

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Action required

If you are in any doubt as to the action to take, you are recommended to seek immediately your own personal financial advice from your stockbroker, banker, lawyer, accountant, fund manager or other professional adviser, who is appropriately qualified or authorised.

If you have disposed of all your shares in Investec Bank, this Circular should be handed to the purchaser of such shares or to the stockbroker, banker or agent through whom the sale was affected.

1. A class meeting of the shareholders of Investec Bank perpetual preference shares will be held at the registered office of Investec Bank Limited, Ground Floor, 100 Grayston Drive, Sandown, Sandton, 2196 at 14:30 on Tuesday, 9 July 2013 for these shareholders to sanction the increase in the capital of the Company by the creation of the Redeemable Programme Preference Shares, as part of the Domestic Medium Term Note and Preference Share Programme described more fully in this Circular; which will, with regards to their rights to dividends and repayment of capital on the winding-up of Investec Bank, rank in priority to the existing authorised and issued Investec Bank perpetual preference shares.
2. If you are a perpetual preference shareholder of certificated or own-name dematerialised shares and are unable to attend the class meeting, but wish to be represented thereat, you must complete and return the form of proxy attached hereto in accordance with the instructions therein, which is requested to be received by Investec Bank's transfer secretaries, Computershare Investor Services (Pty) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001, South Africa (PO Box 61051, Marshalltown, 2107, South Africa) by no later than 14:30 on Sunday, 7 July 2013.
3. Perpetual preference shareholders of dematerialised shares, other than those shareholders with own-name registration, must timeously provide their CSDP or broker with their instructions for attendance or voting at the class meeting, in the manner stipulated in the custody agreement governing the relationship between such shareholders and their CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.



Bank Limited

(Incorporated in the Republic of South Africa)
(Registration number: 1969/004763/06)
Share code: INLP ISIN: ZAE000048393
("Investec Bank" or "the Company")

CIRCULAR TO SHAREHOLDERS

relating to:

- **the creation of the Redeemable Programme Preference Shares, as part of the Domestic Medium Term Note and Preference Share Programme, as described in this Circular,**

and incorporating:

- **a notice of the class meeting of the shareholders of the perpetual preference shares; and**
- **a form of proxy for use by shareholders holding certificated and "own-name" dematerialised perpetual preference shares.**

Investment Bank



Sponsor



Attorneys

Domestic Medium Term Note and Preference
Share Programme

Corporate Law Advisers



BG Bowman Gilfillan

CORPORATE INFORMATION

DIRECTORS

Fani Titi (*Chairman*)*
Stephen Koseff
Glynn R Burger
Bernard Kantor
David M Lawrence
Sam E Abrahams*
David Friedland*
M Peter Malungani*
Sir David Prosser*
Karl-Bart XT Socikwa*
Bradley Tapnack
Peter RS Thomas*
C Busi Tshili*

* *non-executive*

ATTORNEYS

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2196
South Africa

Domestic Medium Term Note and Preference Share Programme

Bowman Gilfillan
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Sandton
2196
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COMPANY SECRETARY

Benita Coetsee

REGISTERED OFFICE

Investec Bank Limited
C/o Company Secretarial
100 Grayston Drive
Sandown, Sandton
2196
South Africa

SPONSOR

Investec Bank Limited
100 Grayston Drive
Sandown, Sandton
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South Africa

TRANSFER SECRETARY

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Johannesburg
2001
South Africa

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SALIENT DATES AND TIMES

2013

Record date to be eligible to receive notice of the class meeting	Friday, 17 May
Circular and notice of class meeting posted to shareholders on	Thursday, 23 May
Record date to be eligible to attend and vote at the class meeting	Friday, 28 June
Last day for lodging forms of proxy for class meeting by 14:30 on	Sunday, 7 July
Class meeting of shareholders at 14:30 on	Tuesday, 9 July
Announcement of results of class meeting released on SENS on	Wednesday, 10 July

Notes:

1. The definitions on pages 3 and 4 of this Circular apply, *mutatis mutandis*, to the information on salient dates and times.
2. These dates and times are subject to amendment. Any amendment will be released on SENS.
3. All times shown in this Circular are South African local times.

DEFINITIONS

In this Circular, unless otherwise indicated, reference to the singular shall include the plural and *vice versa*, words denoting one gender include the others, expressions denoting natural persons include juristic persons and associations of persons and *vice versa*, and the words in the first column have the meanings stated opposite them in the second column.

"Applicable Pricing Supplement"	the pricing supplement relating to a tranche of Programme Preference Shares, based upon the <i>pro forma</i> Applicable Pricing Supplement (Preference Shares) which is attached as Schedule I to the Programme Preference Share Terms and Conditions;
"Banks Act"	the Banks Act, No. 94 of 1990, as amended;
"Board"	the board of Directors of Investec Bank;
"Circular"	this Circular to shareholders, dated 23 May 2013, incorporating a notice of the class meeting and a form of proxy;
"class meeting"	the meeting of the shareholders in Investec Bank scheduled to be held at the registered office of Investec Bank Limited, Ground Floor, 100 Grayston Drive, Sandown, Sandton, 2196 at 14:30 on Tuesday, 9 July 2013;
"CIPC"	the Companies and Intellectual Property Commission, established in terms of section 185 of the Companies Act;
"Companies Act"	the Companies Act, No. 71 of 2008, as amended;
"CSDP"	Central Securities Depository Participant, appointed for the purpose of and regarding the dematerialisation of securities in terms of the Securities Services Act;
"Directors"	the directors of Investec Bank, being those persons whose names are set out on the inside front cover of this Circular;
"Domestic Medium Term Note and Preference Share Programme"	Investec Bank's ZAR40 000 000 000 Domestic Medium Term Note and Preference Share Programme, to be approved by the JSE in its revised form, pursuant to which Investec Bank issues notes from time to time and will in future also issue Programme Preference Shares;
"increase in share capital"	the proposed increase in the Company's authorised share capital by the creation of new Redeemable Programme Preference Shares;
"Investec Bank" or "the Company"	Investec Bank Limited (Registration number 1969/004763/06), a public company incorporated in the Republic of South Africa;
"Investec Bank ordinary shareholder"	Investec Limited, being the sole holder of the ordinary shares of R0.50 (Rand nought point five nought) each in the share capital of Investec Bank;
"Investec Group"	Investec Limited, together with its subsidiaries;
"Investec Limited"	Investec Limited (Registration number 1925/002833/06), a public company incorporated in the South Africa and the holding company of Investec Bank;
"JSE"	JSE Limited (Registration number 2005/022939/06), a public company incorporated in South Africa, licensed as a securities exchanges in terms of the Securities Services Act;
"MOI"	the Memorandum of Incorporation of the Company;
"the Notice"	the notice of the class meeting which forms part of this Circular;
"own-name registration"	the holding of shares that have been dematerialised with a CSCP in terms of the Securities Services Act, in the name of the shareholder;

"perpetual preference shares"	non-redeemable, non-cumulative, non-participating preference shares with a par value of R0.01 (Rand nought point nought one) each in the share capital of the Company;
"Programme Preference Shares"	the preference shares to be issued by Investec Bank under its Domestic Medium Term Note and Preference Share Programme from time to time;
"Programme Preference Share Terms and Conditions"	the terms and conditions of the Programme Preference Shares, with reference to and in accordance with which the associated preferences, rights, limitations and other terms of the Programme Preference Shares will be determined by the Directors prior to the issue thereof, which terms and conditions are proposed to be attached to the Company's MOI in terms of the relevant resolutions to be proposed to the Investec Bank ordinary shareholder. A summary of the Programme Preference Share Terms and Conditions is attached to this Circular;
"Rand" or "R"	the lawful currency of the South Africa, being South African Rand or any successor currency;
"Redeemable Programme Preference Shares"	the 50 000 000 (fifty million) redeemable, non-participating preference shares with a par value of R0.01 (Rand nought point nought one) each in Investec Bank, ranking in priority to the perpetual preference shares, with regards to the rights to dividends and repayment of capital on the winding-up of the Company, and having the associated preferences, rights, limitations and other terms determined by the Directors from time to time and prior to the issue thereof, in accordance with section 36(3) of the Companies Act, with reference to and in accordance with the Programme Preference Share Terms and Conditions, and the provisions of the Applicable Pricing Supplement, to be read in conjunction with the Programme Preference Share Terms and Conditions, which shares are proposed to be created or sanctioned (as the case may be) by certain of the resolutions to be proposed to the Investec Bank ordinary shareholder and the shareholders, respectively;
"SENS"	the Stock Exchange News Service of the JSE;
"South Africa" or "SA"	Republic of South Africa;
"Securities Services Act"	the Securities Services Act, No. 36 of 2004, as amended;
"shareholders"	the registered shareholders of the perpetual preference shares;
"shareholders of certificated shares"	shareholders who have not dematerialised their share certificates or other documents of title in terms of STRATE;
"shareholders of dematerialised shares"	shareholders who have dematerialised their share certificates or other documents of title in terms of STRATE;
"STRATE"	STRATE Limited (Registration number 1998/022242/06), a registered central securities depository in terms of the Securities Services Act, and
"transfer secretary" or "Computershare"	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company incorporated in South Africa.



