt, an Interest Payment Date, Maturity Date or Early Redemption Date) which is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then such date will be

adjusted according to the Business Day Convention specified in the Applicable Pricing Supplement.

- 7.8.2 If any date applicable to a Commodity Linked Note that is specified to be subject to adjustment in accordance with a Commodity Business Day Convention would otherwise fall on a day that is not a Commodity Business Day, such date will be adjusted according to the Commodity Business Day Convention specified in the Applicable Pricing Supplement.
- 7.8.3 If the Business Day Convention or Commodity Business Day Convention is:
- 7.8.3.1 the “**Following Business Day Convention**”, such date shall be postponed to the first following day that is a Business Day or a Commodity Business Day, as the case may be;
 - 7.8.3.2 the “**Modified Following Business Day Convention**”, such date shall be postponed to the first following day that is a Business Day or a Commodity Business Day, as the case may be, unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day or a Commodity Business Day, as the case may be;
 - 7.8.3.3 the “**Nearest Business Day Convention**”, such date will be the first preceding day that is a Business Day or a Commodity Business Day, as the case may be, if the relevant date otherwise falls on a day other than a Sunday or a Monday and will be the first following day that is a Business Day or a Commodity Business Day, as the case may be, if the relevant date otherwise falls on a Sunday or a Monday;
 - 7.8.3.4 the “**Preceding Business Day Convention**”, such date shall be brought forward to the first preceding day that is a Business Day or a Commodity Business Day, as the case may be;
 - 7.8.3.5 the “**FRN Convention**”, “**Floating Rate Convention**” or “**Eurodollar Convention**”, such date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the Applicable Pricing Supplement as the Specified Period after the calendar month in which the preceding such date occurred provided, however, that:
 - 7.8.3.5.1 if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day or a Commodity Business Day, as the case may be in that calendar month;
 - 7.8.3.5.2 if any such date would otherwise fall on a day which is not a Business Day or a Commodity Business Day, as the case may be, then such date will be the first following day which is a Business Day or a Commodity Business Day, as the case may be, unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day or a Commodity Business Day; and
 - 7.8.3.5.3 if the preceding such date occurred on the last day in a calendar month which was a Business Day or a Commodity Business Day, as the case may be, then all subsequent such dates will be the last day which is a Business Day or a Commodity Business Day, as the case may be, in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred,

and if "No Adjustment" is specified in the Applicable Pricing Supplement, the relevant date shall not be adjusted in accordance with any Business Day Convention or Commodity Business Day Convention, as the case may be.

8. PAYMENTS

8.1 Payments – Registered Notes

Payments of principal and/or interest in respect of Registered Notes represented by an Individual Certificate shall be made to the Transfer Agent, who will in turn, acting on behalf of the Issuer, make payment to the registered holder of such Note, as set forth in the Register on the close of business on the Last Day to Register (as specified in the Applicable Pricing Supplement). In addition to the above, in the case of a final redemption payment, the holder of the Individual Certificate shall be required, on or before the Last Day to Register prior to the Maturity Date, to surrender such Individual Certificate at the offices of the Transfer Agent.

Payments of principal and/or interest in respect of uncertificated Registered Notes or Registered Notes represented by a Global Certificate will be made to the CSD and/or the Participants, as shown in the Register on the Last Day to Register, and the Issuer will be discharged by proper payment to the CSD and/or the Participants, in respect of each amount so paid. Each of the Persons shown in the records of the CSD and the Participants, as the case may be, shall look solely to the CSD or the Participant, as the case may be, for his share of each payment so made by the Issuer to the registered holder of such uncertificated Registered Notes or to the registered holder of such Global Certificate(s).

8.2 Payments – Bearer Notes

Payments of interest in respect of Bearer Notes will be made to the Bearer only against presentation and surrender by the Bearer or its Representative of the relevant Coupon or (in respect of interest bearing Bearer Notes issued without Coupons) only against presentation by the Bearer or its Representative of the relevant Certificate. Payments of Instalment Amounts in respect of Bearer Notes will be made to the Bearer only following presentation and surrender by the Bearer or its Representative of the relevant Receipt or (in respect of Bearer Notes issued without Receipts) only against presentation by the Bearer or its Representative of the relevant Certificate. Payments of the final instalment of principal in respect of Bearer Notes will be made to the Bearer only following presentation and surrender by the Bearer or its Representative of the Certificate evidencing such Bearer Notes. Upon surrender as aforesaid, the Bearer or its Representative shall be required to nominate in writing to the Paying Agent a bank account within South Africa (or any Other Banking Jurisdiction specified in the Applicable Pricing Supplement) into which the relevant payment must be made and provide details of its address (being an address within South Africa or any Other Banking Jurisdiction specified in the Applicable Pricing Supplement).

Payments of interest in respect of Bearer Notes shall be made in accordance with Condition 8.4 (*Method of Payment*) only following surrender of the relevant Coupon to the Paying Agent.

No payment in respect of the final redemption of a Bearer Note shall be made until the later of:

- 8.2.1 the Relevant Date; and
- 8.2.2 the date on which the Certificate in respect of the Note to be redeemed has been surrendered to the Paying Agent.

Upon final redemption as aforesaid, all unmatured Coupons (if applicable) relating to Bearer Notes (whether or not surrendered with the relevant Certificate) shall become void and no payment shall be made thereafter in respect of them.

8.3 Payments – Order Notes

Payments of interest in respect of Order Notes will be made to the Payee only following presentation and surrender by the Payee or its Representative of the relevant Coupon or (in respect of interest bearing Order Notes issued without Coupons) only against presentation by the Payee or its Representative of the relevant Certificate. Payments of Instalment Amounts in respect of Order Notes will be made to the Noteholder only following presentation and surrender by the Payee or its Representative of the relevant Receipt or (in respect of Order Notes issued without Receipts) only against presentation by the Payee or its Representative of the relevant Certificate. Payments of the final instalment of principal in respect of Order Notes will be made to the Payee only following presentation and surrender by the Payee or its Representative of the Certificate evidencing such Order Notes. Upon presentation and/or surrender as aforesaid, the Payee or its Representative shall be required to nominate in writing to the Paying Agent a bank account within South Africa (or any Other Banking Jurisdiction specified in the Applicable Pricing Supplement) into which the relevant payment must be made and provide details of its address (being an address within South Africa or any Other Banking Jurisdiction specified in the Applicable Pricing Supplement).

No payment in respect of the final redemption of an Order Note shall be made until the later of:

8.3.1 the Relevant Date; and

8.3.2 the date on which the Certificate in respect of the Note to be redeemed has been surrendered to the Paying Agent.

Upon final redemption as aforesaid, all unmatured Coupons (if applicable) relating to Order Notes (whether or not surrendered with the relevant Certificate) shall become void and no payment shall be made thereafter in respect of them.

8.4 Method of Payment

Payments will be made in the Specified Currency by credit or transfer, by means of electronic settlement, to the Noteholder.

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), the Issuer shall make such payment by cheque (or by such number of cheques as may be required in accordance with applicable banking law and practice) to make payment of any such amounts. Such payments by cheque shall be sent by post to:

8.4.1 the address of the Noteholder of Registered Notes as set forth in the Register or, in the case of joint Noteholders of Registered Notes, the address set forth in the Register of that one of them who is first named in the Register in respect of that Note;

8.4.2 the address nominated by the Bearer or the Payee in respect of Bearer Notes or Order Notes, as the case may be, upon surrender in accordance with Condition 8.2 (*Payments – Bearer Notes*) or 8.3 (*Payments – Order Notes*), as the case may be.

Each such cheque shall be made payable to the relevant Noteholder or, in the case of joint Noteholders of Registered Notes, the first one of them named in the Register. Cheques may be posted by ordinary post, provided that neither the Issuer nor the Paying Agent shall be responsible for any loss in transmission and the postal authorities shall be deemed to be the agent of the Noteholders for the purposes of all cheques posted in terms of this Condition 8.4 (*Method of Payment*).

In the case of joint Noteholders of Registered Notes payment by electronic funds transfer will be made to the account of the Noteholder first named in the Register. Payment by electronic transfer

to the Noteholder first named in the Register shall discharge the Issuer of its relevant payment obligations under the Notes.

Payments will be subject in all cases to any fiscal or other laws, directives and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 14 (*Taxation*).

8.5 Payment Day

If the date for payment of any amount in respect of any Note is not a Business Day, the holder thereof shall not be entitled to payment until the next following Business Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

8.6 Interpretation of Principal and Interest

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- 8.6.1 any additional amounts which may be payable with respect to principal under Condition 14 (*Taxation*);
- 8.6.2 the Final Redemption Amount of the Notes or the Early Redemption Amount of the Notes, as the case may be;
- 8.6.3 the Optional Redemption Amount(s) (if any);
- 8.6.4 in relation to Instalment Notes, the Instalment Amounts;
- 8.6.5 in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 14 (*Taxation*)); and
- 8.6.6 any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes, but excluding for the avoidance of doubt, interest.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 14 (*Taxation*).

9. REDEMPTION AND PURCHASE

9.1 Redemption at Maturity

- 9.1.1 Subject to the provisions of Condition 10 (*Redemption Procedures*) and unless previously redeemed or purchased and cancelled as specified below, each Note (other than a Credit Linked Note) will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the Applicable Pricing Supplement in the Settlement Currency on the Maturity Date, subject to any applicable fiscal or other laws or regulations and subject to and in accordance with the terms and conditions set out herein and in the Applicable Pricing Supplement. Payment of any applicable Taxes and Redemption Expenses shall be made by the relevant Noteholder, and the Issuer shall not have any liability in respect thereof.

If "*Physical Settlement*" is specified as applicable in the Applicable Pricing Supplement, the Issuer may, on the redemption of a Note, elect to deliver the Reference Assets to which such Note relates on the relevant Physical Delivery Date, and the Noteholder shall be obliged to accept such Reference Assets and pay any applicable Taxes and Redemption Expenses in accordance with Conditions 10.5 (*Settlement by the Issuer*) and 14 (*Taxation*) below. By delivering in writing to the Relevant Clearing System (with a copy to the Paying Agent) a duly completed

irrevocable Maturity Redemption Notice, a Noteholder will be deemed to have agreed to such form of settlement as the Issuer shall elect.

If the Issuer does not elect to deliver the Reference Assets, the Paying Agent shall give notice to the relevant Noteholders in accordance with Condition 21 (*Notices*) of the Final Redemption Amount payable in cash in respect of each note as soon as practicable after calculation of such amount.

9.1.2 Credit Linked Notes

9.1.2.1 Generally

Subject to the provisions of and in accordance with Condition 9.1.2.2 and 9.1.2.3 and Condition 10 (*Redemption Procedures*) and unless previously redeemed or purchased and cancelled, each Credit Linked Note will mature and will be redeemed on the Scheduled Maturity Date, and the Issuer will on the Scheduled Maturity Date at the option of the Issuer (a) pay or cause to be paid, for value on the Scheduled Maturity Date, the Redemption Amount in respect of such Note or (b) subject to Condition 10.6 (*Settlement Disruption Event*) deliver the Deliverable Amount in respect of such Note on the Physical Delivery Date, in each case subject to any applicable fiscal or other laws or regulations and subject to and in accordance with the terms and conditions set out herein and in the Applicable Pricing Supplement. Payment of any applicable Taxes and Redemption Expenses shall be made by the relevant Noteholder, and the Issuer shall not have any liability in respect thereof.

Credit Linked Notes do not give the Noteholder any right to acquire any of the Reference Obligations or Deliverable Obligations, and the Issuer is not obliged to purchase, hold or deliver any of such Reference Obligations or Deliverable Obligations. However, if so specified in the Applicable Pricing Supplement, the Issuer may, on the redemption of such a Note, elect to deliver the Deliverable Amount on the relevant Physical Delivery Date and the Noteholder shall be obliged to accept such Deliverable Amount and pay any applicable Taxes and Redemption Expenses in accordance with Conditions 10.5 (*Settlement by the Issuer*) and 14 (*Taxation*) below. By delivering in writing to the Relevant Clearing System (with a copy to the Paying Agent) a duly completed irrevocable Maturity Redemption Notice, a Noteholder will be deemed to have agreed to such form of settlement as the Issuer shall elect.

If the Issuer does not elect to deliver the Deliverable Amount, the Paying Agent shall give notice to the relevant Noteholders in accordance with Condition 21 (*Notices*) of the Final Redemption Amount payable in cash in respect of each Note as soon as practicable after calculation of such amount.

9.1.2.2 Cash Settlement

If Cash Settlement is specified in the Applicable Pricing Supplement and the Conditions to Settlement are satisfied during the Notice Delivery Period (such date of satisfaction the "*Credit Event Determination Date*"), the Issuer may, at its option, give notice (such notice a "*Settlement Notice*") to the Noteholders in accordance with Condition 21 (*Notices*) and redeem all but not some only of the relevant Credit Linked Notes, each Note being redeemed by the Issuer at the Credit Event Redemption Amount on the Credit Event Redemption Date.

If the Conditions to Settlement are satisfied and the relevant Credit Linked Notes become redeemable in accordance with this Condition 9.1.2.2, upon

payment of the Credit Event Redemption Amount in respect of such Notes the Issuer shall have discharged its obligations in respect of such Notes and shall have no other liability or obligation whatsoever in respect thereof. The Credit Event Redemption Amount may be less than the principal amount of such a Note. Any shortfall shall be borne by the Noteholders, and no liability shall attach to the Issuer.

9.1.2.3 Physical Settlement

If Physical Delivery is specified in the Applicable Pricing Supplement and Conditions to Settlement are satisfied during the Notice Delivery Period (such date of satisfaction the "*Credit Event Determination Date*"), the Issuer may, at its option, give notice (such notice a "*Notice of Physical Settlement*") to the Noteholders in accordance with Condition 21 (*Notices*) and redeem all but not some only of the Notes, each Note being redeemed by delivery of the Deliverable Obligations comprising the Deliverable Amount, subject to and in accordance with Condition 10.6.2 (*Undeliverable Obligations*). If the Issuer elects not to give a Notice of Physical Settlement, Condition 9.1.2.2 (*Cash Settlement*) shall apply.

In the Notice of Physical Settlement the Issuer shall specify the Deliverable Obligations comprising the Deliverable Amount that it reasonably expects to deliver. For the avoidance of doubt, the Determination Agent shall be entitled to select any of the Deliverable Obligations to constitute the Deliverable Amount, irrespective of their market value.

If Conditions to Settlement are satisfied and the Credit Linked Notes become redeemable in accordance with this Condition 9.1.2.3 (*Physical Settlement*), upon Delivery of the Deliverable Amount and/or payment of the Cash Settlement Amount, as the case may be, the Issuer shall have discharged its obligations in respect of such Notes and shall have no other liability of obligation whatsoever in respect thereof. The value of such Deliverable Amount and/or the Cash Settlement Amount may be less than the principal amount of such Note. Any shortfall shall be borne by the Noteholders, and no liability shall attach to the Issuer.

9.1.2.4 Repudiation/Moratorium Extension

Where Conditions to Settlement have not been satisfied on or prior to the Scheduled Maturity Date but the Repudiation/Moratorium Extension Condition has been satisfied on or prior to the Scheduled Maturity Date and the Repudiation/Moratorium Evaluation Date in respect of such Potential Repudiation Moratorium will in the sole determination of the Determination Agent fall after the Scheduled Maturity Date, then the Determination Agent shall notify the Noteholders in accordance with Condition 21 (*Notices*) that a Potential Repudiation/Moratorium has occurred, and:

- (a) where a Repudiation/Moratorium has not occurred on or prior to the Repudiation/Moratorium Evaluation Date:
 - (i) each Credit Linked Note will be redeemed by the Issuer by payment of the Redemption Amount on the second Business Day following the Repudiation/Moratorium Evaluation Date; and
 - (ii) in the case of interest bearing Credit Linked Notes, the Issuer shall be obliged to pay interest calculated as provided herein, accruing from (and including) the Interest Payment Date

immediately preceding the Scheduled Maturity Date to (but excluding) the Scheduled Maturity Date but shall only be obliged to make such payment of interest on the second Business Day following the Repudiation/Moratorium Evaluation Date and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay; and

- (b) where a Repudiation/Moratorium has occurred on or prior to the Repudiation/Moratorium Evaluation Date and Conditions to Settlement are satisfied in the Notice Delivery Period, the provisions of Condition 9.1.2.2 (*Cash Settlement*) or 9.1.2.3 (*Physical Settlement*) as applicable shall apply to such Credit Linked Notes.

9.1.2.5 Grace Period Extension

If "*Grace Period Extension*" is specified as applying in the Applicable Pricing Supplement, the provisions of this Condition 9.1.2.5 (*Grace Period Extension*) shall apply.

Where Conditions to Settlement have not been satisfied on or prior to the Scheduled Maturity Date but a Potential Failure to Pay has occurred with respect to one or more Obligations in respect of which a Grace Period is applicable on or prior to the Scheduled Maturity Date (and such Grace Period(s) is/are continuing as of the Scheduled Maturity Date), then:

- (a) where a Failure to Pay has not occurred on or prior to the Grace Period Extension Date:
 - (i) each Credit Linked Note will be redeemed by the Issuer by payment of the Redemption Amount on the Grace Period Extension Date; and
 - (ii) in the case of interest bearing Credit Linked Notes, the Issuer shall be obliged to pay interest calculated as provided herein, accruing from (and including) the Interest Payment Date immediately preceding the Scheduled Maturity Date to (but excluding) the Scheduled Maturity Date but shall only be obliged to make such payment of interest on the Grace Period Extension Date and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay; and
- (b) where a Failure to Pay has occurred on or prior to the Grace Period Extension Date and Conditions to Settlement are satisfied in the Notice Delivery Period, the provisions of Condition 9.1.2.2 (*Cash Settlement*) or 9.1.2.3 (*Physical Settlement*) as applicable shall apply to such Notes.

9.1.2.6 Maturity Date Extension

If on (i) the Scheduled Maturity Date or (ii) the Repudiation/Moratorium Evaluation Date, or (iii) if "*Grace Period Extension*" is specified as applying in the Applicable Pricing Supplement, the Grace Period Extension Date, as the case may be, Conditions to Settlement have not been satisfied but, in the opinion of the Determination Agent, a Credit Event may have occurred, the Determination Agent may notify the Noteholders in accordance with Condition 21 (*Notices*) that the Scheduled Maturity Date, the Grace Period Extension Date or the Repudiation/Moratorium Evaluation Date, as the case

may be, has been postponed to a date (such date the "*Postponed Maturity Date*") specified in such notice falling not more than 15 (fifteen) calendar days after the Scheduled Maturity Date, the Grace Period Extension Date or the Repudiation/Moratorium Evaluation Date, as the case may be, and:

- (a) where Conditions to Settlement are not satisfied on or prior to the Postponed Maturity Date:
 - (i) subject as provided below each Credit Linked Note will be redeemed by the Issuer by payment of the Redemption Amount on the Postponed Maturity Date; and
 - (ii) in the case of interest bearing Credit Linked Notes, the Issuer shall be obliged to pay interest calculated as provided herein accruing from (and including) the Interest Payment Date immediately preceding the Scheduled Maturity Date to (but excluding) the Scheduled Maturity Date but shall only be obliged to make such payment of interest on the Postponed Maturity Date and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay; and
- (b) where Conditions to Settlement are satisfied on or prior to the Postponed Maturity Date, the provisions of Condition 9.1.2.2 (*Cash Settlement*) or 9.1.2.3 (*Physical Settlement*) as applicable shall apply to such Notes.

9.2 Early Redemption at the Option of Noteholders

If "Early Redemption at the Option of Noteholders" is specified as applicable in the Applicable Pricing Supplement, the Noteholders of any Tranche of Notes may (having given not less than 30 (thirty) days' notice (or such other period of notice as may be specified in the Applicable Pricing Supplement) require the Issuer to redeem Notes on any Optional Redemption Date in the manner specified herein and in the Applicable Pricing Supplement. Following the exercise of this option by the holder of any Note of such Tranche in accordance with the provisions of Condition 10 (*Redemption Procedures*), the Issuer will redeem the relevant Note(s), subject to and in accordance with the terms specified in the Applicable Pricing Supplement, in whole (or, if specified as applicable in the Applicable Pricing Supplement, in part), on the Optional Redemption Date, and the relevant Noteholder(s) will receive from the Issuer on the relevant Optional Redemption Payment Date the Optional Redemption Amount in respect of such Note(s) subject to any applicable fiscal or other laws or regulations and subject to and in accordance with the terms and conditions set out herein and in the Applicable Pricing Supplement. Payment of any applicable Taxes and Redemption Expenses shall be made by the relevant Noteholder, and the Issuer shall not have any liability in respect thereof.

If "Physical Settlement" is specified as applicable in the Applicable Pricing Supplement, the Issuer may, on the redemption of a Note, elect to deliver on the relevant Physical Delivery Date the Reference Assets or (in the case of Credit Linked Notes) deliver the Deliverable Amount to which such Note relates, and the Noteholder shall be obliged to accept such Reference Assets or Deliverable Amount and pay any applicable Taxes and Redemption Expenses in accordance with Conditions 10.5 (*Settlement by the Issuer*) and 14 (*Taxation*) below. By delivering in writing to the Relevant Clearing System (with a copy to the Paying Agent) a duly completed irrevocable Early Redemption Notice, a Noteholder will be deemed to have agreed to such form of settlement as the Issuer shall elect.

If the Issuer does not elect to deliver the Reference Assets or the Deliverable Amount, the Paying Agent shall give notice to the relevant Noteholders in accordance with Condition 21 (*Notices*) of the Optional Redemption Amount payable in cash in respect of each Note being redeemed as soon as practicable after calculation of such amount.

9.3 Early Redemption at the Option of the Issuer

If "Early Redemption at the Option of the Issuer" is specified as applicable in the Applicable Pricing Supplement or pursuant to Condition 12.1.1 (*Consequences of Merger Events*) or 12.1.2 (*Nationalisation, Insolvency and Delisting*), the Issuer may (having given not less than 30 (thirty) days' notice (or such other period of notice as may be specified in the Applicable Pricing Supplement) to the Noteholders in accordance with Condition 21 (*Notices*)) redeem the Notes of any Tranche on any Optional Redemption Date. If the Issuer exercises this option in accordance with the provisions of Condition 10 (*Redemption Procedures*), it will redeem the Notes of such Tranche, subject to and in accordance with the terms specified herein and in the Applicable Pricing Supplement, in whole (or, if specified as applicable in the Applicable Pricing Supplement, in part) on the Optional Redemption Date, and the Noteholders will receive from the Issuer on the relevant Optional Redemption Payment Date, the Optional Redemption Amount in respect of such Notes subject to any applicable fiscal or other laws or regulations and subject to and in accordance with the terms and conditions set out herein and in the Applicable Pricing Supplement. Payment of any applicable Taxes and Redemption Expenses will be made by the Noteholders, and the Issuer shall not have any liability in respect thereof.

If "Physical Settlement" is specified in the Applicable Pricing Supplement, the Issuer may, on the redemption of a Note, elect to deliver the Reference Assets or (in the case of Credit Linked Notes) deliver the Deliverable Amount to which such Note relates on the relevant Physical Delivery Date, and the Noteholder shall be obliged to accept such Reference Assets or Deliverable Amount and pay any applicable Taxes and Redemption Expenses, in accordance with Conditions 10.5 (*Settlement by the Issuer*) and 14 (*Taxation*) below. By delivering in writing to the Relevant Clearing System (with a copy to the Paying Agent) a duly completed irrevocable Noteholder's Notice, a Noteholder will be deemed to have agreed to such form of settlement as the Issuer shall elect.

If the Issuer does not elect to deliver the Reference Assets or (in the case of Credit Linked Notes) deliver the Deliverable Amount, the Paying Agent shall give notice to the relevant Noteholders, in accordance with Condition 21 (*Notices*), of the Optional Redemption Amount payable in cash in respect of each Note as soon as practicable after calculation of such amount.

9.4 Early Redemption following the occurrence of a Tax Event, Change in Law, Hedging Disruption and/or Increased Cost of Hedging

If so specified in the Applicable Pricing Supplement, the Issuer may redeem the Notes of any Tranche at any time prior to the Maturity Date following the occurrence of a Tax Event and/or a Change in Law, and/or a Hedging Disruption and/or an Increased Cost of Hedging. If the Issuer exercises this option in accordance with the provisions of Condition 10 (*Redemption Procedures*), it will redeem the Notes of such Tranche, subject to and in accordance with the terms specified in the Applicable Pricing Supplement, in whole (but not in part) on the Early Redemption Date, and the Noteholders will receive from the Issuer on the relevant Early Redemption Payment Date the Early Redemption Amount referred to in Condition 9.5 (*Early Redemption Amounts*) in respect of such Notes, subject to any applicable fiscal or other laws or regulations and subject to and in accordance with the terms and conditions set out herein and in the Applicable Pricing Supplement. Payment of any applicable Taxes and Redemption Expenses will be made by the Noteholders, and the Issuer shall not have any liability in respect thereof.

If "Physical Settlement" is specified in the Applicable Pricing Supplement, the Issuer may, on the redemption of a Note, elect to deliver on the relevant Physical Delivery Date the Reference Assets or deliver the Deliverable Amount to which such Note relates, and the Noteholder shall be obliged to accept such Reference Assets or Deliverable Amount and pay any applicable Taxes and Redemption Expenses in accordance with Conditions 10.5 (*Settlement by the Issuer*) and 14 (*Taxation*) below. By delivering in writing to the Relevant Clearing System (with a copy to the Paying Agent) a duly completed irrevocable Noteholder's Notice, a Noteholder will be deemed to have agreed to such form of settlement as the Issuer shall elect.

If the Issuer does not elect to deliver the Reference Assets or deliver the Deliverable Amount, the Paying Agent shall give notice to the relevant Noteholders, in accordance with Condition 21

(Notices), of the Early Redemption Amount payable in cash in respect of each Note as soon as practicable after calculation of such amount.

9.5 Early Redemption Amounts

For the purpose of Condition 9.4 (*Early Redemption following the occurrence of a Tax Event, Change in Law, Hedging Disruption and/or Increased Cost of Hedging*) and Condition 19 (*Events of Default*), the Notes will be redeemed at the Early Redemption Amount calculated as follows:

9.5.1 in the case of Notes with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or

9.5.2 in the case of Notes (other than Zero Coupon Notes) with a Final Redemption Amount which is or may be less or greater than the Issue Price, at the amount specified in, or determined in the manner specified in, the Applicable Pricing Supplement or, if no such amount or manner is so specified in the Pricing Supplement, at their Nominal Amount; or

S20.14(g) 9.5.3 in the case of Zero Coupon Notes, at an amount (the "**Amortised Face Amount**") equal to the sum of: (i) the Reference Price; and (ii) the product of the Implied Yield (compounded annually) being applied to the Reference Price on the basis of the Relevant Day Count Fraction 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 Note becomes due and repayable, or such other amount as is provided in the Applicable Pricing Supplement; or

9.5.4 in the manner set out in the Applicable Pricing Supplement in respect of any Tranche of Notes.

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.

9.6 Instalment Notes

Instalment Notes will be redeemed at the Instalment Amounts and on the Instalment Dates. In the case of early redemption in accordance with Conditions 9.4 (*Early Redemption following the occurrence of a Tax Event, Change in Law, Hedging Disruption and/or Increased Cost of Hedging*) or 19 (*Events of Default*), the Early Redemption Amount will be determined pursuant to Condition 9.5 (*Early Redemption Amounts*).

9.7 Partly Paid Notes

If the Notes are Partly Paid Notes, they will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 9 (*Redemption and Purchase*) and the Applicable Pricing Supplement. In the case of early redemption in accordance with Conditions 9.4 (*Early Redemption following the occurrence of a Tax Event, Change in Law, Hedging Disruption and/or Increased Cost of Hedging*) or 19 (*Events of Default*), the Early Redemption Amount will be determined pursuant to Condition 9.5 (*Early Redemption Amounts*).

9.8 Exchangeable Notes

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

delivery by the Issuer of the Exchange Securities in the manner set out in the Applicable Pricing Supplement shall constitute the *in specie* redemption in full of such Notes.

9.9 Purchases

The Issuer or any of its Subsidiaries may at any time purchase Notes at any price in the open market or otherwise. Such Notes may, subject to applicable law, be held, resold, or, at the option of the Issuer, surrendered to the Transfer Agent for cancellation.

9.10 Cancellation

All Notes which have been redeemed will forthwith be cancelled. All Notes so cancelled shall be forwarded to the Issuer and 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.

9.11 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 this Condition 9 (*Redemption and Purchase*) or upon its becoming due and repayable as provided in Condition 19 (*Events of Default*) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 9.5.3 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 which is the earlier of: (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and (ii) 5 (five) days after the date on which the full amount of the moneys payable has been received by the CSD, and notice to that effect has been given to the Noteholder in accordance with Condition 21 (*Notices*).

9.12 Applicable Procedures

The redemption and partial redemption of Beneficial Interests shall take place in accordance with the Applicable Procedures and the Securities Services Act.

10. REDEMPTION PROCEDURES

10.1 General

The redemption of Notes of any Tranche shall be effected only in accordance with this Condition 10 (*Redemption Procedures*) unless different procedures are specified in the Applicable Pricing Supplement.

10.2 Restrictions

In certain circumstances specified in the Applicable Pricing Supplement, selling restrictions or certification requirements in addition to those described in the Programme Memorandum may apply.

10.3 Redemption Notices

10.3.1 Redemption Notices generally

10.3.1.1 Where Notes are being redeemed on the Maturity Date

Unless otherwise specified in the Applicable Pricing Supplement, payment of the Final Redemption Amount to the relevant Noteholder on the Maturity Date or, in the case of a Structured Note, delivery of the Reference Assets or, in the case of a Credit Linked Note, the Deliverable Amount on the Physical Delivery Date to, or to the order of, the relevant

Noteholder is conditional upon the Noteholder delivering in writing to the Issuer, a duly completed irrevocable notice (a "Maturity Redemption Notice") in the form provided by, and available from, the Issuer at its Specified Office not later than the Maturity Notice Time on the Maturity Date. The Maturity Redemption Notice may specify that it is subject to certain specified additional conditions or requirements.

10.3.1.2 Where Notes are being redeemed by the Issuer at the request of a Noteholder pursuant to Condition 9.2

Unless otherwise specified in the Applicable Pricing Supplement, payment of the Optional Redemption Amount to the relevant Noteholder or, in the case of a Structured Note, delivery of the Reference Assets or, in the case of a Credit Linked Note, the Deliverable Amount on the Physical Delivery Date to, or to the order of, the relevant Noteholder is conditional upon such Noteholder delivering in writing to the Issuer, a duly completed irrevocable notice (an "Early Redemption Notice") in the form provided by, and available from, the Issuer at its Specified Office. Such Early Redemption Notice must be received no later than the Redemption Notice Time on the Optional Redemption Date. Any Early Redemption Notice (in writing) received after the Redemption Notice Time on a given Business Day shall be deemed to be received on the next succeeding Business Day, provided such date falls no later than two Business Days prior to the Maturity Date, in which event the Notes will be redeemed on the Maturity Date in accordance with Condition 9.1 (*Redemption at Maturity*).

10.3.1.3 Where Notes are being redeemed by the Issuer pursuant to Condition 9.3

Unless otherwise specified in the Applicable Pricing Supplement, if the Issuer wishes to redeem the Notes of any Tranche pursuant to Condition 9.3 (*Early Redemption at the Option of the Issuer*), the Issuer must give Noteholders notice of redemption (an "Issuer Redemption Notice") in accordance with Condition 21 (*Notices*) (which notice will be irrevocable and will specify the Optional Redemption Amount or, in the case of a Structured Note, if the Issuer elects to deliver Reference Assets or, in the case of a Credit Linked Note the Deliverable Amount, *in lieu* of paying the Optional Redemption Amount, the Reference Assets or the Deliverable Amount to be delivered upon redemption of each Structured Note) and at the same time deliver a copy of the Issuer Redemption Notice to the Paying Agent and the Relevant Clearing System.

An Issuer Redemption Notice given in respect of any Tranche of Notes must be received no later than the Redemption Notice Time on the Optional Redemption Date. Any Issuer Redemption Notice (in writing) received after the Redemption Notice Time on a given Business Day shall be deemed to be received on the next succeeding Business Day, provided it falls no later than two Business Days prior to the Maturity Date, in which event the Notes will be redeemed on the Maturity Date in accordance with Condition 9.1 (*Redemption at Maturity*).

Unless otherwise specified in the Applicable Pricing Supplement, payment of the Optional Redemption Amount to the relevant Noteholder on the Optional Redemption Payment Date or delivery of the Reference Assets or the Deliverable Amount on the Physical Delivery Date, to or to the order of the relevant Noteholder is conditional upon the Noteholder delivering in writing to the Relevant Clearing System, with a copy to the Paying Agent, a duly completed Noteholder's Notice not later than the Redemption Notice Time on the Optional Redemption Date, which notice may specify

that it is subject to any additional conditions or requirements specified in the Issuer Redemption Notice.

10.3.1.4 Where Notes are being redeemed by the Issuer pursuant to Condition 9.4

Unless otherwise specified in the Applicable Pricing Supplement, if the Issuer wishes to redeem the Notes of any Series pursuant to Condition 9.4 (*Early Redemption following the occurrence of a Tax Event, Change in Law, Hedging Disruption and/or Increased Cost of Hedging*), the Issuer must give Noteholders notice of redemption (a "Special Redemption Notice") in accordance with Condition 21 (*Notices*) (which notice will be irrevocable and will specify the Early Redemption Amount or, in the case of a Structured Note, if the Issuer elects to deliver Reference Assets or, in the case of a Credit Linked Note, the Deliverable Amount *in lieu* of paying the Early Redemption Amount, the Reference Assets or the Deliverable Obligations to be delivered upon redemption of each Structured Note) and at the same time deliver a copy of the Special Redemption Notice to the Paying Agent.

A Special Redemption Notice given in respect of any Tranche of Notes must be given no later than the Redemption Notice Time on the Early Redemption Date. Any Special Redemption Notice (in writing) received after the Redemption Notice Time on a given Business Day shall be deemed to be received on the next succeeding Business Day, provided it falls no later than two Business Days prior to the Maturity Date, in which event the Notes will be redeemed on the Maturity Date in accordance with Condition 9.1 (*Redemption at Maturity*).

Unless otherwise specified in the Applicable Pricing Supplement, payment of the Early Redemption Amount to the relevant Noteholder on the Early Redemption Payment Date or delivery of the Reference Assets or the Deliverable Obligations on the Physical Delivery Date, to or to the order of the relevant Noteholder is conditional upon the Noteholder delivering in writing to the Relevant Clearing System, with a copy to the Paying Agent, a duly completed Noteholder's Notice not later than the Redemption Notice Time on the Early Redemption Date, which notice may specify that it is subject to any additional conditions or requirements specified in the Special Redemption Notice.

10.3.2 Effect of Redemption Notices

10.3.2.1 Effect of Maturity Redemption Notice and Noteholder's Notice where Notes are being redeemed on the Maturity Date or pursuant to Condition 9.3 or 9.4

A Maturity Redemption Notice or a Noteholder's Notice, as the case may be, if delivered in accordance with Condition 10.3.1.1, 10.3.1.3 or 10.3.1.4, as the case may be, shall, *inter alia*, constitute and be substantially to the following effect:

- 10.3.2.1.1 an irrevocable notice requiring the Issuer to redeem the Notes therein referred to as permitted by Condition 9.3 (*Early Redemption at the Option of the Issuer*) or Condition 9.4 (*Early Redemption following the occurrence of a Tax Event, Change in Law, Hedging Disruption and/or Increased Cost of Hedging*), as the case may be, and notification of the number and Tranche of Notes which the Issuer wishes to redeem, subject to the minimum and maximum redemption requirements and integral multiples requirements specified in

Condition 13 (*Limits on number of Notes that can be redeemed*);

- 10.3.2.1.2 an irrevocable instruction to the Relevant Clearing System to debit the designated Securities Account for each Note to be redeemed on the Maturity Date or Optional Redemption Date or Early Redemption Date, as the case may be;
 - 10.3.2.1.3 where the Notes are being cash settled, an irrevocable instruction to the Relevant Clearing System to credit the Cash Account of the Noteholder at the Relevant Clearing System, as appropriate, with the Final Redemption Amount or the Optional Redemption Amount or the Early Redemption Amount, as the case may be, on the Maturity Date or the Optional Redemption Payment Date or the Early Redemption Payment Date, as the case may be;
 - 10.3.2.1.4 if the Applicable Pricing Supplement specifies that "Physical Settlement" is applicable and the Issuer elects to deliver the Underlying Securities or, in the case of Credit Linked Notes the Deliverable Amount, *in lieu* of paying the Final Redemption Amount or Optional Redemption Amount or Early Redemption Amount, as the case may be, notification of the name and address of the Person or bank or broker to whom the Reference Assets or the Deliverable Obligations should be transferred and of the name and address of the Person or bank or broker to whom the Transfer Documentation in respect of the Reference Assets or the Deliverable Obligations should be delivered (if the Reference Assets are equity units such information should relate to each security comprised in such equity units) and notification of the name and the number of the Noteholder's Cash Account with the Relevant Clearing System to be credited with any cash payable by the Issuer, in the event of a Settlement Disruption Event or otherwise;
 - 10.3.2.1.5 notification of the name(s) and number(s) of the relevant Securities Account(s) and Cash Account(s);
 - 10.3.2.1.6 an undertaking by the relevant Noteholder to pay any applicable Redemption Expenses in accordance with Condition 10.5 (*Settlement by the Issuer*) and an authority to debit a specified account of the Noteholder at the Relevant Clearing System in respect thereof; and
 - 10.3.2.1.7 an undertaking by the relevant Noteholder to pay any applicable Taxes in accordance with Conditions 10.5 (*Settlement by the Issuer*) and 14 (*Taxation*).
- 10.3.2.2 **Effect of Early Redemption Notice where Notes are being redeemed by the Issuer at the request of a Noteholder**

If the Applicable Pricing Supplement specifies that the Notes may be redeemed by the Issuer at the request of Noteholders pursuant to Condition 9.2 (*Early Redemption at the Option of Noteholders*), an Early Redemption Notice delivered in accordance with Condition 10.3.1.2 shall, *inter alia*, constitute and be substantially to the following effect:

- 10.3.2.2.1 an irrevocable notice of the intention of the Noteholder to require the Issuer to redeem the Notes therein referred to as permitted by Condition 9.2 (*Early Redemption at the Option of*

Noteholders) and notification of the number and Tranche of Notes which the Noteholder wishes the Issuer to redeem, subject to the minimum and maximum redemption requirements and integral multiples requirements specified in Condition 13 (*Limits on number of Notes that can be redeemed*); provided that if the number of Notes specified in the Early Redemption Notice exceeds the number of Notes held in the Securities Account specified therein, such Early Redemption Notice shall be void;

10.3.2.2.2 an irrevocable instruction to the Relevant Clearing System to notify the Paying Agent of the Noteholder's election to require the Issuer to effect such redemption and instructing it to debit the designated Securities Account for each Note to be redeemed on the Optional Redemption Date;

10.3.2.2.3 where the Notes are being cash settled, an irrevocable instruction to the Relevant Clearing System to credit the Cash Account of the Noteholder at the Relevant Clearing System, as appropriate, with the Optional Redemption Amount on the Optional Redemption Payment Date;

10.3.2.2.4 if the Applicable Pricing Supplement specify that "Physical Settlement" is applicable and the Issuer elects to deliver the Reference Assets or, in the case of Credit Linked Notes, the Deliverable Amount *in lieu* of paying the Optional Redemption Amount, notification of the name and address of the Person or bank or broker to whom the Reference Assets or the Deliverable Obligations should be transferred and the name and address of the Person or bank or broker to whom the Transfer Documentation in respect of the Reference Assets or the Deliverable Obligations should be delivered (if the Reference Assets are equity units such information should relate to each security comprised in such equity units) and notification of the name and the number of the Noteholder's Cash Account with the Relevant Clearing System to be credited with any cash payable by the Issuer in the event of a Settlement Disruption Event or otherwise;

10.3.2.2.5 notification of the name(s) and number(s) of the relevant Securities Account(s) and Cash Account(s);

10.3.2.2.6 an undertaking to pay any applicable Redemption Expenses in accordance with Condition 10.5 (*Settlement by the Issuer*) and an authority to debit a specified account of the Noteholder at the Relevant Clearing System in respect thereof; and

10.3.2.2.7 an undertaking by the relevant Noteholder to pay any applicable Taxes in accordance with Conditions 10.5 (*Settlement by the Issuer*) and 14 (*Taxation*).