Bank Limited

(Incorporated in the Republic of South Africa)
(Registration number: 1969/004763/06)
Share code: INLP ISIN: ZAE000048393
("Investec Bank" or "the Company")

DIRECTORS

Fani Titi (*Chairman*)*
Stephen Koseff
Glynn R Burger
Bernard Kantor
David M Lawrence
Sam E Abrahams*
David Friedland*
M Peter Malungani*
Sir David Prosser*
Karl-Bart XT Socikwa*
Bradley Tapnack
Peter RS Thomas*
C Busi Tshili*

* *non-executive*

CIRCULAR TO SHAREHOLDERS

1. INTRODUCTION AND PURPOSE

1.1 Introduction

The Directors have proposed that, subject to the requisite approvals being obtained from shareholders and the Investec Bank ordinary shareholder, Investec Bank will extend its current Domestic Medium Term Note and Preference Share Programme by the creation of Redeemable Programme Preference Shares.

1.2 Purpose

The purpose of this Circular is to convene the class meeting of the shareholders in order to seek their sanction for the creation and issue of the Redeemable Programme Preference Shares, as part of the Domestic Medium Term Note and Preference Share Programme described more fully in paragraph 2 below, which will, with regards to their rights to dividends and repayment of capital on the winding-up of the Company, rank in priority to the perpetual preference shares.

2. CREATION OF NEW REDEEMABLE PROGRAMME PREFERENCE SHARES

2.1 Background

Investec Bank, a subsidiary of Investec Limited, currently issues redeemable preference shares out of its subsidiary companies as a means of raising cost-effective and efficient term funding.

Redeemable preference shares are attractive to investors as the holders thereof receive dividends which are currently only subject to dividends tax at a rate of 15% and certain categories of holders are fully exempt from this tax.

Various amendments to South African legislation relating to preference shares, amongst other instruments, have restricted Investec Bank's ability to continue accessing funding via its subsidiaries.

Investec Bank is therefore proposing to issue Redeemable Programme Preference Shares directly out of the Company, which would enable it to preserve the existing funding raised and create a platform to continue issuing tax efficient instruments to the market (including retail investors).

In due course, it is also intended that non-redeemable preference shares be issued by the Company so as to enable its compliance with changes to South African banking regulations, by issuing Basel III compliant non-redeemable preference shares which would count as regulatory capital.

The issue of new preference shares in Investec Bank is intended to be facilitated by means of the Domestic Medium Term Note and Preference Share Programme. A copy of the Domestic Medium Term Note and Preference Share Programme will be available for inspection during normal office hours on any business day (being any day other than a Saturday, Sunday or an official South African public holiday) with the Company's Sponsor; the address of which is set out in the "Corporate information" section of this Circular and on Investec Limited's (website: www.investec.com) from Thursday, 23 May 2013 to Tuesday, 9 July 2013, both days inclusive.

The Domestic Medium Term Note and Preference Share Programme contains terms and conditions on which notes can be issued by Investec Bank from time to time, as well as terms and conditions on which preference shares can be issued from time to time. The terms and conditions on which notes can be issued are not expanded upon in this Circular, as no approval from the shareholders is required in respect of the notes.

The Domestic Medium Term Note and Preference Share Programme, once extended to preference shares, will enable the Company, at the outset, to issue Redeemable Programme Preference Shares through which an amount of approximately R5 000 000 000 (five billion Rand) could be raised. It is proposed that the Directors initially be given the authority to issue up to 20 000 000 (twenty million) of these Redeemable Programme Preference Shares, through which an amount of approximately R2 000 000 000 (two billion Rand) could be raised. The Directors will have the right, as provided for in section 36(3) of the Companies Act, to determine the associated preferences, rights, limitations and other terms of these shares from time to time, as part of the Domestic Medium Term Note and Preference Share Programme.

It is envisaged that the Directors will in future approach shareholders to also authorise the creation and issue of Basel III compliant non-redeemable programme preference shares.

The implementation of the Domestic Medium Term Note and Preference Share Programme will, amongst others, require the amendment of the MOI to include the Programme Preference Share Terms and Conditions, with the approval of the Investec Bank ordinary shareholder.

The terms of the Domestic Medium Term Note and Preference Share Programme, as revised to extend to the Programme Preference Shares, have been or will be approved by the JSE, to the extent required, before issues are made thereunder and settlement of the Programme Preference Shares to be issued thereunder will be done through STRATE.

2.2 Rationale

The Investec Group has sound liquidity ratios with a strong portfolio of cash and near-cash balances. Diversifying the Investec Group's funding sources however, has been a key element in improving the quality of the Investec Group's balance sheet and reducing its reliance on wholesale funding.

The terms of the various classes of Redeemable Programme Preference Shares issued under the Domestic Medium Term Note and Preference Share Programme are intended to be structured so as to further enhance the Company's liquidity ratios, in accordance with South African banking regulations following the implementation of Basel III.

Furthermore, the funding raised through the issue of the Redeemable Programme Preference Shares will enable the Company to pursue investment opportunities. It is not intended that the proposed Redeemable Programme Preference Shares will count as regulatory capital for the Company from a Banks Act perspective.

Investec Group currently has approximately R3 500 000 000 (three and a half billion Rand) of funding raised through the issue of redeemable preference shares out of subsidiaries of Investec Limited. The Redeemable Programme Preference Shares will replace some of this funding over time.

2.3 General terms of the proposed Redeemable Programme Preference Shares

- The associated preferences, rights, limitations and other terms of the Redeemable Programme Preference Shares will be determined by the Directors from time to time and prior to the issue thereof, in accordance with section 36(3) of the Companies Act, with reference to and in accordance with the Programme Preference Share Terms and Conditions, and the provisions of the Applicable Pricing Supplement, to be read in conjunction with the Programme Preference Share Terms and Conditions.
- The Redeemable Programme Preference Shares will be issued on terms, including a dividend rate, that the Directors deem to be market-related at the time of issue.

- The Directors will be required to issue the proposed Redeemable Programme Preference Shares for adequate consideration as contemplated in section 40(1)(a) of the Companies Act.
- The Redeemable Programme Preference Shares will have a finite maturity.
- While the Redeemable Programme Preference Shares will be classified as equity from a Companies Act perspective, they will be treated as debt from an accounting point of view based on a substance over form test as prescribed in International Financial Reporting Standards.
- It is on the basis of their debt like characteristics that the Redeemable Programme Preference Shares will rank ahead of all non-redeemable, non-cumulative, non-participating preference shares in the share capital of the Company, existing or to be issued in future, with regards to their rights to dividends and repayment of capital on the winding-up of the Company. The proposed Redeemable Programme Preference Shares will, however, rank behind financial indebtedness of the Company.
- The voting rights of the Redeemable Programme Preference Shares will be limited, as discussed in paragraph 2.5.1 below and as set out in the summary of the Programme Preference Shares Terms and Conditions appearing on pages 11 to 19 of this Circular.

2.4 **Procedure and effect**

In order to enable the adoption of the Programme Preference Share Terms and Conditions so as to facilitate the extension of the Domestic Medium Term Note and Preference Share Programme to preference shares, a special resolution will be proposed at the class meeting to obtain the sanction of shareholders to the creation and issue of the Redeemable Programme Preference Shares.

The extension of the Domestic Medium Term Note and Preference Share Programme to preference shares will also be facilitated by means of a special resolution of the Investec Bank ordinary shareholder; to approve:

- the creation of the Redeemable Programme Preference Shares; and
- the adoption of a new MOI, harmonised with the Companies Act, which will, amongst others, contain provisions to give effect to the Domestic Medium Term Note and Preference Share Programme, including provisions:
 - to incorporate the Redeemable Programme Preference Shares in the annexure thereto, which sets out the numbers and classes of shares that the Company is authorised to issue; and
 - encompassing the Programme Preference Share Terms and Conditions in a Schedule thereto, codifying the interpretation rules in the event that there is an inconsistency between the main body of the MOI and the Programme Preference Share Terms and Conditions and clarifying the power of the Directors to amend the provisions of the MOI, as required under section 36(4) of the Companies Act, when they have acted pursuant to the authority granted to them to determine the associated preferences, rights, limitations and other terms of the Programme Preference Shares.