10.3.3 US Certification requirements - Type 1 US Commodities Restrictions

If the Applicable Pricing Supplement indicates that Type 1 US Commodities Restrictions apply, the Noteholder must certify in the following form (or such other form of certification as may be agreed between the Issuer or one of its affiliates and the Noteholder to equivalent effect) in connection with a redemption notice:

"(a) Neither the person holding the Notes referred to in this redemption notice, nor any person on whose behalf the Notes are being held when

redeemed, is a US person or a person within the United States (as such terms are defined in Regulation S under the US Securities Act of 1933, as amended) or (b) the person redeeming the Notes, and each person on whose behalf the Notes are being redeemed or who is the beneficial owner thereof, is an Eligible Contract Participant (as such term is defined in the Commodity Exchange Act).

We understand that this notice is required in connection with certain securities, commodities and other legislation in the United States. If administrative or legal proceedings are commenced or threatened in connection with which this notice is or might be relevant, we irrevocably authorise you to produce this notice or a copy thereof to any interested party in such proceedings."

10.3.4 US Certification requirements - Type 2 US Commodities Restrictions

If the Applicable Pricing Supplement indicates that Type 2 US Commodities Restrictions apply, the Noteholder must certify in the following form (or such other form of certification as may be agreed between the Issuer or one of its affiliates and the Noteholder to equivalent effect) in connection with a redemption notice:

"Neither the person holding the Notes referred to in this redemption notice, nor any person on whose behalf the Notes are being held when redeemed, is a US person or a person within the United States (as such terms are defined in Regulation S under the US Securities Act of 1933, as amended).

We understand that this notice is required in connection with certain securities, commodities and other legislation in the United States. If administrative or legal proceedings are commenced or threatened in connection with which this notice is or might be relevant, we irrevocably authorise you to produce this notice or a copy thereof to any interested party in such proceedings."

10.4 Liability

Redemption of the Notes, payments by the Issuer, and any Paying Agent and, in the case of Structured Notes or Credit Linked Notes, as the case may be, any transfer of the Reference Assets or Deliverable Obligations by the Issuer and/or any Paying Agent will be subject in all cases to all applicable fiscal and other laws, regulations and practices in force at such time (including, without limitation, any relevant exchange control laws or regulations and the Relevant Rules) and neither the Issuer nor any Paying Agent shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all commercially reasonable efforts, as a result of any such laws, regulations and practices. Neither the Issuer nor any Paying Agent shall under any circumstances be liable for any acts or defaults of the Relevant Clearing System in the performance of their respective duties in relation to the Notes or, in the case of Structured Notes or Credit Linked Notes, in relation to the delivery of Reference Assets or Deliverable Obligations, as the case may be, the acts or defaults of the relevant Exchanges.

10.5 Settlement by the Issuer

Subject to compliance by the Noteholder with the redemption procedures set out herein (and in the Applicable Pricing Supplement, where specified), the Issuer will, where applicable, comply with the following:

10.5.1 Settlement by delivery of Reference Assets

- 10.5.1.1 Redemption Expenses and Taxes associated with, in the case of a Structured Note, the delivery of any Reference Assets (including for the avoidance of doubt, in the case of an equity unit, the securities comprised in such equity unit) or, in the case of a Credit Linked Note, any Deliverable

Obligations will be for the account of the relevant Noteholder. No delivery by the Issuer of a fraction of Reference Assets or Deliverable Obligation shall be made. Structured Notes redeemed at the same time by the same Noteholder will be aggregated for the purpose of determining the aggregate number of Reference Assets or Deliverable Obligations to be delivered; and in the case of Equity Basket Notes, Notes redeemed at the same time by the same Noteholder shall be aggregated for the purpose of determining the aggregate number of Equity Baskets of Securities to be delivered and the aggregate number of each of the Reference Assets forming part of the relevant Equity Basket of Securities to be delivered. Where there is a fraction of a Reference Asset or a Deliverable Obligation, a Noteholder will be entitled to receive an amount in cash rounded to the nearest whole unit of currency *in lieu* of such fraction.

- 10.5.1.2 No Noteholder will be entitled to receive dividends declared or paid in respect of any Reference Assets or to any other rights relating to or arising out of any such Reference Assets if the record date for the relevant dividend or relevant right in respect of such Reference Assets falls before the relevant Physical Delivery Date.
- 10.5.1.3 If the Issuer has elected to make a delivery of the Reference Assets or the Deliverable Amount, but any Redemption Expenses incurred by the Issuer have not been credited to the Bank Account of the Paying Agent (in favour of the Issuer), then the Issuer shall be under no obligation to transfer the Reference Assets or the Deliverable Amount or make any payment of any nature to the relevant Noteholder in respect of the Notes being redeemed, and the Maturity Redemption Notice, Early Redemption Notice or Noteholder's Notice, as the case may be, delivered in respect of such Notes shall thereafter be null and void for all purposes.
- 10.5.1.4 If the Issuer elects to deliver Reference Assets or the Deliverable Amount *in lieu* of the Final Redemption Amount (or the Optional Redemption Amount or the Early Redemption Amount), then, as soon as practicable after the Valuation Date, it will confirm to the Relevant Clearing System and to the Paying Agent the Reference Assets or Deliverable Obligations being delivered upon redemption of each Note and the amount of any Taxes which the Issuer or the relevant Paying Agent is required to withhold or deduct and any Redemption Expenses incurred by the Issuer relating thereto. Subject to receipt of such information and subject to compliance by the Noteholder with the redemption procedure set out herein (and in the Applicable Pricing Supplement, where specified), the Relevant Clearing System will on or before the Physical Delivery Date transfer from the Cash Account of the relevant Noteholder to the account of the Paying Agent an amount equal to (i) any such Taxes and (ii) any such Redemption Expenses.
- 10.5.1.5 The Issuer will ensure that delivery of the Reference Assets or the Deliverable Amount to the Noteholder takes place on the Physical Delivery Date. In the event that a Noteholder requests that delivery of the Reference Assets or the Deliverable Amount be made at a location or in a method that is different from that in the Applicable Pricing Supplement, the Issuer will, without any obligation whatsoever and provided that no additional unreimbursed costs are incurred, seek to deliver the Reference Assets or the Deliverable Amount to such location and/or by such method. Settlement will take place in accordance with the relevant method of settlement.
- 10.5.1.6 Unless notified to the contrary, the Issuer shall, subject as provided below, on the relevant Physical Delivery Date deliver or procure the delivery of the Transfer Documentation relating to the Reference Assets or the

Deliverable Amount being so transferred (or in the case of a Reference Asset that is an equity unit, the Transfer Documentation in respect of such equity unit) to or to the order of the Noteholder or to such bank or broker as the Noteholder has specified in the relevant Maturity Redemption Notice.

10.5.1.7 The Issuer will, if it does not elect to deliver the Reference Assets or the Deliverable Amount *in lieu* of payment of the Final Redemption Amount (or the Optional Redemption Amount or the Early Redemption Amount), and subject to compliance by the Noteholder with the redemption procedure set out herein (and in the Applicable Pricing Supplement, where specified), pay or cause to be paid, on the relevant Maturity Date, the Final Redemption Amount (or the Optional Redemption Amount or the Early Redemption Amount) (less any Taxes or Redemption Expenses that the Issuer is authorised or required to deduct) to the Relevant Clearing System for credit to the relevant Noteholder's Cash Account designated in the relevant Maturity Redemption Notice for value on the Maturity Date or the Optional Redemption Payment Date or Early Redemption Payment Date, as the case may be. The Issuer shall not be liable for the failure of any third party to credit the Noteholder's Cash Account or for payment effected to Persons not entitled thereto.

10.5.2 Cash Settlement

In respect of each Note being redeemed, the Issuer will pay or cause to be paid, on the relevant Maturity Date (or Optional Redemption Payment Date or Early Redemption Payment Date), the Final Redemption Amount (or Optional Redemption Amount or Early Redemption Amount) (less any Taxes or Redemption Expenses that the Issuer is authorised to deduct) to the Relevant Clearing System for credit to the relevant Noteholder's Cash Account designated in the relevant Redemption Notice for value on the Maturity Date (or Optional Redemption Payment Date or Early Redemption Payment Date). The Issuer shall not be liable for the failure of any third party to credit the Noteholder's Cash Account or for payment effected to Persons not entitled thereto.

10.6 Settlement Disruption Event

10.6.1 Effect on Physical Delivery Date

If the Issuer has elected to deliver Reference Assets *in lieu* of paying the Final Redemption Amount or the Optional Redemption Amount or the Early Redemption Amount, as the case may be, in respect of Structured Notes and a Settlement Disruption Event prevents the delivery of such Reference Assets on the Physical Delivery Date, then the Physical Delivery Date will be the first succeeding day on which delivery of the Reference Assets can take place through the relevant Clearing System unless a Settlement Disruption Event prevents settlement on each of the 10 (ten) relevant Clearing System Business Days immediately following the original date that, but for the Settlement Disruption Event, would have been the Physical Delivery Date.

In that case, the Issuer may in its sole discretion elect to (i) satisfy its obligations in respect of the relevant Note by payment in cash of the Final Redemption Amount or the Optional Redemption Amount or the Early Redemption Amount, as the case may be, not later than the third Business Day following the date that the notice of such election is given to Noteholders in accordance with Condition 21 (*Notices*), or (ii) if the Reference Assets can be delivered in any other commercially reasonable manner, as determined by the Issuer in its sole discretion, designate that the Physical Delivery Date will be the first day on which settlement of a sale of the Reference Assets executed on that tenth Relevant Clearing System Business Day customarily would take place using such other commercially reasonable manner of delivery (which other

manner of delivery will be deemed the Relevant Clearing System for the purposes of delivery of the relevant Reference Assets). All determinations made by the Issuer will be conclusive and binding upon the Noteholders and the Issuer except in the case of manifest error.

For so long as the delivery of the Reference Assets in respect of any Note is not practicable by reason of a Settlement Disruption Event, the relevant Noteholders shall not be entitled to any payment, whether of interest or otherwise, on such Note as a result of any delay in the delivery of the Reference Assets pursuant to this paragraph.

10.6.2 Undeliverable Obligations

If the Issuer has elected to deliver the Deliverable Amount *in lieu* of paying the Final Redemption Amount or the Optional Redemption Amount or the Early Redemption Amount, as the case may be, in respect of Credit Linked Notes and such Deliverable Amount includes Undeliverable Obligations, where the Issuer is unable to deliver such Undeliverable Obligations on the Physical Delivery Date, it shall continue to attempt to deliver all or a portion of such Undeliverable Obligations on or before the 30th (thirtieth) Business Day following the Physical Delivery Date (the "Final Delivery Date").

If all or a portion of the Undeliverable Obligations constituting the Deliverable Amount are not delivered by a Final Delivery Date, the Issuer shall give notice (a "Cash Settlement Notice") to the Noteholders in accordance with Condition 21 (*Notices*) and the Issuer shall pay in respect of each Undeliverable Obligation the Cash Settlement Amount on the Cash Settlement Date.

10.7 Determinations where Notes are being redeemed by the Issuer on the Maturity Date or on the Optional Redemption Date or on the Early Redemption Date

Any determinations as to whether a Maturity Redemption Notice, an Early Redemption Notice or a Noteholder's Notice, as the case may be, is duly completed and in proper form shall be made by the Relevant Clearing System in consultation with the Paying Agent and shall be conclusive and binding on the Issuer, the Paying Agents and the relevant Noteholder. Any Maturity Redemption Notice, Early Redemption Notice or Noteholder's Notice, as the case may be, so determined to be incomplete or not in proper form or which is not copied to the Paying Agent immediately after being sent to the Relevant Clearing System shall be null and void unless the Issuer agrees otherwise. If such Maturity Redemption Notice, Early Redemption Notice or Noteholder's Notice, as the case may be, is subsequently corrected to the satisfaction of the Relevant Clearing System, it shall be deemed to be a new Maturity Redemption Notice, Early Redemption Notice or Noteholder's Notice, as the case may be, submitted at the time such correction is delivered to the Relevant Clearing System. The Relevant Clearing System shall use all reasonable endeavours promptly to notify the Noteholder submitting a Maturity Redemption Notice, an Early Redemption Notice or Noteholder's Notice, as the case may be, if it has determined that such Maturity Redemption Notice, Early Redemption Notice or Noteholder's Notice, as the case may be, is invalid or incomplete. In the absence of negligence or wilful misconduct on its part, the Relevant Clearing System shall not be liable to any Person with respect to any action taken or omitted to be taken by it in connection with such notification to a Noteholder or such determination.

10.8 Effect of Early Redemption Notice, Issuer Redemption Notice and Special Redemption Notice

10.8.1 Where Notes are being redeemed by the Issuer at request of Noteholder pursuant to Condition 9.2

Delivery of an Early Redemption Notice by facsimile shall constitute an irrevocable election by the relevant Noteholder to require the Issuer to redeem the Notes specified therein. After the delivery of such Early Redemption Notice, the relevant Noteholder may not transfer such Notes. If, notwithstanding the foregoing, any Noteholder does

so transfer or attempts so to transfer such Notes, the Noteholder will be liable to the Issuer for any loss, costs and expenses suffered or incurred by the Issuer or any of its Affiliates through which it has hedged its position, including those suffered or incurred as a consequence of the Issuer or any of its Affiliates through which it has hedged its position having terminated or commenced any related hedging arrangements in reliance on the relevant Early Redemption Notice and subsequently (i) entering into replacement hedging arrangements in respect for such Notes or (ii) paying any amount on the subsequent redemption of such Notes without having entered into any replacement hedging arrangements.

10.8.2 Where Notes are being redeemed by the Issuer pursuant to Condition 9.3 (*Early Redemption at the Option of the Issuer*) or 9.4 (*Early Redemption following the occurrence of a Tax Event, Change in Law, Hedging Disruption and/or Increased Cost of Hedging*)

Upon the expiry of an Issuer Redemption Notice or a Special Redemption Notice, as the case may be, that has been given in the prescribed manner, the Issuer shall, subject to the requirements of these Terms and Conditions, be bound to redeem the Notes of the relevant Tranche unless previously redeemed or purchased and cancelled.

10.9 Currency

10.9.1 Exchange Date

Where the price(s) for the Reference Assets or Relevant Index is (are) quoted in a currency other than the currency in which any cash settlement in respect of the relevant Notes is required to be made, the exchange rate for conversion into the currency in which any cash settlement in respect of the relevant Notes is required to be made will be that determined by the Paying Agent by reference to the relevant Reuters page or other reference source specified in the Applicable Pricing Supplement or will be the exchange rate quoted by the reference bank or relevant central bank specified in the Applicable Pricing Supplement, at a time or times on the Valuation Date as specified in the Applicable Pricing Supplement or, if no such time is specified, then at 3:00 pm (Johannesburg time) on the Valuation Date.

10.9.2 Change in Currency

10.9.2.1 If at any time there is a change in the currency of a country such that the central bank of that country recognises more than one currency or currency unit as the lawful currency of that country, then references in, and obligations arising under, the Notes at the time of any such change that are expressed in the currency of that country shall be translated into, and/or any amount becoming payable under the Notes thereafter as specified in these Terms and Conditions shall be paid in, the currency or currency unit of that country, and in the manner, designated by the Determination Agent.

10.9.2.2 Any such translation shall be made at the official rate of exchange recognised for that purpose by the central bank of such country.

10.9.2.3 Where such a change in currency occurs, the Certificate in respect of the Notes then Outstanding and the Terms and Conditions relating to such Notes shall be amended in the manner agreed by the Issuer and the Paying Agent so as to reflect the change and, so far as practicable, to place the Issuer and the Paying Agent and the Noteholders in the same position each would have been in had no change in currency occurred (such amendments to include, without limitation, changes required to reflect any modification to Business Day or other conventions arising in connection with such change in currency), provided that any such amendments will only be made in a manner that is consistent with the hedging arrangements entered

into by the Issuer in connection with such Notes. All amendments made pursuant to this Condition 10.9.2 (*Change in Currency*) will be binding upon the Noteholders.

10.9.2.4 Notification of any amendments made to the Notes pursuant to this Condition 10.9.2 (*Change in Currency*) will be made in accordance with Condition 21 (*Notices*), which will state *inter alia* the date on which such amendments are to take or took effect, as the case may be.

11. RIGHTS OF THE ISSUER IN THE EVENT OF A DISRUPTED DAY OR DISRUPTION EVENT

11.1 Equity Linked Notes and Equity Basket Notes

If, in the opinion of the Determination Agent, any Valuation Date is a Disrupted Day, then:

11.1.1 in the case of an Equity Linked Note in respect of which the Applicable Pricing Supplement specifies only one type of Underlying Security, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the Disrupted Days, would have been the Valuation Date (the "Scheduled Valuation Date") is a Disrupted Day, in which case that eighth Scheduled Trading Day shall be deemed to be the Valuation Date notwithstanding the fact that it is a Disrupted Day, and the Determination Agent shall estimate in good faith the relevant Exchange traded price for such Underlying Securities that would have prevailed on that eighth Scheduled Trading Day but for that Disrupted Day;

11.1.2 in the case of Equity Basket Notes, the Valuation Date for each Underlying Security not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Underlying Security affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day, in which case that eighth Scheduled Trading Day shall be deemed to be the Valuation Date for the relevant Underlying Security notwithstanding the fact that it is a Disrupted Day and the Determination Agent shall estimate the relevant Exchange traded price for such Underlying Security that would have prevailed on that eighth Scheduled Trading Day but for that Disrupted Day.

All determinations made by the Determination Agent pursuant to this Condition 11.1 (*Equity Linked Notes and Equity Basket Notes*) will be conclusive and binding on the Noteholders, the Paying Agents and the Issuer except in the case of manifest error. Notice of the Exchange's traded price for the relevant Underlying Securities, determined in accordance with this Condition 11.1 (*Equity Linked Notes and Equity Basket Notes*), shall only be provided to those Noteholders affected by the occurrence of the Disrupted Days.

11.2 Single Index Notes and Basket of Indices Notes

If, in the opinion of the Determination Agent, a Valuation Date is a Disrupted Day, then:

11.2.1 in the case of Single Index Notes, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day. In that case (a) the eighth Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (b) the Determination Agent shall determine the level of the Index in the manner set out in the Applicable Pricing Supplement or, if not set out or not practicable, shall determine the level of the Index as of the Valuation Time on the eighth Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the relevant Exchange traded or quoted price as of the Valuation Time on that eighth Scheduled

Trading Day of each security included in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant Underlying Security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant Underlying Security as of the Valuation Time on that eighth Scheduled Trading Day); or

- 11.2.2 in the case of Basket of Indices Notes, the Valuation Date for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Index affected by the occurrence of a Disrupted Day (each an "Affected Index") shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Index, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Index. In that case (a) that eighth Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Index, notwithstanding the fact that such day is a Disrupted Day, and (b) the Determination Agent shall determine the level of the Basket of Indices using, in relation to the Affected Index, the level of that Index determined in the manner set out in the Applicable Pricing Supplement or, if not set out or if not practicable, using the level of that Index as of the Valuation Time on that eighth Scheduled Trading Day determined in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each security included in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on that eighth Schedule Trading Day).

In the case of a Disrupted Day occurring prior to the Valuation Date, the level of any Index calculated by the Determination Agent in accordance with this Condition 11.2 (*Single Index Notes and Basket of Indices Notes*) shall only be notified to those Noteholders (if any) seeking to redeem their Notes at the time of the occurrence of the Disrupted Days.