At the same time, the authorised but unissued 4 000 000 (four million) variable rate, redeemable, cumulative preference shares with a par value of R1.00 (one Rand) each in the share capital of the Company will be cancelled as Investec Bank has no intention to issue shares from this class in future and it will simplify the ranking of the Programme Preference Shares to be created and issued pursuant to the Domestic Medium Term Note and Preference Share Programme.

These special resolutions will become effective from the date of filing thereof at the CIPC.

2.5 **Salient features of the Redeemable Programme Preference Shares**

2.5.1 **Voting rights**

Redeemable Programme Preference Shares do not have associated with them any general voting right at any shareholders' meeting of Investec Bank, other than an irrevocable right of the shareholders of any class of Redeemable Programme Preference Shares to vote on any proposal to amend the Programme Preference Share Terms and Conditions associated with that class of Redeemable Programme Preference Shares.

Where any amendment to the Programme Preference Share Terms and Conditions is a proposed amendment to the Programme Preference Share Terms and Conditions and/or the MOI which affects or relates to all Programme Preference Shares in issue under the Programme at that time, then such amendment shall not be effective unless it is approved by special resolution of all shareholders of Programme Preference Shares and for such purpose all of the shareholders of Programme Preference Shares shall be treated as a single class and each Programme Preference Share shall have associated with

it one general voting right for the purposes of such special resolution. Where any proposed amendment to the Programme Preference Share Terms and Conditions is a proposed amendment to the Programme Preference Share Terms and Conditions or the MOI, which affects or relates to a class of Programme Preference Shares only, then such amendment shall not be effective unless it is approved by special resolution of the affected class of shareholders of Programme Preference Shares.

2.5.2 **Entitlements to dividends**

The dividend rights attached to the Redeemable Programme Preference Shares will be as set out in the Programme Preference Share Terms and Conditions, as read in conjunction with the Applicable Pricing Supplement.

Investec Bank may specify in an Applicable Pricing Supplement that it has a discretion to declare and pay preference dividends. Should this discretion apply, no preference dividend shall accrue or be payable to the shareholders of Programme Preference Shares or class of Programme Preference Shares, as the case may be, if Investec Bank does not declare such preference dividends.

Each tranche of Programme Preference Shares will confer on the shareholders of that tranche of Programme Preference Shares a right to receive, in priority to any payments of dividends to the holders of any lower ranking shares in Investec Bank, a cumulative or non-cumulative (as specified in the Applicable Pricing Supplement) preferential cash dividend, determined and payable in accordance with the Programme Preference Share Terms and Conditions, as read in conjunction with the Applicable Pricing Supplement.

3. **SHARE CAPITAL OF THE COMPANY**

The authorised and issued share capital of Investec Bank, before and after the creation of the Redeemable Programme Preference Shares and the cancellation of 4 000 000 (four million) variable rate, redeemable, cumulative preference shares with a par value of R1.00 (one Rand) each in the share capital of the Company, is set out below:

3.1 **Authorised share capital**

Before the creation of the Redeemable Programme Preference Shares and the cancellation of 4 000 000 (four million) variable rate, redeemable, cumulative preference shares with a par value of R1.00 (one Rand) each in the share capital of the Company:

Number of shares	Description of shares	Capital (R)
1 05 000 000	Ordinary shares of R0.50 each	52 500 000.00
4 000 000	Variable rate redeemable cumulative preference shares of R1.00 each	4 000 000.00
70 000 000	Non-redeemable non-cumulative non-participating preference shares of R0.01 each	700 000.00
Total		57 200 000.00

After the creation of the Redeemable Programme Preference Shares and the cancellation of 4 000 000 (four million) variable rate, redeemable, cumulative preference shares with a par value of R1.00 (one Rand) each in the share capital of the Company

Number of shares	Description of shares	Capital (R)
1 05 000 000	Ordinary shares of R0.50 each	52 500 000.00
70 000 000	Non-redeemable non-cumulative non-participating preference shares of R0.01 each	700 000.00
50 000 000	Redeemable, non-participating preference shares with a par value of R0.01 each	500 000.00
Total		53 700 000.00

3.2 Issued share capital

Before the creation of the Redeemable Programme Preference Shares and the cancellation of 4 000 000 (four million) variable rate, redeemable, cumulative preference shares with a par value of R1.00 (one Rand) each in the share capital of the Company:

Number of shares	Description of shares	Capital (R)
63 019 022	Ordinary shares of R.50 each	31 509 511.00
15 447 630	Non-redeemable non-cumulative non-participating preference shares of R0.01 each	154 476.30
Total		31 663 987.30

After the creation of the Redeemable Programme Preference Shares and the cancellation of 4 000 000 (four million) variable rate, redeemable, cumulative preference shares with a par value of R1.00 (one Rand) each in the share capital of the Company:

Number of shares	Description of shares	Capital (R)
63 019 022	Ordinary shares of R0.50 each	31 509 511.00
15 447 630	Non-redeemable non-cumulative non-participating preference shares of R0.01 each	154 476.30
Total		31 663 987.30

4. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Company, whose names are set out on page 5 of this Circular, collectively and individually, accept full responsibility for the accuracy of the information contained in this Circular and certify that, to the best of their knowledge and belief, there are no facts the omission of which would make any statement in this Circular false or misleading and that they have made all reasonable enquiries to ascertain such facts.

5. CLASS MEETING OF THE SHAREHOLDERS OF THE PERPETUAL PREFERENCE SHARES

Pages 20 and 21 of this Circular set out the Investec Bank Notice convening a class meeting to be held at 14:30 on Tuesday, 9 July 2013 at the registered office of Investec Bank Limited at 100 Grayston Drive, Sandown, Sandton, 2196, South Africa at which meeting the special resolution to obtain the sanction of shareholders to the creation and issue of the Redeemable Programme Preference Shares will be proposed for consideration and, if deemed fit, approved with or without modification.

6. CONSENTS

All advisers whose names appear on the inside front cover of this Circular have consented to their names appearing in the form and context disclosed herein and at the date of issue hereof had not withdrawn their consents.

7. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the new MOI of Investec Bank, as it is to be adopted if the special resolutions as set out in paragraph 2.4 above are approved and take effect, as well as a copy of the proposed Domestic Medium Term Note and Preference Share Programme (as revised to extend to preference shares), will be available for inspection during normal office hours on any business day (being any day other than a Saturday, Sunday or an official South African public holiday) with the Company's Sponsor, the address of which is set out in the "Corporate information" section of this Circular and on the website of Investec Limited (www.investec.com) from Thursday, 23 May 2013 to Tuesday, 9 July 2013, both days inclusive. The documents will also be available for inspection at the place of the class meeting for 15 (fifteen) minutes before and during the class meeting. Copies of these documents will also be made available on request from the Company's Sponsor.

8. **RECOMMENDATION**

The Directors consider the proposals set out in this Circular to be in the best interest of Investec Bank and unanimously recommend shareholders to vote in favour of the special resolution to be proposed at the class meeting.

By order of the Board

Investec Bank Limited

Benita Coetsee

Company Secretary

23 May 2013

Registered office

C/o Company Secretarial
100 Grayston Drive
Sandown, Sandton
2196
South Africa
(PO Box 785700, Sandton, 2146)

SUMMARY OF THE PROGRAMME PREFERENCE SHARE TERMS AND CONDITIONS

Capitalised terms used in this summary are defined in Schedule 6 which is proposed to be included in the Issuer's MOI, should the special resolution be passed and the regulatory approval be received. This is a summary of the Programme Preference Share Terms and Conditions. The MOI and Schedule 6 thereto should be read in its entirety for a full appreciation of the contents thereof.

ISSUE

The Issuer may, at any time and from time to time issue one or more Tranche(s) of Programme Preference Shares pursuant to the Programme; provided that the aggregate Outstanding Nominal Amount (as defined in the Note Terms and Conditions) of all of the Notes and the aggregate Calculation Amount of all the Programme Preference Shares issued under the Programme from time to time does not exceed the Programme Amount.