11.3 Currency Linked Notes

11.3.1 Determination of Disruption Event

If, in the opinion of the Determination Agent, a Disruption Event (as defined below) has occurred and is continuing on any Valuation Date, then such Valuation Date shall be postponed to the first following Business Day in respect of which there is no such Disruption Event; provided, however, that in no event shall the Valuation Date be later than the eighth Business Day after the Maturity Date or the Optional Redemption Date or the Early Redemption Date, as the case may be, and, if a Disruption Event in relation to an Exchange Rate is continuing on such eighth Business Day, the Valuation Date shall be such eighth Business Day and the Issuer shall pay *in lieu* of payment of the Final Redemption Amount or the Optional Redemption Amount or the Early Redemption Amount, as the case may be, on the Maturity Date or Optional Redemption Date or Early Redemption Date, as the case may be, the Disruption Redemption Amount (as defined below) on the third Business Day following such eighth Business Day. All determinations made by the Determination Agent pursuant to this Condition 11.3 (*Currency Linked Notes*) will be conclusive and binding on the Noteholders and the Issuer except in the case of manifest error. Notice of the Disruption Redemption Amount, determined in accordance with this Condition 11.3 (*Currency Linked Notes*), shall only be provided to holders of Notes affected by the Disruption Event.

"Disruption Event", in respect of Currency Linked Notes, means the occurrence of any of the following events:

- 11.3.1.1 Price Source Disruption;

11.3.1.2 Illiquidity Disruption;

11.3.1.3 Dual Exchange Rate;

11.3.1.4 any other event that, in the opinion of the Determination Agent, materially affects dealings in the Notes of any Tranche or affects the ability of the Issuer to meet any of its obligations under the Notes of any Tranche or under any related hedge transactions.

11.3.2 Calculation of Rates for Certain Settlement Rate Options

11.3.2.1 If any of the Exchange Rates specified in the Applicable Pricing Supplement are published or announced by more than one price source and the price source referred to in such Applicable Pricing Supplement fails to publish or announce that Exchange Rate on the Rate Calculation Date (or, if different, the day on which rates for that date would, in the ordinary course, be published or announced by such price source), then the Spot Rate for that Rate Calculation Date will be determined by the Determination Agent in its absolute discretion.

11.3.2.2 If the Exchange Rates specified in the Applicable Pricing Supplement are reported, sanctioned, recognised, published, announced or adopted (or are the subject of other similar action) by the relevant Governmental Authority (as defined below), and such Exchange Rate ceases to exist and is replaced by a successor currency exchange rate that is reported, sanctioned, recognised, published, announced or adopted (or other similar action) by such Governmental Authority (the "Official Successor Rate"), then the Spot Rate for the relevant Rate Calculation Date will be determined by the Determination Agent in its absolute discretion.

11.3.2.3 For the purposes of determining the Spot Rate for any Rate Calculation Date in any case where the Spot Rate for a Rate Calculation Date is based on information obtained from the Reuters Monitor Money Rates Service or the Dow Jones Telerate Service, the Spot Rate will be subject to the corrections, if any, to that information subsequently displayed by that source within one hour of the time when such rate is first displayed by such notice.

11.3.2.4 Notwithstanding Condition 11.3.2.3, in any case where the Spot Rate for a Rate Calculation Date is based on the information published or announced by a Governmental Authority in the relevant country, the Spot Rate will be subject to the correction, if any, to that information subsequently published or announced by that source within the shorter of the period of five days from the Rate Calculation Date and the period expiring on the Business Day prior to the Maturity Date or Optional Redemption Payment Date or Early Redemption Payment Date, as the case may be.

11.4 Averaging

In the case of an Averaging Date being a Disrupted Day if, in relation to "Averaging Date Disruption", the consequence specified in the Applicable Pricing Supplement is:

11.4.1 "Omission", then such Averaging Date will be deemed not to be a relevant Averaging Date, provided that if through the operation of this provision there would not be an Averaging Date with respect to the relevant Valuation Date, then Condition 11.1 (*Equity Linked Notes and Equity Basket Notes*) or 11.2 (*Single Index Notes and Basket of Indices Notes*), as the case may be, will apply for the purposes of determining the relevant level, price or amount on the final Averaging Date with respect to that Valuation Date as if such Averaging Date were a Valuation Date that was a Disrupted Day. If any Averaging Dates in relation to a Valuation Date occur

after that Valuation Date as a result of the occurrence of a Disrupted Day, then the relevant Maturity Date, Physical Delivery Date, Optional Redemption Payment Date or Early Redemption Payment Date, as the case may be, shall be determined by reference to the last such Averaging Date as though it were that Valuation Date; or

11.4.2 “Postponement”, then Condition 11.1 (*Equity Linked Notes and Equity Basket Notes*) or 11.2 (*Single Index Notes and Basket of Indices Notes*), as the case may be, will apply for the purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date. If any Averaging Date in relation to a Valuation Date occurs after that Valuation Date as a result of the occurrence of a Disrupted Day, then the relevant Maturity Date, Physical Delivery Date, Optional Redemption Date or Early Redemption Payment Date, as the case may be, shall be determined by reference to the last such Averaging Date as though it were that Valuation Date; or

11.4.3 “Modified Postponement”, then:

11.4.3.1 in the case of an Equity Linked Note or a Single Index Note, the Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of the relevant Scheduled Valuation Date, then (i) that eighth Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date), and (ii) the Determination Agent shall determine the relevant level or price for that Averaging Date in accordance with Condition 11.1 (*Equity Linked Notes and Equity Basket Notes*) or 11.2 (*Single Index Notes and Basket of Indices Notes*), as the case may be; and

11.4.3.2 in the case of an Equity Basket Note or a Basket of Indices Note, the Averaging Date for each Underlying Security or Relevant Index not affected by the occurrence of a Disrupted Day shall be the date specified in the Applicable Pricing Supplement as an Averaging Date in respect of the relevant Valuation Date, and the Averaging Date for an Underlying Security or Relevant Index affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Underlying Security or Relevant Index. If the first succeeding Valid Date in respect of such Underlying Security or Relevant Index has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in relation to the relevant Scheduled Valuation Date, then (i) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in respect of such Underlying Security or Relevant Index and (ii) the Determination Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with Condition 11.1 (*Equity Linked Notes and Equity Basket Notes*) or 11.2 (*Single Index Notes and Basket of Indices Notes*), as the case may be.

11.5 Index Modification, Cancellation, Disruption or Adjustment Event

If:

- 11.5.1 on or prior to any date on which the level of an Index is to be calculated, including without limitation any Averaging Date (the “**Determination Date**”), in respect of Single Index Notes or Basket of Indices Notes, a relevant Index sponsor (a “**Sponsor**”) announces that it will make a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation and other routine events) (an “**Index Modification**”) or permanently cancels the Index and no successor Index exists (an “**Index Cancellation**”); or
- 11.5.2 on any Determination Date in respect of Single Index Notes or Basket of Indices Notes the Sponsor fails to calculate and announce a relevant Index (an “**Index Disruption**”) and together with an Index Modification and an Index Cancellation, an “**Index Adjustment Event**”),

then the Determination Agent shall on each relevant Determination Date determine if such Index Adjustment Event has a material effect on the relevant Notes and if so shall calculate the level of that Index by using, *in lieu* of a published level for the relevant Index, the level for that Index as at that Determination Date as determined by the Determination Agent in accordance with the formula for and method of calculating that Index last in effect prior to that Index Adjustment Event, but using only those securities that constituted the relevant Index immediately prior to that Index Adjustment Event (other than those securities that have since ceased to be listed on any relevant Exchange).

In the event that the Determination Agent determines that it can no longer continue to calculate such Index, the Determination Agent shall in its sole discretion rebase the Notes against a comparable Index so as to maintain the economic equilibrium of the Notes. If the Determination Agent determines in its absolute discretion that this is not possible, the Issuer may on such date elect to redeem the Notes in accordance with the applicable provisions of Condition 9 (*Redemption and Purchase*) and pay the Early Redemption Amount in respect of such Notes.

11.6 Credit Linked Notes

The terms and conditions of the Notes relating to the calculation of the Final Price of the relevant Reference Obligation, the Credit Event Redemption Amount and the Valuation Method, in the event that Conditions to Settlement are satisfied during the Notice Delivery Period, shall be set out in the Applicable Pricing Supplement. In relation to Credit Linked Notes, unless otherwise defined in the Applicable Pricing Supplement, “**Bankruptcy**”, “**Failure to Pay**”, “**Grace Period Extension**”, “**Obligation Default**”, “**Obligation Acceleration**”, “**Restructuring**”, “**Restructuring Maturity Limitation**”, “**Restructuring Maturity Limitation Date**”, “**Fully Transferable Obligation**”, “**Modified Restructuring Maturity Limitation**” and “**Conditionally Transferable Obligation**” have the meanings given to those terms in the 2003 ISDA Credit Derivatives Definitions, as published by ISDA and as amended and updated as at the Issue Date of the first Tranche of the Notes of a Series.

11.7 Commodity Linked Notes

11.7.1 ISDA Determination

In relation to Commodity Linked Notes, in determining the Relevant Commodity Price for a Relevant Commodity or a Commodity Index, the terms of the 2005 ISDA Commodity Definitions, as published by ISDA and as amended and updated as at the Issue Date of the first Tranche of the Notes of a Series (the “**ISDA Commodity Definitions**”) shall be incorporated in the Applicable Pricing Supplement such that:

- 11.7.1.1 the Commodity Reference Price is as specified in the Applicable Pricing Supplement;
- 11.7.1.2 the Specified Price is as specified in the Applicable Pricing Supplement;

11.7.1.3 the Delivery Date (if any) is as specified in the Applicable Pricing Supplement; and

11.7.1.4 the Pricing Date(s) is/are date(s) as specified in the Applicable Pricing Supplement.

11.7.2 **Commodity Market Disruption Event and Disruption Fallback**

If, in the opinion of the Determination Agent, a Commodity Market Disruption Event (as defined below) has occurred and is continuing on any Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published by the Price Source), the Relevant Commodity Price for that Pricing Date will be determined by the Determination Agent in accordance with the first applicable Disruption Fallback (as defined below) that provides a Relevant Commodity Price.

11.7.3 **Common Pricing**

With respect to Notes relating to a Basket of Commodities, if "Common Pricing" has been selected in the Applicable Pricing Supplement as:

11.7.3.1 "Applicable" then, no date will be a Pricing Date unless such date is a day on which all referenced Commodity Reference Prices (for which such date would otherwise be a Pricing Date) are scheduled to be published or announced, as determined on the Trade Date of the Notes as of the time of issue of the Note.

11.7.3.2 "Inapplicable" then, if the Determination Agent determines that a Commodity Market Disruption Event has occurred or exists on the Pricing Date in respect of any Relevant Commodity and/or Commodity Index in the basket (the "Affected Commodity"), the Relevant Commodity Price of each Relevant Commodity and/or Commodity Index within the basket which is not affected by the occurrence of a Commodity Market Disruption Event shall be determined on its scheduled Pricing Date and the Relevant Commodity Price for the Affected Commodity shall be determined in accordance with the first applicable Disruption Fallback that provides a Relevant Reference Price.

11.7.3.3 All determinations made by the Determination Agent pursuant to this Condition 11.7 (*Commodity Linked Notes*) will be conclusive and binding on the Noteholders and the Issuer except in the case of manifest error.

11.7.4 **Correction to Published Prices**

For purposes of determining or calculating the Relevant Commodity Price, if the price published or announced on a given day and used or to be used by the Determination Agent to determine the Relevant Commodity Price is subsequently corrected and the correction is published or announced by the Person responsible for that publication or announcement within 30 (thirty) days after the original publication or announcement, the Determination Agent may, in its sole discretion, recalculate relevant payment amount, using such corrected price. The Determination Agent shall notify the Issuer of any such correction, the revised Relevant Commodity Price and the relevant payment amount, as a result of that correction.

The Issuer reserves the right (such right to be exercised in the Issuer's sole and unfettered discretion and without any liability whatsoever) to make such adjustments as it believes appropriate in circumstances where an event or events occur that the Issuer believes, in its sole discretion, should, in the context of the issue of Notes and the obligations of the Issuer thereunder, give rise to such adjustment as is necessary to

preserve the economic equivalent of the obligations of the Issuer under the Notes and to maintain the economic equilibrium of the Notes.

11.7.5 Adjustments to Commodity Index

11.7.5.1 If a Commodity Index with respect to a Commodity Reference Price is permanently cancelled or is not calculated and announced by the sponsor of such Commodity Index or any of its affiliates (together the "Sponsor") but (a) is calculated and announced by a successor sponsor (the "Successor Sponsor") acceptable to the Determination Agent, or (b) replaced by a successor index (the "Successor Index") using, in the determination of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of such Commodity Index, then the Commodity Reference Price will be determined by the Index so calculated and announced by that Successor Sponsor or that Successor Index, as the case may be.

11.7.5.2 If, for a Commodity Index with respect to a Commodity Reference Price, on or prior to the Maturity Date or Optional Redemption Date or Early Redemption Date, as the case may be, (a) the Sponsor makes a material change in the formula for or the method of calculating such Commodity Index or in any other way materially modifies such Commodity Index (other than a modification prescribed in that formula or method to maintain the Commodity Index in the event of changes in constituent commodities and weightings and other routine events), or (b) the Sponsor permanently cancels the Commodity Index, or (c) the Sponsor fails to calculate and announce the Commodity Index for a continuous period of three Trading Days and the Determination Agent determines that there is no Successor Sponsor or Successor Index, then the Determination Agent may at its option (in the case of (a)) and shall (in the case of (b) and (c)) (such events (a) (b) and (c) to be collectively referred to as "Index Adjustment Events") calculate the relevant Specified Price using *in lieu* of the published level for that Commodity Index (if any), the level for that Commodity Index as at the relevant determination date as determined by the Determination Agent in accordance with the formula for and method of calculating that Commodity Index last in effect prior to the relevant Index Adjustment Event (as the case may be), but using only those futures contracts that comprised that Index immediately prior to the relevant Index Adjustment Event (as the case may be) (other than those futures contracts that have ceased to be listed on any relevant exchange).

11.7.6 Adjustments to payment dates or settlement dates

If, as a result of a delay pursuant to the occurrence of a Commodity Market Disruption Event or Index Adjustment Event, a Relevant Commodity Price is unavailable to determine any amount payable on any scheduled payment date or settlement date, that payment date or settlement date will be delayed to fall on the second Business Day following the determination of the Relevant Commodity Price under the Disruption Fallback provision or Adjustments to Commodity Index provision, as the case may be. If a corresponding amount would otherwise have been payable in respect of the Notes on the same date that the delayed amount would have been payable but for the delay, the payment date or settlement date for that corresponding amount will be delayed to the same extent.

11.7.7 Definitions for Commodity Linked Notes

"Commodity Market Disruption Event" means the occurrence of any of the following events:

11.7.7.1 with respect to a Relevant Commodity:

- 11.7.7.1.1 Price Source Disruption;
- 11.7.7.1.2 Trading Disruption;
- 11.7.7.1.3 Disappearance of Commodity Reference Price;
- 11.7.7.1.4 Material Change in Formula;
- 11.7.7.1.5 Material Change in Content; and
- 11.7.7.1.6 any additional Commodity Market Disruption Events specified in the Applicable Pricing Supplement.

11.7.7.2 with respect to a Commodity Index:

- 11.7.7.2.1 a temporary or permanent failure by the applicable exchange or other price source to announce or publish (a) the final settlement price for the Commodity Reference Price or (b) closing price for any futures contract included in the Commodity Reference Price;
- 11.7.7.2.2 a material limitation, suspension or disruption of trading in one or more of the futures contracts included in the Commodity Reference Price which results in a failure by the exchange on which each applicable futures contract is traded to report a closing price for such contract on the day on which such event occurs or any succeeding day on which it continues; or
- 11.7.7.2.3 the closing price for any futures contract included in the Commodity Reference Price is a "limit price", which means that the closing price for such contract for a day has increased or decreased from the previous day's closing price by the maximum amount permitted under applicable exchange rules.

"Disruption Fallback" means a source or method that may give rise to an alternative basis for determining the Relevant Commodity Price in respect of a specified Commodity Reference Price when a Commodity Market Disruption Event occurs or exists on a day that is a Pricing Date in respect of the relevant Note. A Disruption Fallback is applicable if it is specified in the Applicable Pricing Supplement or, if no Disruption Fallback is specified in the Applicable Pricing Supplement, shall be deemed to mean:

- (a) With respect to a Relevant Commodity, (in the following order):
 - (i) Fallback Reference Price (if applicable);
 - (ii) Delayed Publication or Announcement and Postponement (each to operate concurrently with the other and each subject to a period of two consecutive Commodity Business Days (measured from and including the original day that would otherwise have been the Pricing Date); provided, however, that the price determined by Postponement shall be the Relevant Commodity Price only if Delayed Publication or Announcement does not yield a Relevant Price within that two consecutive Commodity Business Days); and

- (iii) Calculation Agent Determination.
- (b) With respect to a Commodity Index, the following fallback determination mechanism:
- (i) with respect to each futures contract included in the Commodity Reference Price which is not affected by the Market Disruption Event, the Relevant Commodity Price will be based on the closing prices of each such contract on the applicable determination date;
 - (ii) with respect to each futures contract included in the Commodity Reference Price which is affected by the Market Disruption Event, the Relevant Commodity Price will be based on the closing prices of each such contract on the first day following the applicable determination date on which no Market Disruption Event is occurring with respect to such contract;
 - (iii) subject to paragraph (iv) below, the Determination Agent shall determine the Relevant Commodity Price by reference to the closing prices determined in paragraphs (i) and (ii) above using the then-current method for calculating the Relevant Commodity Price; and
 - (iv) where a Commodity Market Disruption Event with respect to one or more futures contracts included in the Commodity Reference Price continues to exist (measured from and including the first day following the applicable determination date) for five consecutive Trading Days, the Determination Agent shall determine the Relevant Commodity Price in good faith and in a commercially reasonable manner.

“Fallback Reference Price”, in respect of Commodity Linked Notes, means that the Determination Agent will determine the Relevant Commodity Price based on the price for that Pricing Date of the first alternate Commodity Reference Price, if any, specified in the Applicable Pricing Supplement and not subject to a Commodity Market Disruption Event.

“Calculation Agent Determination” in respect of Commodity Linked Notes, means that the Determination Agent will determine the Relevant Commodity Price (or a method for determining the Relevant Commodity Price), taking into consideration the latest available quotation for the relevant Commodity Reference Price and any other information that in its sole discretion it deems relevant.

“Delayed Publication or Announcement”, in respect of Commodity Linked Notes, means that the Relevant Commodity Price for a Pricing Date will be determined based on the Specified Price in respect of the original day scheduled as such Pricing Date that is published or announced by the relevant Price Source retrospectively on the first succeeding Commodity Business Day on which the Commodity Market Disruption Event ceases to exist, unless that Commodity Market Disruption Event continues to exist (measured from and including the original day that would otherwise have been the Pricing Date) or the Relevant Commodity Price continues to be unavailable for two consecutive Commodity Business Days. In that case, the next Disruption Fallback specified in the Applicable Pricing Supplement will apply.

“Postponement”, in respect of Commodity Linked Notes, means that the Pricing Date will be deemed, for purposes of the application of this Disruption Fallback, to be the first succeeding Commodity Business Day on which the Commodity Market Disruption Event ceases to exist, unless that Commodity Market Disruption Event continues to exist for two consecutive Commodity Business Days (measured from and including the original day that would otherwise have been the Pricing Date). In that case, the next Disruption Fallback specified in the Applicable Pricing Supplement will apply.

“Trading Day” means, for the purposes of “Disruption Fallback” and Condition 11.7.5 (*Adjustments to Commodity Index*), a day when:

- (a) the Determination Agent is open for business in Johannesburg; and
- (b) the exchanges of all futures contracts included in the Commodity Reference Price are open for trading.

12. ADJUSTMENTS

12.1 Equity Linked Notes and Equity Basket Notes

The Issuer may at any time determine and declare that a Potential Adjustment Event has occurred. Following such declaration by the Issuer of any Potential Adjustment Event, the Determination Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Underlying Shares and, if so, will (a) make the corresponding adjustment(s), relevant to the exercise, settlement, payment or other terms of the Notes as the Determination Agent determines appropriate to account for that diluting or concentrative effect and (b) determine the effective date(s) of the adjustment(s). The Determination Agent may (but need not) determine the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by an options exchange to options on the relevant Underlying Shares traded on that options exchange.