Programme Preference Shares will be issued in individual Tranches which, together with other Tranches, may form a Class of Programme Preference Shares. A Tranche of Programme Preference Shares will be issued on, and subject to, the applicable Programme Preference Share Terms and Conditions as determined by the Board from time to time at the time of issuance in accordance with section 36(3)(d) of the Companies Act pursuant to the applicable Authorising Resolution. The Applicable Pricing Supplement (Preference Shares) in relation to any Tranche of Programme Preference Shares may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Programme Preference Share Terms and Conditions, replace or modify the following Programme Preference Share Terms and Conditions for the purpose of such Tranche of Programme Preference Shares.

FORM

A Tranche of Programme Preference Shares may be issued in the form of listed or unlisted Programme Preference Shares as specified in the Applicable Pricing Supplement (Preference Shares). Unlisted Programme Preference Shares may also be issued under the Programme. Unlisted Programme Preference Shares are not regulated by the JSE.

A Tranche of Programme Preference Shares will be issued in certificated form or in uncertificated form. A Tranche of unlisted Programme Preference Shares may also be held in the CSD.

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

Programme Preference Shares

Each Tranche of Programme Preference Shares will, subject to Condition 25 (*Programme Preference Shares and the Companies Act*):

- be redeemable or non-redeemable Programme Preference Shares as specified in the Applicable Pricing Supplement (Preference Shares);
- in relation to a Tranche of Redeemable Programme Preference Shares, be redeemable and be issued with an Applicable Redemption Date which falls more than three years after the Issue Date, as indicated in the Applicable Pricing Supplement (Preference Shares);
- if such Tranche of Programme Preference Shares is specified to be listed on the JSE in the Applicable Pricing Supplement (Preference Shares), be issued as fully paid-up shares in the Issuer;
- be issued in accordance with the Companies Act and the Issuer's Memorandum of Incorporation;
- be issued at such Issue Price as is specified in the Applicable Pricing Supplement (Preference Shares);
- be a Fixed Rate Programme Preference Share, a Floating Rate Programme Preference Share, a Mixed Rate Programme Preference Share or an Indexed Programme Preference Share, or such combination of any of the foregoing, or such other type of Programme Preference Share, as may be determined by the Issuer (subject to the provisions of the applicable Authorising Resolution) and specified in the Applicable Pricing Supplement (Preference Shares);
- be cumulative or non-cumulative, non-participating Programme Preference Shares as specified in the Applicable Pricing Supplement (Preference Shares); and
- have the status set out in Condition 6 (*Status of Programme Preference Shares*).

STATUS OF PROGRAMME PREFERENCE SHARES

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

In order for the proceeds of the issuance of Programme Preference Shares to qualify as Regulatory Capital, such Programme Preference Shares must comply with the applicable Regulatory Capital Requirements.

DIVIDEND RIGHTS OF THE PROGRAMME PREFERENCE SHARES

Subject to Condition 7.1.2, each Tranche of Programme Preference Shares will confer on the Programme Preference Shareholders of that Tranche of Programme Preference Shares a right to receive, in priority to any payments of dividends to the holders of any lower ranking shares in the Issuer; a cumulative or non-cumulative (as specified in the Applicable Pricing Supplement (Preference Shares)) preferential cash dividend, determined and payable in accordance with Condition 7 and the Applicable Pricing Supplement (Preference Shares).

If the Issuer is specified in the Applicable Pricing Supplement (Preference Shares) as having a discretion to declare and pay Preference Dividends, no Preference Dividend shall accrue or be payable to the Programme Preference Shareholders or Class of Programme Preference Shareholders, as the case may be, if the Issuer does not declare such Preference Dividends.

If specified as being applicable in the Applicable Pricing Supplement (Preference Shares) and if the Issuer fails to pay a Scheduled Preference Dividend (whether declared or not) on the relevant Dividend Payment Date, the Issuer shall, in addition to the unpaid Scheduled Preference Dividends, declare and pay the Penalty Preference Dividend to the Programme Preference Shareholder calculated at the Penalty Rate calculated with effect from the due date thereof to the earlier of the date of payment by the Issuer of such unpaid amount or the Applicable Redemption Date (if applicable).

Accumulated Preference Dividends

If the Preference Dividends are specified in the Applicable Pricing Supplement (Preference Shares) as being cumulative, then to the extent that all or any part of a Preference Dividend has accrued or has become payable in accordance with these Programme Preference Share Terms and Conditions, the Issuer shall be liable to pay, and the Programme Preference Shareholders shall be entitled to be paid, by no later than the Applicable Redemption Date all Preference Dividends that have accrued or become payable in relation to the Programme Preference Shares in accordance with these Programme Preference Share Terms and Conditions and which have not been paid on the applicable Dividend Payment Dates.

If the Preference Dividends are specified in the Applicable Pricing Supplement (Preference Shares) as being non-cumulative, then to the extent that all or any part of a Preference Dividend has accrued or has become payable in accordance with these Programme Preference Share Terms and Conditions but is not paid by the Issuer on a relevant Dividend Payment Date, the Programme Preference Shareholders shall not be entitled to payment of such Preference Dividends thereafter.

Regulatory Event

If specified as being applicable in the Applicable Pricing Supplement (Preference Shares) and subject to the provisions of Condition 10.2 (*Early Redemption following a Regulatory Event*), if a Regulatory Event occurs and as a consequence of that Regulatory Event, the Issuer suffers or incurs an Increased Cost, the Issuer shall be entitled (but not obliged), by delivery of an announcement (an "**Adjustment Notice**"), in accordance with the listings requirements of the Financial Exchange on which such Programme Preference Shares are listed (if applicable), to propose to decrease the Dividend Rate by such a margin specified by the Issuer in such Adjustment Notice as may be necessary to place the Issuer in the same position as it would have been in had the Regulatory Event not occurred in respect of the Programme Preference Shares to which the Adjustment Notice applies and/or ensure that the Issuer will receive the same return, in either case as if the relevant Regulatory Event had not occurred, provided that the Issuer shall be required to deliver to the Programme Preference Shareholders written confirmation signed by two directors setting out the amount and the calculation of the Increased Cost and/or reduced return.

Upon the occurrence of a Regulatory Event and simultaneously with the delivery of an Adjustment Notice, the Issuer shall deliver a notice convening a meeting of Programme Preference Shareholder or of holders of a Class of Programme Preference Shares in accordance with Condition 21 (*Meetings of Programme Preference Shareholders*) at which meeting Programme Preference Shareholders or holders of a Class of Programme Preference Shares, as the case may be, shall be required to consider whether or not to accept the proposed decrease in the Dividend Rate as set out in the Adjustment Notice. No adjustment in the Dividend Rate in accordance with Condition 7.7 may be effected unless:

- sanctioned in writing and signed by or on behalf of Programme Preference Shareholders or holders of the relevant Class of Programme Preference Shares, as the case may be, holding not less than 75% of the aggregate Calculation Amount of Programme Preference Shares in that Class; or
- sanctioned by Special Resolution of the relevant Class of Programme Preference Shareholders.

If a decrease in the Dividend Rate is not sanctioned by the Programme Preference Shareholders or the relevant Class of Programme Preference Shareholders, the Issuer may redeem the relevant Programme Preference Shares or Class of Programme Preference Shares in accordance with Condition 10.2 (*Early Redemption following a Regulatory Event*).

Any Adjustment Notice delivered by the Issuer pursuant to Condition 7.7 will set out: (i) the details and date of the Regulatory Event which has occurred; (ii) the Programme Preference Shares or Class of Programme Preference Shares affected by such Regulatory Event and accordingly, to which such Adjustment Notice applies and (iii) the proposed adjusted Dividend Rate(s).

If any Dividend Payment Date (or other date) which is specified in the Applicable Pricing Supplement (Preference Shares) to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day which is not a Business Day, then the Business Day Convention specified will determine when the payment date will be.

ADDITIONAL AMOUNTS

If specified in the Applicable Pricing Supplement (Preference Shares) to be applicable, should a Redemption Event occur and only as a direct result of the Redemption Event a Programme Preference Shareholder is required to pay an amount of South African income tax (calculated at the rate of normal tax payable by South African companies at the relevant time) on any Preference Dividend, the Issuer shall pay to each Programme Preference Shareholder of Programme Preference Shares in that Tranche an amount equal to such income tax (the "**Additional Amount**"), such that the affected Programme Preference Shareholder will receive after such income tax, an amount equal to that Preference Dividend, provided that:

- the affected Programme Preference Shareholder is required to deliver to the Issuer a copy of its tax assessment showing that an amount of income tax is payable on the Preference Dividend that would not otherwise be payable, other than as a result of the occurrence of the Redemption Event;
- the affected Programme Preference Shareholder claims the Additional Amount and delivers the assessment referred in Condition 8.1 within one year from the occurrence of the Redemption Event.