12.1.1 Consequences of Merger Events

Following the occurrence of any Merger Event (as determined by the Determination Agent in its sole discretion), the Issuer shall either (a) make such adjustment as it, in its sole discretion, considers appropriate, if any, to the formula for the Final Redemption Amount and/or the Optional Redemption Amount and/or the Early Redemption Amount set out in the Applicable Pricing Supplement, the number of Underlying Shares to which each Structured Note relates, the number of securities constituting a Basket of Securities, the amount, the number of or title of shares or other securities which may be delivered under such Structured Notes and, in any case, any other variable relevant to the redemption, settlement or payment terms of the relevant Structured Notes and/or any other adjustment, which change or adjustment shall be effective as soon as practicable after the date upon which all, or substantially all, holders of the Underlying Shares (other than, in the case of a takeover, Underlying Shares owned or controlled by the offeror) become bound to transfer the Underlying Shares held by them; or (b) if the Determination Agent determines that no adjustment that it could make under (a) will produce a commercially reasonable result, determine that the relevant Structured Notes should be redeemed early. If the Issuer determines that the relevant Structured Notes should be redeemed early, then the relevant Structured Notes shall be so redeemed and the relevant Issuer’s obligations under the Structured Notes shall be satisfied in full upon payment of the Merger Event Settlement Amount on the Early Redemption Payment Date.

12.1.2 Nationalisation, Insolvency and Delisting

Any of the Noteholders, the Issuer, the Determination Agent or the Paying Agent shall, upon becoming aware of the occurrence of a Nationalisation, Insolvency or

Delisting, notify the Issuer, the Paying Agent, the Determination Agent or the Noteholders, as the case may be, of such an event.

As a consequence of a Nationalisation, Insolvency or Delisting, the Structured Notes will be redeemed as of the Announcement Date and the Issuer will pay to the Noteholder the amount specified in Condition 12.1.3 (*Payment to the Noteholder upon a Nationalisation, Insolvency or Delisting*) or such other amount as may be specified in the Applicable Pricing Supplement.

12.1.3 Payment to the Noteholder upon a Nationalisation, Insolvency or Delisting

12.1.3.1 If Condition 12.1.2 (*Nationalisation, Insolvency or Delisting*) applies, then the Issuer will (unless otherwise specified in the Applicable Pricing Supplement) pay to the Noteholder an amount determined as provided in Condition 12.1.3.2, such payment to be made not later than three Business Days following the determination by the Determination Agent of such amount (denominated in the currency for settlement of the transaction as determined by the Determination Agent).

12.1.3.2 The amount to be paid by the Issuer to the Noteholder under Condition 12.1.3.1 will be the amount determined by the Determination Agent after the date of the occurrence of the Nationalisation, Insolvency or Delisting, as the case may be, failing which it will be determined by the Determination Agent and based on quotations sought by it from four leading market dealers. Each quotation will represent the quoting dealer's expert opinion as to the fair value to the Noteholder on terms that would preserve for the Noteholder the economic equivalent of any payment or delivery (assuming satisfaction of each applicable condition precedent) by the parties in respect of the Structured Notes that would have been required after that date but for the occurrence of the Nationalisation, Insolvency or Delisting. Each quotation will be calculated on the basis of the following information provided by the Determination Agent (and such other factors as the quoting dealer deems appropriate):

12.1.3.2.1 a volatility equal to the average of the volatility of the relevant Underlying Shares for each Exchange Business Day during the two-year historical period ending on the Announcement Date of the Nationalisation, Insolvency or Delisting;

12.1.3.2.2 expected dividends for the period from the Issue Date to the expected Maturity Date based on, and payable on the same dates as, amounts determined by the Determination Agent to have been paid in respect of gross ordinary cash dividends on the relevant Underlying Shares in the calendar year ending on the Announcement Date; and

12.1.3.2.3 a value ascribed to the relevant Underlying Shares equal to the consideration, if any, paid in respect of such Underlying Shares to holders of such Underlying Shares at the time of the Nationalisation or Insolvency.

If more than three quotations are provided, the amount will be the arithmetic mean of the quotations, without regard to the quotations having the highest and the lowest values. If exactly three quotations are provided, the amount will be the quotation remaining after disregarding the highest and the lowest quotations. For this purpose, if more than one quotation has the same highest or lowest value, then one of such quotations will be disregarded. If two quotations are provided, the amount will be the arithmetic mean of the quotations. If one quotation is provided, the amount

will equal the quotation. If no quotation is provided, the amount will be determined by the Determination Agent in its absolute discretion.

12.1.4 Tender Offers

If there occurs a Tender Offer (as determined by the Determination Agent in its absolute discretion), then on or after the relevant Tender Offer Date, the Underlying Company and the Underlying Shares will not change, but the Determination Agent shall either (a) make such adjustment to the exercise, settlement, payment or other terms of the relevant Notes as the Determination Agent considers appropriate to account for the economic effect on the relevant Notes of such Tender Offer and determine the effective date of that adjustment or (b) if the Determination Agent determines that no adjustment that it could make under (a) will produce a commercially reasonable result, determine that the relevant Notes should be redeemed early.

If the Issuer determines that the relevant Notes should be redeemed early, then the relevant Notes shall be so redeemed and the relevant Issuer's obligations under the Notes shall be satisfied in full upon payment of the Merger Event Settlement Amount on the Early Redemption Payment Date.

12.1.5 Substitution of Shares

If Substitution of Shares is specified as applicable in the Applicable Pricing Supplement, if any Share shall be affected by a Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be, (the "Affected Shares") then without prejudice to any other rights that the Issuer may have under the Notes, the Issuer or the Determination Agent on its behalf shall have the discretion to substitute the Affected Shares with substitute shares (the "Substitute Shares") as selected by the Determination Agent in its sole discretion for inclusion in the Basket of Shares as of the Announcement Date or the Tender Offer Date (such dates together, the "Relevant Date"), as the case may be.

The Substitute Shares shall have such criteria as the Determination Agent deems appropriate including, but not limited to, the following:

12.1.5.1 the Substitute Shares shall be of same broad economic sector as the Underlying Company of the Affected Shares;

12.1.5.2 the issuer of the Substitute Shares shall be of a similar international standing and creditworthiness as the Underlying Company of the Affected Shares; and

12.1.5.3 the Substitute Shares shall not be a Share already in the Basket of Shares.

The Initial Price of the Substitute Shares shall be determined in accordance with the following:

$$\text{Initial Price} = \text{Substitute Price} \times (\text{Affected Share}(k) / \text{Affected Share}(j))$$

where:

"Substitute Price" means the official closing price per Share of the relevant Substitute Shares as of the Valuation Time on the dates on which the Affected Share(j) is determined or if such date is not a Scheduled Trading Date on the relevant Exchange in respect of the Substitute Shares, the following Scheduled Trading Date of the Substitute Shares.

"Affected Share(k)" means the Initial Price of the relevant Affected Shares; and

“Affected Share(j)” means the last closing price per Share of the Affected Shares on or prior to the Relevant Date.

The Determination Agent shall notify the Noteholders as soon as practicable after the selection of the Substitute Shares and the failure by the Determination Agent to give such notice shall not however prejudice or invalidate the Substitute Shares being included in the Basket of Shares as of the time and date specified above.

12.2 Single Index Notes and Basket of Indices Notes

In relation to Single Index Notes and Basket of Indices Notes, the following adjustments will occur in the following circumstances:

12.2.1 Third Party Calculation of the Index or Substitution of Index with Substantially Similar Calculation

If an Index is (a) not calculated and announced by the Sponsor but is calculated and announced by a successor sponsor acceptable to the Determination Agent or (b) replaced by a successor index using, in the determination of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then (i) the index as calculated and announced by the successor sponsor or (ii) the successor index, will be deemed to be the Index.

12.2.2 Correction of an Index

If the level of an Index published on any Determination Date and used or to be used by the Determination Agent to determine the relevant Index value is subsequently corrected and the correction is published by the Sponsor or a successor sponsor prior to the second Exchange Business Day preceding the Maturity Date or the Optional Redemption Date or the Early Redemption Date, as the case may be, the Determination Agent shall recalculate the Final Redemption Amount or the Optional Redemption Amount or the Early Redemption Amount, as the case may be, using such corrected level of the relevant Index. The Determination Agent shall notify the Issuer and the Paying Agent and the Paying Agent shall notify the Noteholders of (a) that correction and (b) the amount that is payable as a result of that correction.

12.3 Other Adjustments

Adjustments will not be made in any circumstances other than those set out above, subject to the right reserved by the Issuer (such right to be exercised in the Issuer’s sole and unfettered discretion and without any liability whatsoever) to make such adjustments as it believes appropriate (including, without limitation, adjustment to the Terms and Conditions) in circumstances where an event or events occur that the Issuer believes, in its sole discretion and notwithstanding any prior or concurrent adjustment made pursuant to the above, should, in the context of the issue of Notes and the obligations of the Issuer thereunder, give rise to such adjustment as is necessary to preserve the economic equivalent of the obligations of the Issuer under the Notes and to maintain the economic equilibrium of the Notes.

Notwithstanding that an adjustment is required to be made by the provisions of this Condition 12 (*Adjustments*) in respect of any event affecting an Underlying Company or its Underlying Securities, or an Index or its Sponsor, the Issuer reserves the right not to make that adjustment if, at the time the adjustment is to be made pursuant thereto, an option on the relevant Underlying Share or Index is traded on any Futures or Options Exchange and no adjustment is made by that Futures or Options Exchange to the entitlement under that traded option in respect of that event.

12.4 Notice of Adjustments

All determinations made by the Determination Agent or the Issuer pursuant to this Condition 12 (*Adjustments*) shall be conclusive and binding on the Noteholders except in the case of manifest

error. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 21 (*Notices*).

12.5 Required Certifications

Notwithstanding the redemption of any Structured Notes under this Condition 12 (*Adjustments*), the holder of any such Structured Notes shall not be entitled to receive payment for such Structured Notes until such time as it shall have delivered a notice containing the information required by Conditions 10.3.2.1 and 10.3.2.2 (as applicable), together with the relevant US certification as required by Conditions 10.3.3 (*US Certificate Requirements – Type 1 US Commodities Restrictions*) and 10.3.4 (*US Certification Requirements – Type 2 US Commodities Restrictions*) (as appropriate) to the Relevant Clearing System (with a copy to the Paying Agent).

13. LIMITS ON NUMBER OF NOTES THAT CAN BE REDEEMED

13.1 Minimum and maximum number of Notes redeemable

In respect of each Tranche of Notes, where redemption in part is specified as applicable in the Applicable Pricing Supplement, the redemption amount in connection with an early redemption pursuant to Condition 9 (*Redemption and Purchase*) or 10 (*Redemption Procedures*) must be of an aggregate Nominal Amount equal to or greater than the Minimum Redemption Amount (if any) or equal to or less than the Higher Redemption Amount (if any), each as indicated in the Applicable Pricing Supplement.

13.2 Multiples of Notes redeemable

In respect of each Tranche of Notes, where redemption in part has been permitted in the Applicable Pricing Supplement, the Applicable Pricing Supplement shall specify the multiple of Notes, if any, that a Noteholder may require the Issuer to redeem at any one time in connection with an early redemption pursuant to Condition 9 (*Redemption and Purchase*) or 10 (*Redemption Procedures*), and such Notes may only be redeemed by a Noteholder in integral multiples thereof.

13.3 Maximum number of Notes redeemable on any particular day

If the Applicable Pricing Supplement specifies that the Notes are redeemable at the option of the Noteholders pursuant to Condition 9.2 (*Early Redemption at the Option of Noteholders*), the Applicable Pricing Supplement may specify the maximum number of Notes redeemable (the “Daily Maximum Amount”) on any particular day. If the Paying Agent determines on the Optional Redemption Date that Early Redemption Notices given by Noteholders pursuant to Condition 9.2 (*Early Redemption at the Option of Noteholders*) in respect of more than the Daily Maximum Amount have been received by the Relevant Clearing System from any single Noteholder or from a group of Noteholders acting in concert, then the Paying Agent may deem the Optional Redemption Date for Notes up to this Daily Maximum Amount (selected, in each case, by the Paying Agent on a *pro rata* basis, to the extent possible, (failing which such selection to be by lot in accordance with the rules of the Relevant Clearing System) to ensure that such Noteholder or group of Noteholders submitting an Early Redemption Notice pursuant to Condition 9.2 (*Early Redemption at the Option of Noteholders*) is, notwithstanding the provisions of this Condition 13.3 (*Maximum number of Notes redeemable on any particular day*), complying with Conditions 13.1 (*Minimum and Maximum number of Notes redeemable*) and 13.2 (*Multiples of Notes redeemable*)) to be such day, and the Optional Redemption Date for each additional number of Notes up to this Daily Maximum Amount (and any remaining number thereof) to be each of the succeeding Business Days until all Notes, in respect of which Early Redemption Notices given by Noteholders pursuant to Condition 9.2 (*Early Redemption at the Option of Noteholders*) have been received, have been attributed with an Optional Redemption Date.

13.4 Minimum Board Lot

Notwithstanding Conditions 13.1 (*Minimum and Maximum number of Notes redeemable*), 13.2 (*Multiples of Notes redeemable*) and 13.3 (*Maximum number of Notes redeemable on any particular day*), Structured Notes may only be redeemed in such amounts as will ensure that the number of Underlying Securities to be delivered is equal to an integral multiple of a Board Lot. Underlying Securities will be delivered by the Issuer only in integral multiples of the applicable Board Lot. In circumstances where Structured Notes are not capable of being redeemed in amounts that would result in the purchase of a number of Underlying Securities equal to an integral multiple of the relevant Board Lot, the Issuer shall pay the Noteholder an amount (a "Board Lot Payment") equal to:

$$(B - D) \times C \times E$$

where:

- B = the number of the Noteholder's Structured Notes that are being redeemed;
- C = the number of Underlying Securities or equity units in respect of which the Noteholder is entitled to receive delivery on redemption of a Structured Note;
- D = the maximum number of the Noteholder's Structured Notes that can be redeemed on the Maturity Date or Early Redemption Date, as the case may be, and would result in the purchase of Underlying Securities equal to an integral multiple of the relevant Board Lot;
- E = the Settlement Price of the Underlying Securities on the Valuation Date;

unless the amount of any such Board Lot Payment is less than ZAR1 or its equivalent in the relevant currency, in which case, no Board Lot Payment shall be made.

14. TAXATION

A Noteholder whose Notes are redeemed shall pay all Taxes payable in connection with (a) the payment of the Interest Amount, or the redemption of such Notes and/or the payment of the Final Redemption Amount and/or the Optional Redemption Amount and/or the Early Redemption Amount and/or the Credit Event Redemption Amount and/or the Cash Settlement Amount and/or the Disruption Redemption Amount or (b) the transfer or delivery of Reference Assets or the Deliverable Obligations or Deliverable Amount and/or the relevant Transfer Documentation (including, in the case of a Reference Asset that is an equity unit, the transfer or delivery of any security comprised in such equity unit) as a result of such redemption. The Issuer is not liable for or otherwise obliged to pay any Taxes that may arise as a result of the ownership, transfer, redemption or enforcement of any Note.

All payments of principal and interest in respect of the Notes by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of South Africa or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law.

In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, as the case may be, in the absence of such withholding or deduction except that no such additional amounts shall be payable with respect to any Note:

- 14.1 held by or on behalf of a Noteholder, who is liable for such taxes or duties in respect of such Note by reason of his having some connection with the Republic of South Africa other than the mere holding of such Note or the receipt of principal or interest in respect thereof; or

- 14.2 held by or on behalf of a Noteholder who would not be liable or subject to the withholding or deduction by making a declaration of non-residency or other similar claim for exemption to the relevant tax authority (the effect of which is not to require the disclosure of the identity of the relevant Noteholder); or
- 14.3 where such withholding or deduction is in respect of taxes levied or imposed on interest or principal payments only by virtue of the inclusion of such payments in the taxable income (as defined in section 1 of the Income Tax Act) or taxable capital gain (as defined in paragraph 1 of Schedule 8 to the Income Tax Act) of any Noteholder; or
- 14.4 more than 30 (thirty) days after the Relevant Date except to the extent that the Noteholder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day; or
- 14.5 if such withholding or deduction arises through the exercise by revenue authorities of special powers in respect of tax defaulters.

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

15. EXCHANGE OF BENEFICIAL INTERESTS AND REPLACEMENT OF CERTIFICATES

15.1 Exchange of Beneficial Interests

- 15.1.1 The holder of a Beneficial Interest in Notes may, in terms of the Applicable Procedures and subject to section 44 of the Securities Services Act, by written notice to the holder's nominated Participant (or, if such holder is a Participant, the CSD), request that such Beneficial Interest be exchanged for Notes in definitive form represented by an Individual Certificate (the "Exchange Notice"). The Exchange Notice shall specify (a) the name, address and bank account details of the holder of the Beneficial Interest and (b) the day on which such Beneficial Interest is to be exchanged for an Individual Certificate; provided that such day shall be a Business Day and shall fall not less than 30 (thirty) calendar days after the day on which such Exchange Notice is given.
- 15.1.2 The holder's nominated Participant will, following receipt of the Exchange Notice, through the CSD, notify the Transfer Agent that it is required to exchange such Beneficial Interest for Notes represented by an Individual Certificate. The Transfer Agent will, as soon as is practicable but within 14 (fourteen) days after receiving such notice, in accordance with the Applicable Procedures, procure that an Individual Certificate is prepared, authenticated and made available for delivery, on a Business Day falling within the aforementioned 14 (fourteen) day period, to the Participant acting on behalf of the holder of the Beneficial Interest in respect of the conversion at the Specified Office of the Transfer Agent; provided that joint holders of a Beneficial Interest shall be entitled to receive only one Individual Certificate in respect of that joint holding, and the delivery to one of those joint holders shall be delivery to all of them.
- 15.1.3 In the case of the exchange of a Beneficial Interest in a Tranche of Notes which is lodged in the CSD under a Global Certificate:
 - 15.1.3.1 the CSD's Nominee will surrender the relevant Global Certificate to the Transfer Agent at its Specified Office;
 - 15.1.3.2 the Transfer Agent will, in accordance with the Applicable Procedures, procure the splitting of the relevant Global Certificate and the preparation of a new Global Certificate representing the balance of the Notes (if any) in the relevant Tranche still held by the CSD;

- 15.1.3.3 the Issuer will, through its nominated Participant, procure that the new Global Certificate (if applicable) is deposited with and lodged in the CSD and registered in the Register in the name of the CSD's Nominee;
- 15.1.3.4 the original Global Certificate will be cancelled and retained by the Transfer Agent.
- 15.1.4 In the case of the exchange of a Beneficial Interest in Notes issued in uncertificated form:
 - 15.1.4.1 the CSD's Nominee will surrender (through the CSD system) such uncertificated Notes to the Transfer Agent at its Specified Office;
 - 15.1.4.2 the Transfer Agent will obtain the release of such uncertificated Notes from the CSD in accordance with the Applicable Procedures.
- 15.1.5 An Individual Certificate shall, in relation to a Beneficial Interest:
 - 15.1.5.1 in a Tranche of Notes which is held in the CSD under a Global Certificate, represent that number of Notes as have, in the aggregate, the same aggregate Nominal Amount of Notes standing to the account of the holder of such Beneficial Interest; or
 - 15.1.5.2 in any number of Notes issued in uncertificated form of a particular aggregate Nominal Amount standing to the account of the holder thereof, represent that number of Notes of that aggregate Nominal Amount,

as the case may be, and shall otherwise be in such form as may be agreed between the Issuer and the Transfer Agent; provided that if such aggregate Nominal Amount is equivalent to a fraction of the Specified Denomination or a fraction of any multiple thereof, such Individual Certificate shall be issued in accordance with, and be governed by, the Applicable Procedures.