TRANSFER TAXES

The Issuer is not liable for any Taxes that may arise as a result of the transfer of any Programme Preference Share or any Beneficial Interest therein.

REDEMPTION AND PURCHASE

A Class of Redeemable Programme Preference Shares shall be redeemed on the Final Redemption Date in accordance with Condition 10.1 (*Final Redemption Date*). If "*Early Redemption at the option of the Issuer*" is specified as being applicable in the Applicable Pricing Supplement (Preference Shares), a Tranche of Programme Preference Shares may, or upon the occurrence of an Redemption Event as set out in Condition 14 (*Redemption Events*) will, be redeemed prior to the Final Redemption Date in accordance with Condition 10 (*Redemption and Purchase*).

If a Regulatory Event occurs and as a consequence of that Regulatory Event, the Issuer or its holding company, as the case may be, suffers or incurs an Increased Cost and to the extent the Issuer delivers an Adjustment Notice but such decrease in the Dividend Rate is not sanctioned by the relevant Class of Programme Preference Shareholders as contemplated by Condition 7.7.2, the Issuer shall be entitled (but not obliged) to redeem the relevant Programme Preference Shares of any Class of Programme Preference Shares affected by such Regulatory Event in whole, but not in part.

If the Issuer is specified in the Applicable Pricing Supplement (Preference Shares) as having an option to redeem, the Programme Preference Shares may be redeemed at the option of the Issuer in whole or, if so specified in the Applicable Pricing Supplement (Preference Shares), in part upon the Issuer having given not less than 30 (thirty) and not more than 60 (sixty) days' notice to the Programme Preference Shareholders in accordance with Condition 19 (*Notices*); and not less than 7 (seven) days before giving the notice referred to above, notice to the Transfer Agent, (both of which notices shall be revocable) to redeem all or some of the Unredeemed Programme Preference Shares on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the Applicable Pricing Supplement (Preference Shares) together, if appropriate, with dividends accrued up to (but excluding) the Optional Redemption Date(s).

No exchange of Beneficial Interests in uncertificated Programme Preference Shares for Individual Certificates will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to Condition 10.3 (*Early Redemption at the option of the Issuer*) and notice to that effect shall be given by the Issuer to the Programme Preference Shareholders in accordance with Condition 19 (*Notices*) at least 5 (five) days prior to the Selection Date.

Upon the occurrence of a Redemption Event and receipt by the Issuer of: (i) a resolution of Programme Preference Shareholders pursuant to Conditions 14.2 and 14.3; or (ii) a written notice delivered by a Programme Preference Shareholders pursuant to Condition 14.4, requiring the Programme Preference Shares held by the relevant Programme Preference Shareholder(s) to be forthwith redeemable in accordance with Condition 14 (*Redemption Events*), such Programme Preference Shares shall become forthwith redeemable at the Early Redemption Amount in the manner set out in Condition 10.5 (*Early Redemption Amounts*) or the amount as specified in the Applicable Pricing Supplement (Preference Shares), together with dividends (if any) to the date of payment, in accordance with Condition 14 (*Redemption Events*).

For the purpose of Condition 10.2 (*Early Redemption following a Regulatory Event*) and Condition 10.4 (*Early Redemption following a Redemption Events*) (and otherwise as stated herein), the Programme Preference Shares will be redeemed at the Early Redemption Amount less, in respect of the redemption of Programme Preference Shares pursuant to Condition 10.2 (*Early Redemption following a Regulatory Event*) and only to the extent the Applicable Pricing Supplement (Preference Shares) specifies "Hedge Unwind Adjustment" as being applicable, Unwind Costs (if any).

The Issuer or any of its subsidiaries or any subsidiaries of its holding company may, at any time, subject to the Companies Act, purchase Programme Preference Shares at any price in the open market or otherwise.

The Issuer is not obliged to undertake any market making in respect of the Programme Preference Shares, save to the extent required by the applicable Financial Exchange or the listings requirements of such Financial Exchange.

Subject to the applicable Regulatory Capital Requirements, Programme Preference Shares, the proceeds of which are intended to qualify as Regulatory Capital may be redeemed or purchased and cancelled at the option of the Issuer at their Calculation Amount pursuant to Condition 11 only and provided that the Issuer has notified the Registrar of Banks of its intention to redeem or purchase and cancel such Programme Preference Shares at least one month (or such other period, longer or shorter, as the Registrar of Banks may then require or accept) prior to the date scheduled for such redemption or such purchase and cancellation, as the case may be, and (if required pursuant to the Regulatory Capital Requirements in force at the relevant time) written approval of the same has been received from the Registrar of Banks; and such redemption or purchase and cancellation (as applicable) is effected in accordance with conditions (if any) approved by the Registrar of Banks in writing.

PAYMENTS

Only Programme Preference Shareholders named in the Register at 17:00 (South Africa time) on the relevant Last Day to Register shall be entitled to payment of amounts due and payable in respect of Registered Programme Preference Shares.

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

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 Programme Preference Shares, will look solely to the CSD or the relevant Participants, as the case may be, for such Person's share of each payment so made by the Paying Agent, on behalf of the Issuer; to or for the order of the CSD's Nominee, as the registered Programme Preference Shareholder of such Programme Preference Shares.

Payments of dividends and the Applicable Redemption Amount will be made in the Specified Currency by electronic funds transfer.

If the date for payment of any amount in respect of any Programme Preference Share is not a Business Day and is not subject to adjustment in accordance with a Business Day Convention, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place for payment and shall not be entitled to further dividends or other payment in respect of any such delay.

PRESCRIPTION

Subject to Condition 8 (*Additional Amounts*), any claim for payment of any amount in respect of the Programme Preference Shares and the applicable Programme Preference Share Terms and Conditions will prescribe three years after the date on which such amount first becomes due and payable under the applicable Programme Preference Share Terms and Conditions, provided that if payment of such amount is required, in accordance with the applicable Programme Preference Share Terms and Conditions, to be made to the CSD's Nominee, any claim for payment of such amount will prescribe three years after the date on which such amount has been received by the CSD's Nominee.

REDEMPTION EVENTS

This Condition 14 only applies to Redeemable Programme Preference Shares.

Unless otherwise specified in the Applicable Pricing Supplement (Preference Shares), a Redemption Event in respect of a Class of Redeemable Programme Preference Shares shall arise if any one or more of the following events have occurred and be continuing:

- the Issuer fails to pay any amount due under the Programme Preference Shares on its due date for payment and any such failure has continued for a period of 10 (ten) Business Days following the service on the Issuer of a written notice requiring that breach to be remedied unless such non-payment is caused by an administrative error or technical difficulties affecting the transfer of funds and is remedied within 3 (three) Business Days after the due date;
- the Issuer fails to, for any reason whatsoever, either redeem the Programme Preference Shares thereon on the Applicable Redemption Date or pay the Applicable Redemption Amount per Programme Preference Share on the date on which such payment is to be made and such failure is not remedied within 10 (ten) Business Days of receipt of written notice from any of the Programme Preference Shareholders calling upon the Issuer to remedy such failure; or
- the Issuer fails to perform or observe any of its other obligations under any of the Programme Preference Shares and such failure has continued for the period of 30 (thirty) days following the service of the Issuer of a written notice requiring that breach to be remedied. (For these purposes, a failure to perform or observe an obligation shall be deemed to be remediable notwithstanding that the failure results from not doing an act or thing by a particular time.); or
- the Issuer fails to obtain any consent, license, approval or authorisation now or hereafter necessary to enable the Issuer to comply with its obligations under the Programme or any such consent, license, approval or authorisation ceases to remain in full force and effect, resulting in the Issuer being unable to perform any of its obligations under the Programme Preference Shares or the Programme, and such failure or cessation continues for more than 10 (ten) Business Days after the Issuer becomes aware of such event; or
- the granting of an order by any competent court or authority for the liquidation winding-up, dissolution of, or commencement of business rescue proceedings in respect of, the Issuer, whether provisionally (and not dismissed or withdrawn within 30 (thirty) days thereof) or finally, or the placing of the Issuer under voluntary liquidation or curatorship, provided that no liquidation, curatorship, winding-up dissolution or business rescue is for purposes of effecting an amalgamation, merger, demerger, consolidation, reorganisation or other similar arrangement within the Investec Group, the terms of which were approved by Extraordinary Resolution of Programme Preference Shareholders before the date of the liquidation, winding-up, dissolution or business rescue; or
- in respect of any Financial Indebtedness of the Issuer:
 - (a) any such Financial Indebtedness is not paid when due or within any originally applicable grace period;
 - (b) any such Financial Indebtedness becomes (or becomes capable of being declared) due and payable prior to its stated maturity, otherwise than at the option of the Issuer or (provided that no event of default, howsoever described, has occurred) any Person entitled to such Financial Indebtedness; or
 - (c) the Issuer fails to pay when due any amount payable by it under any guarantee of any Financial Indebtedness;

provided that the amount of Financial Indebtedness referred to in sub-paragraph (a) and/or sub-paragraph (b) above and/or the amount payable under any guarantee referred to in sub-paragraph (c) above individually or in the aggregate exceeds 5% (five percent) of the total assets of the Issuer as reflected in its latest audited financial statements (or its equivalent in any other currency or currencies).

Subject to Condition 14.5, upon the occurrence of a Redemption Event (other than the Redemption Event specified in Condition 14.1.5) which is continuing, then, if so specified in the Applicable Pricing Supplement (Preference Shares) relating to any Class of Programme Preference Shares, Programme Preference Shareholders in such Class holding not less than 10% (ten percent) of the aggregate Calculation Amount of all Unredeemed Programme Preference Shares in that Class, may, by written notice to the Issuer as its registered office, effective upon the date of receipt thereof by the Issuer, require the Issuer to convene a meeting of that Class of Programme Preference Shareholders within 7 (seven) days of such request for purposes of considering whether or not a Redemption Event has occurred and whether or not such Class of Programme Preference Shareholders require the Programme Preference Shares held by such Class to be redeemed prior to the Final Redemption Date in accordance with Condition 10.4 (*Redemption following the occurrence of a Redemption Event*). A quorum for such meeting shall be determined in accordance with Condition 21.5 (*Quorum*).

If at such duly convened and quorated meeting, Programme Preference Shareholders present, by Representative or by proxy, holding or representing in the aggregate not less than 50.1% (fifty point one percent) in Calculation Amount of the Unredeemed Programme Preference Shares of that Class resolve that: (i) a Redemption Event has occurred and is continuing and (ii) the Issuer shall be required to redeem such Class of Programme Preference Shares, such Class of Programme Preference Shares shall immediately become forthwith redeemable in accordance with Condition 10.4 (*Redemption following the occurrence of a Redemption Event*).

Upon the occurrence of a Redemption Event specified in Condition 14.1.5 which is continuing, then, if so specified in the Applicable Pricing Supplement (Preference Shares) relating to any Class of Programme Preference Shares, any Programme Preference Shareholders in such Class may, by written notice to the Issuer as its registered office, effective upon the date of receipt thereof by the Issuer, require the Programme Preference Shares held by such Programme Preference Shareholder to be redeemed forthwith whereupon those Programme Preference Shares shall immediately become redeemable in accordance with Condition 10.4 (*Redemption following the occurrence of a Redemption Event*).

No action may be taken by a holder of Programme Preference Shares pursuant to Condition 14.2 if the Issuer withholds or refuses to make any such payment in order to comply with any law or regulation of the Republic of South Africa or to comply with any order of a court of competent jurisdiction.

EXCHANGE OF BENEFICIAL INTERESTS AND REPLACEMENT OF INDIVIDUAL CERTIFICATES

The holder of a Beneficial Interest in Programme Preference Shares 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 Programme Preference Shares in definitive form represented by an Individual Certificate.

An Individual Certificate shall, in relation to a Beneficial Interest in any number of Programme Preference Shares of a particular aggregate Issue Price standing to the account of the holder thereof, represent that number of Programme Preference Shares of that aggregate Issue Price, and shall otherwise be in such form as may be agreed between the Issuer and the Transfer Agent.

TRANSFER OF PROGRAMME PREFERENCE SHARES

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

In order for any transfer of Programme Preference Shares represented by an Individual Certificate to be recorded in the Register, and for such transfer to be recognised by the Issuer the transfer of such Programme Preference Shares must be embodied in a Transfer Form, signed by the registered Programme Preference Shareholder of such Programme Preference Shares and the transferee and delivered to the Transfer Agent at its Specified Office together with the Individual Certificate representing such Programme Preference Shares for cancellation.

REGISTER

The Register shall be kept at the Specified Offices of the Transfer Agent. The Register shall reflect the number of Programme Preference Shares at any given time and the date upon which each of the Programme Preference Shareholders was registered as such. The Register shall contain the name, address, and bank account details of the Programme Preference Shareholders of Programme Preference Shares. The Register shall set out the Issue Price of the Programme Preference Shares issued to such Programme Preference Shareholders and shall show the date of such issue. The Register shall show the serial number of Individual Certificates issued in respect of any Programme Preference Shares. The Register shall be open for inspection during the normal business hours of the Issuer to any Programme Preference Shareholder or any Person authorised in writing by any Programme Preference Shareholder.

TRANSFER AGENT, CALCULATION AGENT AND PAYING AGENT

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

The Issuer shall notify the Programme Preference Shareholders (in the manner set out in Condition 19 (*Notices*)) of any such appointment and, if any Programme Preference Shares are listed on the JSE, the Issuer shall notify the JSE of any such appointment.

NOTICES

For so long as any of the Programme Preference Shares are issued in uncertificated form and are held in their entirety in the CSD, all notices in respect of such Programme Preference Shares shall be by way of delivery by the Issuer via the relevant Participant of the relevant notice to the CSD's Nominee (as the registered holder of such Programme Preference Shares) and the JSE or such other Financial Exchange on which the Programme Preference Shares are listed for communication by them to holders of Beneficial Interests in such Programme Preference Shares. Each such notice shall be deemed to have been received by the holders of Beneficial Interests on the day of delivery of such notice to the CSD's Nominee.

A notice to be given by any Programme Preference Shareholder to the Issuer shall be in writing and given by lodging (either by hand delivery or posting by registered mail) that notice, together with a certified copy of the relevant Individual Certificate at the office of the Transfer Agent specified in the Applicable Pricing Supplement (Preference Shares). For so long as any of the Programme Preference Shares are issued in uncertificated form, notice may be given by any holder of a Beneficial Interest in such Programme Preference Shares to the Issuer via the relevant Settlement Agent in accordance with the Applicable Procedures, in such manner as the Issuer and the relevant Settlement Agent may approve for this purpose. Such notices shall be deemed to have been received by the Issuer on the date and at the time determined in accordance with Table CR3 in the Companies Regulations.

VOTING RIGHTS

No Programme Preference Share shall have associated with it any general voting right at any shareholders' meeting of the Issuer; other than an irrevocable right of the Programme Preference Shareholders of any Class of Programme Preference Shares to vote on any proposal to amend the Programme Preference Share Terms and Conditions associated with that Class of Programme Preference Shares.

Provided that where any amendment to the Programme Preference Share Terms and Conditions is a proposed amendment to the Programme Preference Share Terms and Conditions and/or the Issuer's Memorandum of Incorporation which affects or relates to all Programme Preference Shares in issue under the Programme at that time, then such amendment shall not be effective unless it is approved by Special Resolution of all Programme Preference Shareholders and for such purpose all of the holders of Programme Preference Shares shall be treated as a single class and each Programme Preference Share shall have associated with it one general voting right for the purposes of such Special Resolution. Where any proposed amendment to the Programme Preference Share Terms and Conditions is a proposed amendment to the Programme Preference Share Terms and Conditions or the Issuer's Memorandum of Incorporation, which affects or relates to a Class of Programme Preference Shareholders only, then such amendment shall not be effective unless it is approved by Special Resolution of the affected Class of Programme Preference Shareholders.

MEETINGS OF PROGRAMME PREFERENCE SHAREHOLDERS

The Board may at any time convene a meeting of all Programme Preference Shareholders or holders of any Class of Programme Preference Shares, as the case may be, or put a proposed resolution to vote by way of a Round Robin Resolution. The Board shall be obliged to convene a meeting of all Programme Preference Shareholders or holders of any Class of Programme Preference Shares, as the case may be, or put a proposed resolution to vote by way of a Round Robin Resolution if: (i) at any time it is required by the Companies Act or the Issuer's Memorandum of Incorporation to refer a matter to Programme Preference Shareholders entitled to vote for decision or (ii) one or more written and signed demands for such a meeting of Programme Preference Shareholders or Class of Programme Preference Shareholders, as the case may be, or Round Robin Resolution is/are delivered to the Issuer in accordance with Condition 19 (*Notices*) and Condition 21 (*Meetings of Programme Preference Shareholders*).