15.2 Replacement

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

15.3 Death and sequestration or liquidation of Noteholder

Any Person becoming entitled to Registered Notes in consequence of the death, sequestration or liquidation of the holder of such Notes may, upon producing evidence to the satisfaction of the Issuer that he holds the position in respect of which he proposes to act under this Condition 15.3 (*Death and Sequestration or liquidation of Noteholder*) or of his title as the Issuer and the Transfer Agent shall require, be registered himself as the holder of such Notes or, subject to the Applicable Procedures, this Condition 15.3 (*Death and Sequestration or liquidation of Noteholder*) and Condition 17.1.2 (*Transfer of Registered Notes represented by Certificates*), may transfer such Notes. The Issuer and (if applicable) the CSD and the relevant Participant shall be entitled to retain any amount payable upon the Notes to which any Person is so entitled until such Person shall be registered as aforesaid or shall duly transfer the Notes.

15.4 Costs

The costs and expenses of the printing, issue and delivery of each Global Certificate shall be borne by the Issuer. The costs and expenses of the printing, issue and delivery of each Individual Certificate and all Taxes and any and all governmental charges or insurance charges that may be imposed in relation to such Individual Certificate shall be borne by the holder of the Notes

represented by that Individual Certificate. Separate costs and expenses relating to the provision of Individual Certificates and/or the transfer of Notes may be levied by other Persons, such as a Participant, under the Applicable Procedures, and such costs and expenses shall not be borne by the Issuer.

16. REGISTER

16.1 The Register of Noteholders:

- 16.1.1 shall be kept at the Specified Office of the Transfer Agent or such other Person as may be appointed for the time being by the Issuer to maintain the Register;
- 16.1.2 shall contain the names, addresses and bank account numbers of the registered Noteholders;
- 16.1.3 shall show the total Nominal Amount of the Notes held by Noteholders;
- 16.1.4 shall show the dates upon which each of the Noteholders was registered as such;
- 16.1.5 shall show the serial numbers of the Certificates and the dates of issue thereof;
- 16.1.6 shall be open for inspection at all reasonable times during business hours on Business Days by any Noteholder or any Person authorised in writing by a Noteholder;
- 16.1.7 shall be closed during the Books Closed Period.

16.2 The Transfer Agent shall alter the Register in respect of any change of name, address or account number of any of the Noteholders of which it is notified.

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

16.4 Except as provided for in these Terms and Conditions or as required by law, the Issuer 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 Certificate may be subject.

54.17 17. TRANSFER OF NOTES

17.1 Transfer of Registered Notes

17.1.1 Transfer of Beneficial Interests in Registered Notes held in the CSD

- 17.1.1.1 Beneficial Interests may be transferred only in accordance with the Applicable Procedures through the CSD.
- 17.1.1.2 Transfers of Beneficial Interests to and from clients of Participants occur by way of electronic book entry in the securities accounts maintained by the Participants for their clients, in accordance with the Applicable Procedures.
- 17.1.1.3 Transfers of Beneficial Interests among Participants occur through electronic book entry in the central securities accounts maintained by the CSD for the Participants, in accordance with the Applicable Procedures.
- 17.1.1.4 Transfers of Beneficial Interests in Registered Notes will not be recorded in the Register and the CSD's Nominee will continue to be reflected in the Register as the Noteholder of such Notes notwithstanding such transfers.

17.1.2 Transfer of Registered Notes represented by Certificates

- 17.1.2.1 In order for any transfer of Registered Notes represented by a Certificate to be recorded in the Register, and for such transfer to be recognised by the Issuer:
- 17.1.2.1.1 the transfer of such Registered Notes must be embodied in a Transfer Form;
 - 17.1.2.1.2 the Transfer Form must be signed by the registered Noteholder of such Registered Notes and the transferee, or any authorised representatives of that registered Noteholder or transferee;
 - 17.1.2.1.3 the Transfer Form must be delivered to the Transfer Agent at its Specified Office together with the Certificate representing such Registered Notes for cancellation.
- 17.1.2.2 Registered Notes represented by a Certificate may only be transferred, in whole or in part, in amounts of not less than the Specified Denomination (or any multiple thereof).
- 17.1.2.3 Subject to this Condition 17.1.2 (*Transfer of Registered Notes represented by Certificates*), the Transfer Agent will, within 3 (three) Business Days of receipt by it of a valid Transfer Form (or such longer period as may be required to comply with any applicable laws and/or Applicable Procedures), record the transfer of Registered Notes represented by a Certificate (or the relevant portion of such Registered Notes) in the Register, and authenticate and deliver to the transferee at the Transfer Agent's Specified Office or, at the risk of the transferee, send by mail to such address as the transferee may request, a new Certificate in respect of the Registered Notes transferred reflecting the outstanding Nominal Amount of the Registered Notes transferred.
- 17.1.2.4 Where a Noteholder has transferred a portion only of Registered 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, at the risk of such Noteholder, a new Certificate representing the balance of the Registered Notes held by such Noteholder.
- 17.1.2.5 The transferor of any Registered 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.
- 17.1.2.6 Before any transfer of Registered Notes represented by a Certificate is registered in the Register, all relevant transfer Taxes (if any) must have been paid by the transferor and/or the transferee and such evidence must be furnished as the Issuer and the Transfer Agent may reasonably require as to the identity and title of the transferor and the transferee.
- 17.1.2.7 No transfer of any Registered Notes represented by a Certificate will be registered whilst the Register is closed as contemplated in Condition 16 (*Register*).
- 17.1.2.8 If a transfer of any Registered Notes represented by a Certificate is registered in the Register, the Transfer Form and cancelled Certificate will be retained by the Transfer Agent.

17.1.2.9 If a transfer is registered then the transfer form and cancelled Certificate will be retained by the Transfer Agent.

17.1.2.10 In the event of a partial redemption of Notes under Condition 9.3 (*Early Redemption of the Option at the Issuer*), the Transfer Agent shall not be required in terms of Condition 9.3 (*Early Redemption of the Option at the Issuer*), to register the transfer of any Notes during the period beginning on the tenth day before the date of the partial redemption and ending on the date of the partial redemption (both inclusive).

17.2 Transfer of Bearer Notes

Bearer Notes (including rights to Instalment Amounts and/or interest thereon, as applicable) may be transferred by the delivery of the Certificate evidencing such Bearer Note or the relevant Receipt or Coupon relating thereto, as the case may be. Where the last Endorsement on a Certificate evidencing an Order Note or a Receipt or Coupon relating thereto is an Endorsement in Blank, then such Certificate, Receipt or Coupon, as the case may be, shall be treated as evidencing a Bearer Note.

17.3 Transfer of Order Notes

Order Notes (including rights to Instalment Amounts and/or interest thereon, as applicable) may be transferred by the Endorsement of the Certificate evidencing such Order Note or Receipt or Coupon relating thereto, as the case may be, by the old Payee and the delivery of such Certificate, Receipt or Coupon to the new Payee.

17.4 Prohibition on Stripping

Where so specified in the Applicable Pricing Supplement, Bearer Notes or Order Notes which are issued with Receipts and/or Coupons attached and which are redeemable at the option of the Issuer and/or Noteholders shall be issued subject to the condition that the relevant Notes (including rights to Instalment Amounts and/or interest thereon, as applicable) may only be transferred to a single transferee at a time and accordingly that the various rights in respect of such Notes may not be stripped and transferred to various transferees at different times.

18. PRESCRIPTION

The Notes, Receipts and Coupons will become void unless presented for payment of principal within a period of three years after their redemption date, save that claims against the Issuer under any Certificate, Receipt or Coupon constituting a "*bill of exchange or other negotiable instrument*" in accordance with section 11 of the Prescription Act, 1969 will prescribe within a period of six years after their redemption date.

19. EVENTS OF DEFAULT

19.1 Events of Default

If, for any particular Series of Notes, one or more of the following events ("**Events of Default**") shall have occurred and be continuing:

19.1.1 *Non-payment*: the Issuer fails to pay any amount of principal in respect of the Notes within 5 (five) calendar days of the due date for payment thereof or fails to pay any amount of interest in respect of the Notes within 10 (ten) calendar days of the due date for payment thereof; or

19.1.2 *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes and such default remains unremedied for 30 (thirty) calendar days after written notice thereof, has been delivered by any Noteholder to the Issuer or to the Specified Office of the Transfer Agent (addressed to the Issuer); or

19.1.3 *Cross-default of Issuer or Principal Subsidiary:*

19.1.3.1 any Financial Indebtedness of the Issuer or any of its Principal Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period;

19.1.3.2 any such Financial Indebtedness becomes (or becomes capable of being declared) due and payable prior to its stated maturity otherwise than at the option of the Issuer or (as the case may be) the relevant Principal Subsidiary or (provided that no Event of Default, howsoever described, has occurred) any Person entitled to such Financial Indebtedness; or

19.1.3.3 the Issuer or any of its Principal Subsidiaries fails to pay when due any amount payable by it under any Guarantee of any Financial Indebtedness;

provided that the amount of Financial Indebtedness referred to in sub-paragraph (i) and/or sub-paragraph (ii) above and/or the amount payable under any Guarantee referred to in sub-paragraph (iii) above individually or in the aggregate exceeds ZAR200,000,000 (or its equivalent in any other currency or currencies); or

19.1.4 *Unsatisfied judgment:* one or more judgment(s) or order(s) from which no further appeal is permissible under applicable law for the payment of any amount in excess of ZAR200,000,000 (or its equivalent in any other currency or currencies) is rendered against the Issuer or any of its Principal Subsidiaries and continue(s) unsatisfied and unstayed for a period of 30 (thirty) calendar days after the date(s) thereof or, if later, the date therein specified for payment; or

19.1.5 *Security enforced:* any present or future Security Interest created by the Issuer or any Principal Subsidiary over all or a substantial part of its undertaking, assets and revenues for an amount at the relevant time in excess of ZAR200,000,000 (or its equivalent in any other currency or currencies) becomes enforceable and any step is taken to enforce it (including, but not limited to, the taking of possession or the appointment of a receiver, administrative receiver, manager or other similar Person or analogous event) unless such enforcement is discharged within 45 (forty-five) calendar days or the Issuer or Principal Subsidiary (as the case may be) is contesting such enforcement in good faith; or

19.1.6 *Insolvency etc.:* (a) the Issuer or its Principal Subsidiaries becomes insolvent or is unable to pay its debts as they fall due, (b) an administrator, curator, judicial manager or liquidator is appointed (or application for any such appointment is made) in respect of the Issuer or any of its Principal Subsidiaries or in respect of the whole or a substantial part of the undertaking, assets and revenues of the Issuer or any of its Principal Subsidiaries, (c) the Issuer or any of its Principal Subsidiaries takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its Financial Indebtedness or any Guarantee of any Financial Indebtedness given by it or (d) the Issuer or any of its Principal Subsidiaries ceases or threatens to cease to carry on all or any substantial part of its business (otherwise than (i) in the case of a Principal Subsidiary of the Issuer for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent; or (ii) in the case of the Issuer, in respect of a Solvent Reconstruction); or

19.1.7 *Winding-up etc.:* an order is made or an effective resolution is passed for the winding-up, liquidation, administration or dissolution of the Issuer or any of its Principal Subsidiaries (otherwise than (a) in the case of a Principal Subsidiary of the Issuer for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent; or (b) in the case of the Issuer, in respect of a Solvent Reconstruction); or

- 19.1.8 *Analogous event*: any event occurs which under the laws of South Africa or other relevant jurisdiction in the case of a Principal Subsidiary has an analogous effect to any of the events referred to in Conditions 19.1.4 to 19.1.7 above; or
- 19.1.9 *Failure to take action etc.*: any action, condition or thing at any time required to be taken, fulfilled or done in order (a) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Notes, (b) to ensure that those obligations are legal, valid, binding and enforceable and (c) to make the Note Certificates admissible in evidence in the courts of South Africa is not taken, fulfilled or done; or
- 19.1.10 *Unlawfulness*: it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes,

then any Note may, by written notice (the "Acceleration Notice") from the Noteholder thereof to the Issuer and delivered to the Issuer, be declared immediately due and payable, whereupon it shall become immediately due and payable at its Early Redemption Amount referred to in Condition 9.5 (*Early Redemption Amounts*) together with accrued interest (if any) without further action or formality.

19.2 Notification of Event of Default

If the Issuer becomes aware of the occurrence of any Event of Default, the Issuer shall forthwith notify all Noteholders in accordance with Condition 21 (*Notices*) and the JSE in writing.

20. CALCULATION AGENTS, DETERMINATION AGENTS, PAYING AGENTS, TRANSFER AGENTS

20.1 Changes in Agents

Any third party appointed by the Issuer as Calculation Agent, Determination Agent, Paying Agent, Transfer Agent or otherwise shall act solely as the agents of the Issuer and does not assume any obligation towards or relationship of agency or trust for or with any Noteholders. The Issuer is entitled to vary or terminate the appointment of such Agents and/or appoint additional or other Agents and/or approve any change in the Specified Office through which any Agent acts.

20.2 Calculations

The Paying Agents, the Calculation Agents and the Determination Agents, as appropriate, shall have no responsibility for errors or omissions in any calculations and determinations made hereunder, and all such calculations and determinations shall (save in the case of manifest error) be final and binding on the Issuer, the Paying Agents, the Calculation Agents, the Determination Agents and the Noteholders.

21. NOTICES

Notices to holders of Notes shall be valid if mailed to their registered addresses appearing in the Register. Any such notice shall be deemed to have been given on the seventh day after the day on which it is mailed.

In the event of there being any Individual Certificates in issue, such notices shall be published, not earlier than 4 (four) calendar days after the date of posting of such notice in terms of this clause (i) in an English language daily newspaper of general circulation in South Africa and (ii) and for so long as the Notes are listed on the JSE, a daily newspaper of general circulation in the city in which the JSE is situated, and any such notices shall be deemed to have been given on the date of first publication.

If any notice is given to holders of uncertificated Notes or holders of Global Certificates, a copy thereof shall be delivered to the JSE, the CSD and the Participants and shall discharge the Issuer of its obligations to give such notice to the holders of the Notes.

Any notice to the Issuer shall be deemed to have been received by the Issuer, if delivered to the registered office of the Issuer, on the date of delivery, and if sent by registered mail, on the seventh day after the day on which it is sent. The Issuer may change its registered office upon prior written notice to Noteholders specifying such new registered office.

For so long as any of the Notes are uncertificated or represented by a Global Certificate, notice may be given by any holder of an uncertificated Note or Global Certificate (as the case may be) to the Issuer via the relevant Participant in accordance with the Applicable Procedures, in such manner as the Issuer and the relevant Participants may approve for this purpose.

22. AMENDMENT OF THESE TERMS AND CONDITIONS

- 22.1 These Terms and Conditions set out all the rights and obligations relating to the Notes and, subject to the further provisions of this Condition 22, no addition, variation or consensual cancellation of these Terms and Conditions shall be of any force or effect unless reduced to writing and signed by or on behalf of the Issuer and the Noteholders.
- 22.2 No modification of these Terms and Conditions may be effected without the written agreement of the Issuer. The Issuer may effect, without the consent of the relevant Class of Noteholders, any modification of these Terms and Conditions and/or any Notes (or, as the case may be, the Notes of any one or more Series) that in its opinion is not materially prejudicial to the interests of the Noteholder or which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is established, provided that the approval of the JSE shall be required. This Condition 22.2 shall apply in connection with any adjustments made to any of the Notes in accordance with Condition 12 (*Adjustments*).
- 22.3 Any such modification shall be binding on the relevant Class of Noteholders and any such modification shall be communicated to the relevant Class of Noteholders in accordance with Condition 21 (*Notices*) as soon as is practicable thereafter. Failure to give, or non-receipt of, such notice will not affect the validity of such modification.
- 22.4 The Issuer may, with the prior sanction of an Extraordinary Resolution of Noteholders or with the prior written consent of Noteholders holding not less than 66⅔% (sixty six and two thirds per cent.) in Nominal Amount of the Notes Outstanding from time to time, amend these Terms and Conditions, provided that no such amendment shall be of any force or effect unless notice of the intention to make such amendment shall have been given to all Noteholders in terms of Condition 21 (*Notices*).

23. MEETINGS OF NOTEHOLDERS

- 23.1 The Issuer may at any time convene a meeting of all Noteholders or holders of any Series of Notes upon at least 21 (twenty-one) calendar days' prior written notice to such Noteholders. This notice is required to be given in terms of Condition 21 (*Notices*). Such notice shall specify the date, place and time of the meeting to be held, which place shall be in South Africa.
- 23.2 Every director or duly appointed representative of the Issuer may attend and speak at a meeting of Noteholders, but shall not be entitled to vote, other than as a proxy or representative of a Noteholder.
- 23.3 Noteholders holding not less than 10% (ten per cent) in Nominal Amount of the outstanding Notes shall be able to request the Issuer to convene a meeting of Noteholders. Should the Issuer fail to requisition such a meeting within 10 (ten) calendar days of such a request being received by the Issuer, the Noteholders requesting such a meeting may convene such meeting.
- 23.4 A Noteholder may by an instrument in writing (a "form of proxy") signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation, appoint any Person (a "proxy") to act on his or its behalf in connection with any meeting or proposed meeting of the Noteholders.

- 23.5 Any Noteholder which is a corporation may by resolution of its directors or other governing body authorise any Person to act as its representative (a "representative") in connection with any meeting or proposed meeting of the Noteholders.
- 23.6 Any proxy or representative appointed shall, so long as the appointment remains in force, be deemed for all purposes in connection with any meeting or proposed meeting of the Noteholder specified in the appointment, to be the holder of the Notes to which the appointment relates and the holder of the Notes shall be deemed for such purposes not to be the holder.
- 23.7 The chairman of the meeting shall be appointed by the Issuer. The procedures to be followed at the meeting shall be as determined by the chairman subject to the remaining provisions of this Condition 23 (*Meetings of Noteholders*). Should the Noteholder requisition a meeting, and the Issuer fail to call such a meeting within 10 (ten) calendar days of the requisition, then the chairman of the meeting held at the instance of the Noteholders shall be selected by a majority of Noteholders present in person, by representative or by proxy.
- 23.8 At any such meeting one or more Noteholders present in person, by representative or by proxy, holding in aggregate not less than one third of the Nominal Amount of Notes for the time being outstanding shall form a quorum for the transaction of business. On a poll, each Noteholder present in person or by proxy at the meeting shall have the number of votes equal to the number of Notes, by denomination, held by the Noteholder.

24. **FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further Notes having terms and conditions the same as any of the other Notes issued under the Programme or the same in all respects save for the amount and date of the first payment of interest thereon, the Issue Price and the Issue Date, so that the further Notes shall be consolidated to form a single Series with the Outstanding Notes.

25. **SEVERABILITY**

Should any of the provisions contained in the Terms and Conditions of the Notes be, or become, invalid, the validity of the remaining provisions shall not be affected in any way.

s20.14(f) 26. **GOVERNING LAW**

The Notes and all rights and obligations to the Notes are governed by, and shall be construed in accordance with, the laws of South Africa in force from time to time.

S7.B.23
S7.C.1
S20.28

USE OF PROCEEDS

The net proceeds from the issue of the Notes will be applied by the Issuer for its general corporate purposes or as otherwise may be described in the Applicable Pricing Supplement.

SIGNED at Sandton this 24 day of August 2010.

For and on behalf of
FIRSTRAND BANK LIMITED

*SIKWE ENXASANA
Name:
Capacity: CEO
Who warrants his authority hereto

For and on behalf of
FIRSTRAND BANK LIMITED

JP Burger
Name:
Capacity: CFO
Who warrants his authority hereto

S7.D.2 **DESCRIPTION OF FIRSTRAND BANK LIMITED**

OVERVIEW

FirstRand Bank Limited (the “Bank” or “FRB”) provides a comprehensive range of retail, commercial, corporate and investment banking services in South Africa. As at 30 June 2009, the Bank was the third largest bank in South Africa measured by total assets (according to statistics published by the South African Reserve Bank (“SARB”) (*Source: BA900:SARB*)). As at 30 June 2009, the Bank had total assets of R564.8 billion, compared to R567.8 billion as at 30 June 2008. The Bank’s profit attributable to ordinary shareholders amounted to R3.6 billion for the year ended 30 June 2009, down from R6.7 billion as at 30 June 2008.

The Bank operates through divisions which are separately branded and provide distinct banking products and financial services. The Bank’s primary divisions are First National Bank (“FNB”), Rand Merchant Bank (“RMB”) and WesBank. FNB provides retail and corporate banking services, including savings and deposit accounts, credit cards, overdraft facilities, cheque accounts, mortgage finance and loans. FNB currently operates 687 branches and 5,311 ATMs across South Africa. RMB is the investment banking division of the Bank. It offers specialist services, and takes principal positions, in the fields of corporate finance, structured finance, project finance, private equity and trading markets. WesBank provides instalment finance to the retail and corporate market, in particular, finance for motor vehicles, aircraft and industrial plants.

S7.A.2 The Bank is 100 per cent. owned by FirstRand Bank Holdings Limited (“FRBH”, together with its subsidiaries, the “Banking Group”), which is a wholly owned subsidiary of FirstRand Limited (“FirstRand”), a company which is listed on the JSE Limited (“JSE”), with a market capitalisation of R79.2 billion as at 30 June 2009 (FirstRand, together with its subsidiaries, the “Group”). FirstRand is an integrated financial services group with more than 39,000 employees, consisting of a portfolio of leading financial services franchises, namely, FNB, the retail and commercial bank; RMB, the investment bank; WesBank, the instalment finance business; Momentum Group Limited (“Momentum”), the life insurance business; and Outsurance Insurance Limited (“OUTsurance”), a direct short term insurer.

The Bank holds a full banking licence granted by the SARB and is authorised as a financial services provider in South Africa by the Registrar of Financial Services Providers. The Bank is also an authorised dealer in foreign exchange in terms of the Exchange Control Regulations of the SARB. It is a Central Securities Depository Participant in Strate Limited and is a member of the JSE.

S7.A.1 **HISTORY**

The Bank was incorporated and registered in South Africa on 11 January 1929 under registration number 1929/001225/06 and is a public company with limited liability duly registered under the South African Companies Act, 1973.

The Bank’s headquarters and registered address are located at 1st floor, 4 Merchant Place, Cnr. Fredman Drive and Rivonia Road, Sandton 2196, South Africa (telephone number: +27 11 282-4000; fax number: +27 11 282-1699).

Although the Bank was formally incorporated in 1929, the current structure of the Bank is the result of a merger in 1998 of the financial services interests of Rand Merchant Bank Holdings Limited (“RMBH”) and the Anglo American Corporation which together formed FirstRand. Anglo American Corporation had become the majority shareholder of FNB in 1986 when Barclays UK divested from South Africa and sold Barclays National Bank which was renamed FNB. FNB and RMB currently operate as divisions of the Bank.

RMB was originally incorporated in 1977 under the name of Rand Consolidated Investments, which specialised in leveraged leasing and off-balance sheet financing. FNB traces its history back to 1838 with the formation of the Eastern Province Bank in Grahamstown.

STRATEGY

Given the earnings volatility that FirstRand has experienced between 2007 and 2009 (for example, headline earnings were down 9 per cent. in the financial year 2008 and 30 per cent. in the financial year 2009), FirstRand

has refined its overall strategy. The Group remains committed to its integrated financial services strategy. It believes that in the 'new world' of financial services there are benefits which may be achieved from increased integration between the asset origination capabilities of banks and the gathering of funds by life companies and asset managers. An integrated operating model will better facilitate the "matching" of lending and savings products across the financial services that FirstRand offers.

FirstRand's guiding philosophy will continue to be:

- divisions strive to be the leading franchises in their markets;
- FirstRand must attract and retain the best industry skills;
- the "owner manager" culture is retained; and
- entrepreneurship and innovation remain the Group's primary points of differentiation.

Going forward, there will be an increased focus on client-driven activities rather than proprietary trading or investment activities in both the South African and international operations. In addition, FirstRand's secondary market activities will link to client activities or leverage its existing primary market position.

FirstRand has already exited the offshore activities of the Equity Trading and Special Projects International ("SJPI") divisions of RMB. However, it will continue with the investment activities represented by the private equity operation in Australia and RMB Resources, as, in both of these businesses, there is a long track record of successful asset origination and a demonstrated competitive advantage.

With specific reference to international expansion, emphasis will be on establishing client franchises in markets where the Group has a demonstrable competitive advantage versus principal trading activities that are outside the Group's core business and markets. This approach should improve quality and sustainability of earnings. In line with this objective, going forward, Africa will be the primary focus of the Group's growth strategy outside of South Africa. In addition, FirstRand will leverage off its position in other markets to provide support to its strategy in Africa. For example, FirstRand's Indian operations will be focused on supporting African expansion activities by seeking to dominate the trade corridor between India and Africa. The Group's ability to offer Indian companies expertise in African markets should be its key competitive advantage. In addition, FirstRand has identified the China-Africa trade corridor as a growth opportunity and post the 2009 year-end announced a strategic co-operation agreement with China Construction Bank Corporation ("CCB"). The Group believes that this co-operation represents a meaningful step in FirstRand's strategy to grow more aggressively in the African continent. CCB provides a significant balance sheet to support FirstRand's investment banking franchise, RMB, which has already completed transactions in over 39 countries throughout Africa. RMB and CCB are well positioned to participate in the large transactions and investment opportunities expected to emerge in the African continent.

From an operational perspective, the Group will focus on leveraging off existing operating platforms such as client bases, balance sheet, infrastructure, systems and products and services. FNB will be the primary platform for banking in Africa, with WesBank and RMB utilising the platform where appropriate. However, there may be jurisdictions where a different operating platform will provide better opportunities. Therefore the Group will remain flexible in its approach. Momentum, the life insurance business division, has built a presence in eight African countries and will also look for opportunities to collaborate with FNB. There has been some early progress in Namibia, where the life insurance subsidiary of FNB's Namibian operation has now added Momentum's Myriad life-cover offering to its suite of products.

When expanding outside South Africa, the setting up of its own primary operations rather than the acquisition of local firms remains FirstRand's primary entry approach. The Group will, however, consider corporate action and the acquisition of appropriate operating platforms in order to accelerate the international expansion strategy. The Group is currently awaiting regulatory approval for representative offices in both Angola and Nigeria and plans to commence full banking services in Tanzania in the near future. It is also actively looking at opportunities in other selected East and West African markets.

57.B.1(d) Management structure

Sizwe Nxasana succeeded Paul Harris as CEO of FirstRand on 1 January 2010. Johan Burger was announced as Chief Operating Officer (“COO”) of FirstRand at the same time, a portfolio he takes on in addition to his role as Group Chief Financial Officer (“CFO”).

Paul Harris will continue to serve on the Group’s main statutory Boards as a non-executive director following his retirement. Many of the changes the Group plans to implement at both a strategic and operational level include re-defining the role of the “centre” of the Group. Whilst the Group continues to believe in the benefits of a federal model as it is particularly important to an entrepreneurial and innovative culture, it recognises that the centre must be empowered to manage the independent franchises within appropriate risk and performance frameworks.

In addition, the centre will also play a key co-ordination role in terms of leveraging off opportunities between the existing franchises and improve the co-ordination of the Group’s international strategy, which was previously formulated and executed at the franchise level. The need for additional capacity to support the international strategy is currently being assessed and will be appropriately created in key functional areas.

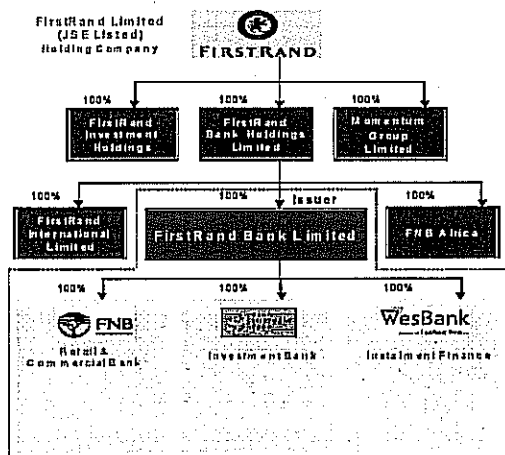
The Bank considers the sustainability of its earnings as a core objective and key performance metric. The value of its franchises is ultimately driven by their financial strength and the Bank is thus adopting a management approach that seeks to balance independent franchises with strong central oversight aimed at ensuring optimal outcomes across the Bank.

CORPORATE STRUCTURE

Banking operations within the Banking Group include the activities carried out by the Bank in South Africa as well as other banking operations carried on by the Banking Group primarily outside South Africa.

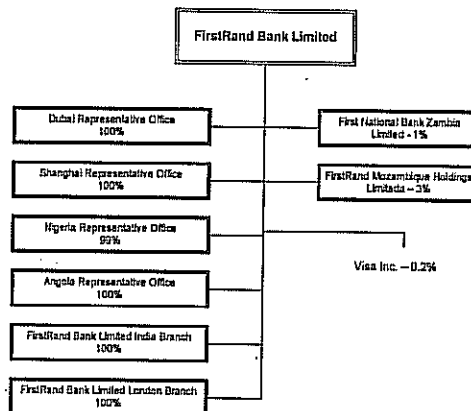
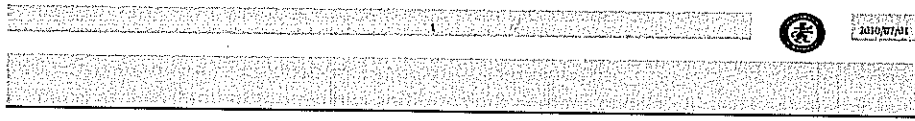
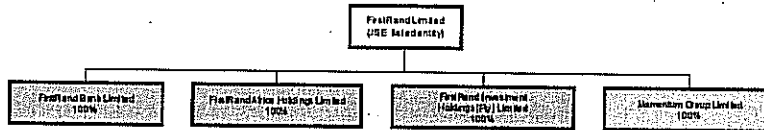
FNB, RMB and WesBank carry out business activities both within and outside South Africa. Only those activities carried out by FNB, RMB and WesBank within South Africa form part of the operations of, and are aggregated within the financial results of, the Bank. Activities of the Bank’s London and Indian branches are also aggregated within the financial results of the Bank. Banking activities carried out by FNB Namibia, FNB Botswana, FNB Lesotho, FNB Swaziland, FRB Mozambique and RMB’s offshore operations are consolidated within the financial results of FirstRand Bank Holdings Limited. Unless stated otherwise, references to the operations and financial performances of FNB, RMB and WesBank in this Programme Memorandum refer to those operations and financial performance of the Bank. FirstRand’s corporate structure (although not its subsidiaries, which are set out in “Subsidiaries and Associate Companies”) is shown in the diagram below:

Group and bank structure



Summary

- FirstRand Limited is a fully integrated, diversified financial services company listed on the Johannesburg Securities Exchange (“JSE”), currently the 12th largest company on the JSE with a market capitalisation of R115.0 billion (\$15.6 billion) as at 24 March 2010
- FirstRand Bank Limited, the issuer, is one of the four leading banks in South Africa, with a full service offering across retail and commercial, investment banking and instalment finance



The Bank is not dependent on any of its subsidiaries, any of the other within the Banking Group or any of the other subsidiaries of FirstRand Limited.

The Bank's authorised share capital is 2,000,000 ordinary shares with a par value of R2 per share, 500,000,000 redeemable preference shares with a par value of R0.0001 per share, and 100,000,000 non-redeemable non-cumulative preference shares with a par value of R0.01 per share.

The Bank has issued share capital of 1,866,830 ordinary shares with a par value of R2 per share, 1,595 redeemable preference shares with a par value of R0.0001 per share and 3,000,000 non-redeemable non-cumulative preference shares with a par value of R0.01 per share, all of which are held by FRBH.

There are no formal shareholder agreements in place.

The Bank also has branches in London and India, as well as representative offices in Angola, Dubai, Nigeria and Shanghai. These representative offices have obtained regulatory approval to pursue trade finance and general correspondent banking activities.

OVERVIEW

The Bank provides a comprehensive range of retail, commercial, corporate and investment banking products and services in South Africa through its three major franchises: RMB, the investment bank; FNB, the retail and commercial bank; and WesBank, an asset finance and leasing business.

The table set out at note 37 of the Bank's accounts as at and for the year ended 30 June 2009, which has been incorporated by reference into this Programme Memorandum, sets out the segmental performance of the principal divisions. It also includes information on selected balance sheet items.

FNB

FNB offers a diverse set of financial products and services to the retail and corporate market segments ranging from the consumer, small business and rural corporate markets to large and medium-sized corporates, financial institutions, parastatal entities and government entities. FNB's products include mortgage loans, credit and debit cards, personal loans and investment products. FNB's services include transactional banking and deposit-taking, card acquiring, credit facilities and FNB distribution channels (namely the branch network, ATMs, call centres, cellphone and internet channels).

At 30 June 2009, FNB had 6.4 million customers, 687 physical representation points (branches, agencies, bank on wheels, etc.) and 5,311 ATMs throughout the country.

FNB follows a segment strategy. It has segmented its customer base as follows: Mass, Consumer, Wealth, Commercial, Public Sector and Corporate.

Mass segment

This segment focuses on individuals earning less than ZAR81,000 per annum and is principally serviced by FNB Smart branded products and services. The business lines and products that form part of the Mass segment include:

- Smart and Mzansi accounts;
- Microloans ("SmartSpend");
- Cellphone banking and Prepaid products;
- Housing finance ("SmartBond" & "Smart Housing Plan");
- Funeral policies through FNB Insurance; and
- Internet connectivity through FNB Connect.

Consumer segment

This segment focuses on providing financial services solutions to customers with incomes ranging from ZAR81,000 to ZAR1 million per annum, as well as certain other targeted groups (namely youth and teenagers, students, graduates and seniors). The business lines and products that form part of the Consumer segment include:

- Cheque & Transmission products, including overdrafts;
- Investments & equity products;
- Personal loans (including student loans);

- FNB Insurance Brokers;
- eBucks (FRB's customer loyalty/rewards programme);
- FNB HomeLoans (including One Account); and
- Card Issuing.

Wealth segment

This segment focuses on providing financial services solutions to customers with incomes above ZAR1 million per annum. The Wealth segment spans the following businesses:

- RMB Private Bank;
- FNB Private Clients; and
- FNB Trust Services.

Commercial segment

This segment provides financial solutions, including working capital, structured finance, investment products, transactional banking and term loans to mid-corporate and business customers (including small, medium and micro enterprises (SMMEs), small business, business and mid-corporate customers where turnover is below ZAR600 million per annum), and includes the following product lines:

- overdraft and transactional products;
- investment products;
- term loan financing including commercial property finance; and
- niche segments: agriculture, black economic empowerment (BEE) funding, franchises, tourism, and start-ups.

Corporate segment

This segment provides large corporate customers (with a turnover greater than ZAR600 million per annum), financial institutions and certain state-owned enterprises, as defined in schedule 2 of the South African Public Finance Management Act of 1999, with transactional banking capabilities as well as assistance in order to optimise cash flow and working capital requirements. Products and services include:

- corporate transactional banking services and associated working capital solutions;
- Speedpoint (card acquiring);
- bulk cash;
- electronic banking;
- international banking; and
- custody services.

Public sector

The segment offers transactional banking services and products to three spheres of Government, namely state-owned enterprises, universities, and public schools. It also provides working capital and other short and long-

term finance products. This segment is reported under "*FNB Other and Support*" in the Bank's financial statements.

WesBank

WesBank provides instalment credit finance to both the retail and corporate market and provides both asset-based finance and fleet-management solutions. WesBank's strategy of partnering with motor manufacturers and distributors is a significant factor in the growth of its business and the position that it holds in the financing of motor vehicles.

Key areas of WesBank's strategy:

- *Partnerships:* WesBank creates and maintains consistent, mutually beneficial partnerships with critical industry players including manufacturers, dealers, suppliers and distributors.
- *Distribution channels:* WesBank sources its vehicle finance business primarily through motor dealers with whom it establishes service relationships. WesBank makes use of a joint alliance strategy amongst selected dealers to ensure critical mass.
- *Product innovation:* WesBank seeks to provide innovative value-added products to its customers, through its dealer channel.
- *Customer service:* WesBank is committed to providing a high quality of customer service, which is measured through regular customer satisfaction surveys.

WesBank's major business units are described below.

WesBank Motor: WesBank Motor provides vehicle finance to the retail sector. WesBank Motor sources its business primarily through motor dealers and is informally known as the "dealer bank". Through its dealer strategy, WesBank aims to dominate the point of sale. It makes use of a joint alliance strategy amongst selected dealers to ensure critical mass. WesBank Motor has also established strong relationships with motor manufacturers. These relationships have enabled WesBank to offer vehicle finance and insurance in partnership with the manufacturers trading under the brands of Toyota Financial Services, Nissan Finance, GMSA Financial Services, Fiat Finance, Volkswagen Financial Services, Audi Financial Services, Honda Finance and Peugeot Financial Services, amongst others.

WesBank Corporate: WesBank Corporate specialises in financing all moveable assets such as plant, machinery, aircraft, computers, office equipment and vehicle fleets. In addition to the full range of instalment sales, financial and operating leases, rentals, loans and discounting facilities that WesBank Corporate offers, it also specialises in setting up car allowance schemes for company employees and fleet finance packages. Lines of credit are established for corporate customers, allowing customers optimum flexibility to draw down on these facilities as the need for additional finance arises. WesBank Corporate prides itself on its ability to structure asset finance packages for customers so as to derive optimum benefit from cash flows. It places maximum emphasis on building and maintaining relationships with its customers. WesBank Corporate is structured into three segments, namely "Large Corporate", "Mid- Corporate" and the more commercial "Business" segment, so as to effectively service the needs of these distinctly different customer segments. WesBank Corporate has also created a number of profit sharing alliances, similar to those in the Motor division, with industry suppliers, manufacturers and distributors. These include Bell Equipment, Caterpillar Tractor, National Airways Corporation, the Spar Group, Afagri Limited and Komatsu, amongst others.

WesBank Auto: WesBank Auto provides fleet management services and fleet information. It currently manages approximately 285,000 vehicles and provides services to more than 11,000 merchants. WesBank Auto provides maintenance to fleets, and reports on the running costs of each vehicle. Qualified vehicle mechanics offer customers expert technical service and pertinent fleet-related information. As a fleet management division, WesBank Auto pioneered a bank card fleet management system, managed maintenance and "Auto-net" (an Internet based online fleet management system).

WesBank Personal Loans: WesBank Personal Loans provides personal loans, largely to mid-level customers. Loan applications are made to a central call centre where applications are recorded using call voice logging. The loan products are marketed to customers through a number of direct marketing strategies.

RMB

RMB is the investment banking arm of the Bank. RMB's portfolio spans investment banking; fixed income, currencies and commodities; and equity trading. RMB also manages a private equity business which is housed elsewhere in the Group. RMB services corporate, institutional and public sector clients across all industries.

Only the business and operations of RMB which are carried out within South Africa are aggregated within the Bank's financial statements. The private equity business is not included in the Bank's financial statements.

RMB's four major divisions are described in more detail below.

Investment Banking

Investment Banking comprises the majority of RMB's debt and equity structuring businesses. It focuses on servicing leading listed and unlisted companies across all industries, as well as financial institutions and government organisations. Within Investment Banking there are a number of industry or product specialist groups:

- *Corporate Finance:* offers a range of advisory services, including mergers and acquisitions, capital raising solutions, and equity and debt restructuring.
- *Acquisition and Leveraged Finance:* finances management buy-outs, leveraged buy-outs and other forms of acquisition finance.
- *Resources Finance:* provides advice and finance in the resource sector of the economy.
- *Infrastructure Finance:* provides finance for large-scale infrastructure projects in South Africa and the rest of Africa, including rail, road, ports, telecommunications, and water projects.
- *Property and Asset Finance:* RMB is a major asset financier in the South African market, providing finance for a range of assets such as commercial, industrial and retail properties, as well as moveable assets such as rolling stock, aeroplanes and port equipment.
- *Debt Capital Markets:* enables RMB's clients to access the local and international capital markets through debt raising and securitisations.