A meeting of Programme Preference Shareholders or Class of Programme Preference Shareholders, as the case may be, shall be called by at least 15 (fifteen) Business Days' notice Delivered by the Issuer to all Programme Preference Shareholders entitled to vote or otherwise entitled to receive notice and simultaneously to the Registrar of Banks and the Transfer Agent.

The Issuer may call a meeting of Programme Preference Shareholders or Class of Programme Preference Shareholders with less than 15 (fifteen) Business Days' notice, but such a meeting may proceed only if every Person who is entitled to exercise voting rights in respect of any item on the meeting agenda: (i) is present in person or by proxy or represented by proxy or Representative at such meeting and (ii) votes to waive the required minimum notice for such meeting.

Contents of notice of meetings

A notice of a meeting must be in writing, in plain language and must include, in addition to any other information prescribed by the Companies Act and the Banks Act, and such further information as stipulated in Condition 21 (*meetings of Programme Preference Shareholders*).

A Programme Preference Shareholder entitled to vote has a right to (i) allege a material defect in the form of notice for a particular item on the agenda for the meeting and (ii) participate in the determination whether to waive the requirements for notice, if less than the required minimum notice was given, or to ratify a defective notice; and except to the extent set out in sub-paragraphs (i) and (ii) above is regarded to have waived any right based on an actual or alleged material defect in the notice of the meeting.

A meeting may proceed, notwithstanding a material defect in the giving of the notice, subject to Condition 21.3.4, only if every Programme Preference Shareholder who is entitled to exercise voting rights in respect of each item on the agenda of the meeting is present at the meeting and votes to approve the ratification of the defective notice.

If a material defect in the form or manner of giving notice of a meeting relates only to one or more particular matters on the agenda for the meeting any such matter may be severed from the agenda, and the notice remains valid with respect to any remaining matters on the agenda; and the meeting may proceed to consider a severed matter; if the defective notice in respect of that matter has been ratified in terms of Condition 21.3.2.

An immaterial defect in the form or manner of Delivering notice of a meeting or an accidental or inadvertent failure in the Delivery of the notice to any particular Programme Preference Shareholder to whom it was addressed if the Issuer elects to do so, does not invalidate any action taken at such meeting.

For the purposes of determining which persons are entitled to attend or vote at a meeting and how many votes such person may cast, the Issuer or the Transfer Agent, as the case may be, shall specify in the notice of the meeting, the record date by which a person must be entered on the Register in order to have the right to participate in and vote at such meeting.

Business may be transacted at any meeting of Programme Preference Shareholders or Class of Programme Preference Shareholders, as the case may be, only while a quorum is present.

The quorum necessary for the commencement of a meeting of Programme Preference Shareholders or Class of Programme Preference Shareholders, as the case may be, shall be sufficient Programme Preference Shareholders present in person or represented by proxy or Representative at the meeting to exercise, in aggregate, at least 25% (twenty-five percent) of the aggregate Calculation Amount of all Programme Preference Shares or Programme Preference Shares in the relevant Class of Programme Preference Shares, as the case may be, provided that a minimum number of three such persons must be present at the meeting if the company has more than 2 (two) shareholders in that class.

A matter to be decided at the meeting may not begin to be considered unless those who fulfilled the quorum requirements of Condition 21.5.1 continue to be present at the meeting.

If within 30 (thirty) minutes from the time appointed for the meeting to commence, a quorum is not present or if the quorum requirements in Condition 21.5.1 cannot be achieved for any one or more matters, the meeting of Programme Preference Shareholders or Class of Programme Preference Shareholders, as applicable, shall be postponed.

The quorum at any meeting for passing an Extraordinary Resolution or Special Resolution, as the case may be, shall be three or more Programme Preference Shareholders of that Class present or represented by proxies or Representatives and holding or representing in the aggregate a clear majority of the aggregate Calculation Amount of the Programme Preference Shares held by the applicable Class. A Special Resolution passed at any meeting of the holders of Programme Preference Shares of that Class will be binding on all holders of Programme Preference Shares, whether or not they are present at the meeting. No amendment to or modification of the Programme Preference Share Terms and Conditions may be effected without the written agreement of the Issuer.

Votes

Subject to any rights or restrictions attaching to any Class or Classes of Programme Preference Shares and the provisions of the Banks Act, on a show of hands Programme Preference Shareholders entitled to vote present in person or represented by proxy or Representative at the meeting shall have only 1 (one) vote, irrespective of the number of voting rights that Programme Preference Shareholders would otherwise be entitled to exercise. A proxy shall irrespective of the number of the Programme Preference Shareholders entitled to vote she/he/it represents have only 1 (one) vote on a show of hands. On a poll every Person entitled to vote who is present at the meeting shall have the number of votes determined in accordance with the voting rights associated with the Programme Preference Shares in question.

Notwithstanding any other provision contained in Condition 21, the CSD's Nominee shall vote on behalf of holders of Beneficial Interests of uncertificated Programme Preference Shares in accordance with the Applicable Procedures.

A majority of the voting rights exercised thereon shall be required to ordinarily pass a resolution of Programme Preference Shareholders.

Any resolution passed at a meeting of a Class of Programme Preference Shareholders duly convened shall be binding upon all Programme Preference Shareholders of that Class whether or not present at such meeting and whether or not voting, and each Programme Preference Shareholder of that Class shall be bound to give effect to it accordingly.

An Extraordinary Resolution and a Special Resolution shall be binding upon all Programme Preference Shareholders whether or not present at such meeting and whether or not voting, and each of the Programme Preference Shareholders shall be bound to give effect to it accordingly. A Round Robin Resolution will be passed if signed by Programme Preference Shareholders entitled to exercise sufficient voting rights for it to have been adopted as an Extraordinary or Special Resolution, as the case may be, at a properly constituted meeting.

MODIFICATION

Subject to the Companies Act, the Companies Regulations, the JSE Listings Requirements and the listings requirements of any other applicable Financial Exchange, as the case may be, the Issuer may effect, without the consent of the relevant Class of Programme Preference Shareholders, any modification of the Programme Preference Share Terms and Conditions in any manner necessary to correct a patent error.

Save as provided in Condition 22.1, no modification of these Programme Preference Share Terms and Conditions may be effected unless in writing and signed by or on behalf of the Issuer and by or on behalf of the members of the relevant Class of Programme Preference Shareholders holding not less than 75% (seventy-five percent) of the aggregate Calculation Amount of the Programme Preference Shares in that Class; or sanctioned by a Special Resolution of the relevant Class of Programme Preference Shareholders.

FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Programme Preference Shareholders to create and issue further Programme Preference Shares, subject to the Company's Memorandum of Association.

GOVERNING LAW

Unless otherwise specified in the Applicable Pricing Supplement (Preference Shares), the provisions of the Programme Preference Share Terms and Conditions and the Programme Preference Shares are governed by, and shall be construed in accordance with, the laws of South Africa.

PROGRAMME PREFERENCE SHARES AND THE COMPANIES ACT

Notwithstanding anything to the contrary contained in these Programme Preference Share Terms and Conditions or the Programme Memorandum: (i) the Issuer; (ii) each Tranche of Programme Preference Shares and (iii) each of the Programme Preference Shareholders, shall be subject to all of the applicable provisions of the Companies Act including, without limiting the generality of the foregoing, sections 37 and 46 of the Companies Act.



Bank Limited

(Incorporated in the Republic of South Africa)
(Registration number: 1969/004763/06)
Share code: INLP ISIN: ZAE000048393
("Investec Bank" or "the Company")

NOTICE OF A CLASS MEETING OF SHAREHOLDERS OF THE NON-REDEEMABLE, NON-CUMULATIVE, NON-PARTICIPATING PREFERENCE SHARES IN THE COMPANY ("PERPETUAL PREFERENCE SHARES")

Notice is hereby given that a class meeting of the shareholders of perpetual preference shares ("shareholders") will be held at 14:30 on Tuesday, 9 July 2013 at the registered office of Investec Bank Limited, Ground Floor, 100 Grayston Drive, Sandown, Sandton, 2196, to consider and, if deemed fit, pass, with or without modifications, the special resolution below.