Fixed Income, Currencies and Commodities ("FICC"):

FICC includes fixed income, currency, credit and commodity trading activities both in South Africa and internationally. Its activities cover market making and execution services for clients, structured solutions, proprietary trading and custodial and agency services. Within FICC there are a number of industry or product specialist groups:

- *Debt Capital Market Trading and Solutions:* provides a trading, execution and structuring service to clients for corporate and government bonds, derivatives, inflation-linked instruments, options, and interest rate solutions.
- *Foreign Exchange Trading:* offers foreign exchange trading and execution and structured solutions service to corporate, retail and institutional clients and local and non-resident banks. Focus areas include spot, forwards, options and derivatives across major traded currencies, rand and other African currencies.
- *Commodities:* provides a range of commodity trading, execution and structuring solutions across the major commodity classes – soft (agricultural) commodities, energy, base- and precious metal groups.

Equity Trading:

Equity Trading offers market making and execution services for clients, structured solutions, proprietary trading and agency services. It services a wide range of financial institutions and its primary activities include:

- equity sales and research, through a joint venture with Morgan Stanley;
- agency businesses – scrip lending, futures clearing, and prime broking; and
- proprietary trading in local equities.

Private Equity:

Private Equity focuses on principal investments and leveraged finance. It operates across a broad spectrum within the private equity arena, from holding investments on balance sheet through to investing in other private equity investors or their funds. Unlike large international private equity players, RMB does not manage or raise any large third party private equity funds.

CORPORATE CENTRE

The Corporate Centre includes various centralised risk and finance functions.

Balance Sheet Management (“BSM”)

Through the centralisation of the integrated risk and finance view on the Bank’s performance, as well as its budgets and plans, these functions allow the Bank to target a more resilient earnings profile and to take actions that address residual risks that are not adequately offset once aggregated at overall Bank level. Such actions may be related to specific credit hedges, may involve macroeconomic hedges that seek to provide indirect mitigation of earnings at risk in certain businesses, or they may involve the procurement of insurance against other operational risks, where this is judged to be economically sensible. The Bank-level BSM function is tasked with supporting the implementation of strategy across the portfolio, from an operational perspective.

- *Macro Portfolio Management* – plays a vital role in defining the Bank’s core macroeconomic view and associated risk scenarios, which are used for planning and stress testing purposes.
- *Credit Portfolio Management* – plays an active role in the determination of suitable risk appetite constraints for individual credit portfolios and in the setting of credit strategy across the Bank to ensure that credit portfolios remain within their targeted risk profile.
- *Capital Management* – retains responsibility for capital planning and advises the board, as well as the Executive committee, on potential capital actions, dividend strategy and other capital management related topics.
- *Group Treasury* – responsible for managing the Bank’s funding and liquidity position, and ensuring that business strategies are aligned with funding constraints.

Enterprise Risk Management

The Enterprise Risk Management functions provide central independent oversight and risk control as part of the Bank’s risk governance structure.

Other functions in the Corporate Centre include Finance; Internal Audit; and Regulatory Risk Management.

MANAGEMENT

The Board of Directors of the Bank (the “**Board**”) is responsible for reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, monitoring corporate performance and overseeing major capital expenditures, acquisitions and disposals.

The Bank has a unitary Board. Its chairman is non-executive, but not independent in terms of the “King II” definition. “King II” is a report on corporate governance in South Africa, published in 2002. It classifies a director as “independent” for these purposes if, among other things, the director has not served in an executive capacity within a company for three years prior to appointment. The Board comprises fourteen directors of whom three serve in an executive capacity. Seven of the Board’s directors are independent directors. Non-

executive directors comprise individuals of high calibre with diverse backgrounds and expertise. The Bank has recently begun applying "King III", an updated report (replacing "King II") setting out recommended corporate governance principals in South Africa, which came into effect 1 March 2010.

The Board meets quarterly. Two further meetings are scheduled to approve the annual financial statements and to review strategic plans and the proposed budgets. Additional meetings are convened as and when necessary.

To fulfil their responsibilities, board members have access to accurate, relevant and timely information. Any director may call on the advice and services of the company secretary, who gives guidance on legislative or procedural matters.

There is a formal transparent Board nomination process. Non-executive directors are appointed (subject to re-appointment and to the Companies Act 1973 provisions relating to removal) and retire by rotation, every three years. Re-appointment of non-executive directors is not automatic.

S7.B.1(a) As at the date of this Programme Memorandum the Board consists of fourteen members elected by the general
S7.B.2 shareholders' meeting. The current members of the Board and their position within the Board, as well as their position within the board of directors of other members of the Group, are set out below:

<i>Name</i>	<i>Position</i>
Laurie Lanser Dippenaar	Non-Executive Chairman Chairman of the Board, Chairman of FirstRand, Chairman of Momentum Group Limited, Chairman of FRBH, Chairman of FirstRand STi Holdings Limited and Director of RMB Asset Management Limited and RMBH Nationality: South African
Sizwe Nxasana	Executive Director Chief Executive Officer of the Bank, FirstRand and FRBH, Director of FirstRand Investment Holdings (Proprietary) Limited and Momentum Group Limited Nationality: South African
Vivian Wade Bartlett	Non-Executive Director Director of FirstRand, FRBH and FirstRand STi Holdings Limited Nationality: South African
Johan Petrus Burger	Executive Director Chief Operating Officer of FirstRand, Chief Financial Officer of the Group, director of the Bank, FRBH, FirstRand Investment Holdings (Proprietary) Limited and Momentum Group Limited Nationality: South African
Patrick Maguire Goss	Non-Executive Director Director of FirstRand, RMBH, and FRBH Nationality: South African
Paul Kenneth Harris	Non-Executive Director Director of FirstRand, FRBH, FirstRand Investment Holdings (Proprietary) Limited, RMBH, Remgro Limited and Momentum Group Limited Nationality: South African
William Rodger Jardine	Non-Executive Director Director of FRBH Nationality: South African

Ethel Matenge-Sebesho	Non-Executive Director Director of FRBH Nationality: South African
Ronald Keith Store	Non-Executive Director Director of FirstRand and FRBH Nationality: South African
Benedict James Van der Ross ..	Non-Executive Director Director of FirstRand, Momentum Group Limited and FRBH and Chairman of RMB Asset Management Limited Nationality: South African
Jurie Johannes Human Bester ..	Non-Executive Director Director of FRBH Nationality: South African
Leon Crouse	Non-Executive Director Director of FRBH, FirstRand, RMBH and Remgro Limited Nationality: South African
Jan Hendrik van Greuning	Non-Executive Director Director of FRBH and FirstRand Nationality: South African
Matthys Hendrik Visser	Non-Executive Director Director of FRBH, FirstRand and Remgro Limited Nationality: South African

s7.B.2 Each member of the Board chooses the Specified Office of the Issuer as its business address in connection with the Programme and the issue of Notes thereunder.

s7.B.12 Additionally, the Bank has a company secretary, BW Unser, who is suitably qualified and was appointed by the Board in 1998. He is, *inter alia*, responsible for the duties stipulated in section 268G of the South African Companies Act.

SETTLEMENT, CLEARING AND TRANSFERS

Words used in this section headed "Settlement, Clearing and Transfers" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

Notes listed on the JSE and/or held in the CSD

Each Tranche of Notes which is listed on the JSE in certificated or in uncertificated form will be held in the CSD. A Tranche of unlisted Notes may also be held in the CSD.

Clearing systems

Each Tranche of Notes listed on the JSE and/or held in the CSD under a Global Certificate will be issued, cleared and settled in accordance with the rules and operating procedures for the time being of the JSE and the CSD through the electronic settlement system of the CSD. Such Notes will be cleared by Participants who will follow the electronic settlement procedures prescribed by the JSE and the CSD.

The CSD has, as the operator of an electronic clearing system, been appointed by the JSE to match, clear and facilitate the settlement of transactions concluded on the JSE. Subject as aforesaid each Tranche of Notes which is listed on the JSE will be issued, cleared and transferred in accordance with the Applicable Procedures and the Terms and Conditions, and will be settled through Participants who will comply with the electronic settlement procedures prescribed by the JSE and the CSD. 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).

Participants

The CSD maintains accounts only for Participants. As at the date of the Programme Memorandum, the Participants which are approved by the CSD, in terms of the rules of the CSD, as settlement agents to perform electronic settlement of funds and scrip are Absa Bank Limited, FirstRand Bank Limited, Nedbank Limited, The Standard Bank of South Africa Limited and the South African Reserve Bank. Euroclear, as operator of the Euroclear System, and Clearstream will settle off-shore transfers in the Notes through their Participants.

Settlement and clearing

Participants will be responsible for the settlement of scrip and payment transfers through the CSD, the JSE and the South African Reserve Bank.

While a Tranche of Notes is held in its entirety in the CSD, the CSD's Nominee, a wholly owned subsidiary of the CSD approved by the Registrar of Securities Services in terms of the Securities Services Act, and any reference to "*CSD's Nominee*" shall, whenever the context permits, be deemed to include any successor nominee operating in terms of the Securities Services Act, will be named in the Register as the sole Noteholder of the Notes in that Tranche. All amounts to be paid and all rights to be exercised in respect of Notes held in the CSD will be paid to and may be exercised only by the CSD's Nominee for the holders of Beneficial Interests in such Notes.

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

Payments of all amounts in respect of a Tranche of Notes which is listed on the JSE and/or held in the CSD under a Global Certificate will be made to the CSD's Nominee, as the registered Noteholder of such Notes, which in turn will transfer such funds, via the Participants, to the holders of Beneficial Interests. Each of the persons reflected in the records of the CSD or the relevant Participant, as the case may be, as the holders of

Beneficial Interests in Notes shall look solely to the CSD or the relevant Participant, as the case may be, for such person's share of each payment so made by (or on behalf of) the Issuer to, or for the order of, the CSD's Nominee, as the registered Noteholder of such Notes.

Payments of all amounts in respect of a Tranche Notes which is listed on the JSE and/or held in the CSD under a Global Certificate will be recorded by the CSD's Nominee, as the registered Noteholder of such Notes, distinguishing between interest and principal, and such record of payments by the CSD's Nominee, as the registered Noteholder of such Notes, shall be *prima facie* proof of such payments.

Transfers and exchanges

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

Beneficial Interests may be exchanged for Notes represented by Individual Certificates in accordance with Condition 17.1.2 (*Transfer of Registered Notes represented by Certificates*).

Records of payments, trust and voting

Neither the Issuer nor the Paying Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Beneficial Interests, or for maintaining, supervising or reviewing any records relating to Beneficial Interests. Neither the Issuer nor the Paying Agent nor the Transfer Agent will be bound to record 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. Holders of Beneficial Interests vote in accordance with the Applicable Procedures.

JSE Guarantee Fund

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

Notes listed on any Relevant Stock Exchange other than (or in addition to) the JSE

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

SUBSCRIPTION AND SALE

Words used in this section headed "Subscription and Sale" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or clearly inappropriate from the context.

Selling restrictions

South Africa

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that it will not solicit any offers for subscription for or sale of the Notes in that Tranche, and will itself not sell the Notes in that Tranche of Notes, in South Africa, in contravention of the Companies Act, the Banks Act, the Exchange Control Regulations and/or any other applicable laws and regulations of South Africa in force from time to time. Notes will not be offered for subscription to any single addressee for an amount of less than ZAR1,000,000.

United States

The Notes have not been and will not be registered under the United States Securities Act of 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, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that:

- (a) 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 in certain transactions exempt from the registration requirements of the Securities Act;
- (b) it has not offered, sold or delivered any Notes in that Tranche and will not offer, sell or deliver any Notes in that Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 (forty) calendar days after completion of the distribution, as determined and certified by the Dealer or, in the case of an issue of such Notes on a syndicated basis, the relevant Lead Manager, of all Notes of the Series of which that Tranche of Notes is a part, within the United States or to, or for the account or benefit of, U.S. persons;
- (c) it will send to each dealer to which it sells any Notes in that Tranche during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of such Notes within the United States or to, or for the account or benefit of, U.S. persons;
- (d) 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 in the United States (as defined in Regulation S under the Securities Act) 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.

Until 40 (forty) calendar days after the commencement of the offering of a Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the Securities Act.

European Economic Area

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that, in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a "Relevant Member State"),

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 any of such 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 any of such Notes to the public in that Relevant Member State:

- (a) in the period beginning on the date of publication of a prospectus in relation to those Notes which has been approved by the competent authority in that Relevant Member State in accordance with the Prospectus Directive and/or, where appropriate, published in another Relevant Member State and notified to the competent authority in that Relevant Member State in accordance with Article 18 of the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of:
 - (i) an average of at least 250 employees during the last financial year;
 - (ii) a total balance sheet of more than €43 000 000.00 and
 - (iii) an annual turnover of more than €50 000 000.00 as shown in its last annual or consolidated accounts; or
- (d) 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.

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 and includes any relevant implementing measure in each Relevant Member State.

United Kingdom

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that:

- (a) in relation to any of the Notes 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 of such Notes 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 Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act, 2000 (the "FSMA") by the Issuer;
- (b) 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 any of the Notes in that Tranche in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer;
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any of the Notes in that Tranche in, from or otherwise involving the United Kingdom.

General

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to agree that:

- (a) it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in each jurisdiction in which it purchases, subscribes or procures the subscription 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, subscription, offers or sales;
- (b) it will comply with such other or additional restrictions 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.

S7.C.15(e) **SOUTH AFRICAN TAXATION**

Words used in this section headed "South African Taxation" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or clearly inappropriate from the context.

The comments below are intended as a general guide to the relevant tax laws of South Africa as at the date of the Programme Memorandum. The contents of this section headed "South African Taxation" do not constitute tax advice and do 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 should consult their professional advisers in this regard.

Securities Transfer Tax

The issue, transfer and redemption of the Notes will not attract securities transfer tax under the Securities Transfer Tax Act, 2007. Any future transfer duties and/or taxes that may be introduced in respect of (or be applicable to) the transfer of Notes will be for the account of Noteholders.

Income Tax

Nature of any original issue discount or premium

Any original issue at a discount to the Nominal Amount of the Notes will, in terms of section 24J of the Income Tax Act, be treated as interest for tax purposes, and the discount amount will be deemed to accrue to the Noteholder on a yield to maturity as if such Noteholder were to hold the Notes until maturity. Any original issue premium over the Nominal Amount of the Notes will also be treated as interest for tax purposes, and will be deemed to have been incurred by the Noteholder on a yield to maturity basis as if such Noteholder were to hold the Notes until maturity.

Position as at the date of the Programme Memorandum

A "resident" (as defined in section 1 of the Income Tax Act) ("**Resident**") will, subject to any available exemptions, be taxed on its worldwide income. Accordingly, a Noteholder who is a Resident will be liable to pay income tax, subject to available exemptions, on any income received or accrued in respect of in respect of the Notes held by that Noteholder in any relevant year of assessment of that Noteholder.

A non-Resident is taxed in South Africa under the Income Tax Act only on income from a source within or deemed to be within South Africa. A non-Resident is a person who or which is not a Resident. Interest which is received or accrued in respect of the Notes during any year of assessment to any non-Resident Noteholder of such Notes will be exempt from income tax under the Income Tax Act, unless that person:

- (a) is a natural person who was physically present in South Africa for a period exceeding 183 (one hundred and eighty three) calendar days in aggregate during that year of assessment; or
- (b) at any time during that year of assessment carried on business through a permanent establishment in South Africa.

Capital Gains Tax

Capital gains tax applies to any capital gain earned on the disposal or deemed disposal of an asset by a Resident.

Capital gains tax will not be levied in relation to the disposal of any Notes by a non-Resident unless such Notes comprise assets which are attributable to a permanent establishment of that non-Resident in South Africa during the relevant year of assessment.

S16.25 **SOUTH AFRICAN EXCHANGE CONTROL**

Words used in this section headed "South African Exchange Control" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or clearly inappropriate from the context.

The information below is intended as a general guide to the position under the Exchange Control Regulations as at the date of the Programme Memorandum. The contents of this section headed "South African Exchange Control" do not constitute exchange control advice and do 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 should consult their professional advisers in this regard.

Non-South African resident Noteholders and emigrants from the Common Monetary Area

Dealings in the Notes and the performance by the Issuer of its obligations under the Notes and the applicable Terms and Conditions may be subject to the Exchange Control Regulations.

Emigrant Blocked Rand

Emigrant Blocked Rand 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 Emigrant Blocked Rand may not, in terms of the Exchange Control Regulations, be remitted out of South Africa or paid into any non-South African bank account.

Emigrants from the Common Monetary Area

Any Individual Certificates issued to Noteholders who are emigrants from the Common Monetary Area will be endorsed "*non-resident*". Such restrictively endorsed Individual Certificates shall 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 CSD, the securities account maintained for such emigrant by the relevant Participant will be designated as an "*emigrant*" account. All payments in respect of subscriptions for Notes by an emigrant from the Common Monetary Area, using Emigrant Blocked Rands, must be made through the Authorised Dealer in foreign exchange controlling the blocked assets.

Any payments of interest and/or principal due to a Noteholder who is an emigrant from the Common Monetary Area will be deposited into such emigrant Noteholder's Emigrant Blocked Rand 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 Exchange Control 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 CSD, the securities account for such Noteholder by the relevant Participant will be designated as a "*non-resident*" account.

It will be incumbent on any such non-resident Noteholder 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 Exchange Control Regulations, be remitted abroad only if the relevant Notes are acquired with foreign currency introduced into South Africa and provided that the relevant Individual Certificate has been endorsed "*non-resident*" or the relevant securities account has been designated as a "*non-resident*" account, as the case may be.

GENERAL INFORMATION

Words used in this section headed "General Information" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or clearly inappropriate from the context.

Authorisation

All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer under the laws of South Africa as at the date of this Programme Memorandum have been given for the establishment of the Programme and the issue of Notes and for the Issuer to undertake and perform its obligations under the Programme Memorandum and the Notes.

Listing

The Programme Memorandum was approved by the JSE on 24 August 2010. Notes to be issued under the Programme will be listed on the JSE or any other Relevant Stock Exchange.

S7.G Documents Available

So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available from the Specified Office of the Issuer:

- (a) all amendments and supplements to this Programme Memorandum prepared by the Issuer from time to time;
- (b) in respect of any issue of Notes under the Programme, the audited annual financial statements, together with such statements, reports and the notes attached to or intended to be read with such financial statements thereto, of the Issuer for its three financial years prior to the date of such issue; and
- (c) the each Applicable Pricing Supplement relating to any Tranche of Notes issued under the Programme;
- (d) all information pertaining to the Issuer which is relevant to the Programme and/or this Programme Memorandum which is electronically submitted by the Securities Exchange News Service ("SENS") established by the JSE, to SENS subscribers, if required.

Material Change

Save as disclosed in this Programme Memorandum, there has been no material adverse change in the financial or trading condition of the Issuer since the date of the Issuer's latest audited financial statements.

Litigation

Save as disclosed herein, neither the Issuer nor any of its respective consolidated Subsidiaries is or has been involved in any legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had a significant effect on the financial position of the Issuer or its consolidated subsidiaries.

S4.13(a) Auditors

PricewaterhouseCoopers Inc. and Deloitte & Touche have acted as the auditors of the financial statements of the Issuer for the financial year ended 30 June 2009, 2008 and 2007 and, in respect of those years, have issued unqualified audit reports.

ISSUER

FirstRand Bank Limited
(Registration Number 1929/001225/06)
Registered Office:
8th Floor
1 Merchant Place
Cnr Rivonia Road and Fredman Drive
Sandton, 2196
South Africa
Contact: Ms G Raine

**PAYING AGENT, CALCULATION AND
DETERMINATION AGENT**

Rand Merchant Bank,
a division of **FirstRand Bank Limited**
(Registration Number 1929/001225/06)
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14th Floor
1 Merchant Place
Cnr Rivonia Road and Fredman Drive
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South Africa
Contact: Ms G Raine

TRANSFER AGENT

Rand Merchant Bank,
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Fax: (011) 282 8867/4408

ARRANGER, DEALER AND SPONSOR

S7.B.13

Rand Merchant Bank,
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S7.B.13 LEGAL ADVISERS TO THE ISSUER, ARRANGER AND DEALER

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S7.B.13 **AUDITORS TO THE ISSUER**

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