Kindly note that, in terms of section 63(1) of the Companies Act No 71 of 2008, as amended ("the Act"), meeting participants (including proxies) will be required to provide reasonable satisfactory identification before being entitled to participate in or vote at a shareholders' meeting. Forms of identification that will be accepted include original and valid identity documents, driver's licences and passports.

The purpose of this meeting is to obtain approval relating to the special resolution set forth in this notice. The special resolution is proposed to sanction the creation and issue of Redeemable Programme Preference Shares, as part of the Domestic Medium Term Note and Preference Share Programme of the Company, which Redeemable Programme Preference Shares will, with regards to their rights to dividends and repayment of capital on the winding-up of the Company, rank in priority to the existing authorised and issued perpetual preference shares.

Shareholders entitled to attend and vote at the meeting or proxies of such shareholders shall be entitled to participate in the meeting (but not vote) by electronic communication. Should a shareholder wish to participate in the meeting by electronic communication, the shareholder concerned should advise the Company thereof by no later than 14:30 on Friday, 28 June 2013 by submitting via registered mail addressed to the Company (for the attention of Ms Benita Coetsee) relevant contact details, as well as full details of the shareholder's title to securities issued by the Company accompanied with proof of identity, in the form of certified copies of identity documents and share certificates (in the case of materialised shares) and (in the case of dematerialised shares) written confirmation from the shareholder's CSDP confirming the shareholder's title to the dematerialised shares. Upon receipt of the required information, the shareholder concerned will be provided with a secure code and instructions to access the electronic communication during the class meeting. Shareholders must note that access to the electronic communication will be at the expense of the shareholders who wish to utilise the facility. Shareholders making use of the electronic participation option, must submit proxies, as voting will not be allowed via electronic means.

Record dates, proxies and voting

- In terms sections 59(1)(a) and (b) of the Act, the Board of the Company has set the record date for the purpose of determining which holders of the perpetual preference shares are entitled to:
 - receive notice of the class meeting (being the date on which a shareholder must be registered in the Company's securities register in order to receive notice of the class meeting) as Friday, 17 May 2013;
 - participate in and vote at the class meeting (being the date on which the shareholder must be registered in the Company's securities register in order to participate in and vote at the class meeting) as Friday, 28 June 2013.
- Shareholders who have not dematerialised their shares or who have dematerialised their shares with "own-name" registration, and who are entitled to attend, participate in and vote at the class meeting, are entitled to appoint a proxy to attend, speak and vote in their stead.
- A proxy need not be a shareholder and shall be entitled to vote on a show of hands or poll.
- It is requested that proxy forms be forwarded so as to reach the transfer secretaries in South Africa by no later than 14:30 on Sunday, 7 July 2013.
- Shareholders who have not dematerialised their shares or who have dematerialised their shares with "own-name" registration, and who are entitled to attend, participate in and vote at the class meeting, and who do not deliver proxy forms to the transfer secretaries by the relevant time, will nevertheless be entitled to lodge the proxy forms in respect of

the class meeting immediately prior to the exercising of the shareholders' rights at the class meeting, in accordance with the instructions therein, with the chairman of the class meeting.

- Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with "own-name" registration, should contact their CSDP or broker in the manner and within the time stipulated in the agreement entered into between them and their CSDP or broker:
 - to furnish them with their voting instructions; or
 - in the event that they wish to attend the class meeting, to obtain the necessary letter of representation to do so.
- Every shareholder who is present in person or represented by a proxy shall on a show of hands have one vote only, irrespective of the number of shares such person holds or represents, and on a poll shall have one vote for each fully paid-up share for which he is the holder.
- The class meeting is a meeting at which only shareholders are entitled to vote on the special resolution to be proposed thereat.

SPECIAL RESOLUTION

1. SPECIAL RESOLUTION I

"Resolved, in terms of clause 150.2.11 of the Memorandum of Incorporation of the Company, that the creation and issue of 50 000 000 (fifty million) redeemable, non-participating preference shares with a par value of R0.01 (one cent) each in the share capital of the Company ("**Redeemable Programme Preference Shares**"), ranking in priority to the existing 70 000 000 (seventy million) non-redeemable, non-cumulative, non-participating preference shares with a par value of R0.01 (one cent) each in the Company's authorised share capital with regards to the rights to dividends and repayment of capital on the winding-up of the Company, and having the associated preferences, rights, limitations and other terms determined by the Directors from time to time and prior to the issue thereof, in accordance with section 36(3) of the Companies Act, 2008 (the Board being specifically authorised to determine dissimilar rights, limitations and/or other terms for different tranches of Redeemable Programme Preference Shares), with reference to and in accordance with the document named "Programme Preference Share Terms and Conditions", to be attached as Schedule 6 to the Company's Memorandum of Incorporation in terms of a special resolution to be proposed to the sole shareholder of the ordinary shares of R0.50 (fifty cents) each in the share capital of the Company ("**Programme Preference Share Terms and Conditions**") (a draft of which schedule has been tabled at the class meeting and initialled by the chairman of the class meeting for purposes of identification) and the provisions of the applicable pricing supplement (to which reference is made in the Programme Preference Share Terms and Conditions as the "**Applicable Pricing Supplement (Preference Shares)**"), to be read in conjunction with the Programme Preference Share Terms and Conditions, be sanctioned."

By their approval of Special Resolution No. 1, shareholders sanction the increase in the capital of the Company by the creation of 50 000 000 (fifty million) redeemable, non-participating preference shares with a par value of R0.01 (one cent) each, the associated preferences, rights, limitations and other terms of which are to be determined by the Board of Directors of the Company from time to time, as part of the Domestic Medium Term Note and Preference Share Programme described more fully in paragraph 2 of the Circular; which will, with regards to their rights to dividends and repayment of capital on the winding-up of the Company, rank in priority to the existing 70 000 000 (seventy million) non-redeemable, non-cumulative, non-participating preference shares with a par value of R0.01 (one cent) each.

By order of the Board

Investec Bank Limited

Benita Coetsee

Company Secretary

23 May 2013

Registered office

C/o Company Secretarial
100 Grayston Drive
Sandown, Sandton
2196
South Africa
(PO Box 785700, Sandton, 2146)

Transfer secretary

Computershare Investor Services (Pty) Limited
Ground Floor
70 Marshall Street
Johannesburg
2001
South Africa
(PO Box 61051, Marshalltown, 2107)



Bank Limited

(Incorporated in the Republic of South Africa)
(Registration number: 1969/004763/06)
Share code: INLP ISIN: ZAE000048393
("Investec Bank" or "the Company")

FORM OF PROXY

Only for use by shareholders who have not dematerialised their non-redeemable, non-cumulative, non-participating preference shares with a par value of R0.01 each ("perpetual preference shares") or who have dematerialised their perpetual preference shares and selected own-name registration with Computershare's CSDP.

For use by shareholders who have NOT dematerialised their perpetual preference shares or who have dematerialised their perpetual preference shares but with own-name registration at the class meeting to be held at 14:30 on Tuesday, 9 July 2013 at the registered office of Investec Bank Limited, 100 Grayston Drive, Sandown, Sandton, South Africa.

Shareholders who have dematerialised their perpetual preference shares must inform their Central Securities Depository Participants ("CSDP") or broker of their intention to attend the class meeting and request their CSDP or broker to issue them with the necessary letter of representation to attend or provide their CSDP or broker with their voting instructions should they not wish to attend the class meeting in person.

I/We

(PRINT name(s) in full)

of

(full address)

being a shareholder(s) of perpetual preference shares,

do hereby appoint

of _____ or failing him/her

of _____ or failing them,

the chairman of the meeting,

for the purpose of considering and, if deemed fit, passing, with or without modification, the special resolution to be proposed at the class meeting of Investec Bank to be held on Tuesday, 9 July 2013 at 14:30 and at any adjournment thereof, and to vote for and/or against the special resolution and/or abstain from voting in respect of the shares registered in my/our name/s, in accordance with the following instructions:

Investec Bank	In favour of	Against	Abstain
Special Resolution 1: Sanctioning of the creation and issue of 50 000 000 redeemable, non-participating preference shares with a par value of R0.01 each in the share capital of the Company			

Signature

Date

Please read the summary and the notes overleaf.

Notes and summary of rights under section 58 of the Companies Act, 2008

1. A shareholder entitled to attend and vote at the class meeting is entitled to appoint any individual (who need not be a shareholder of the Company) as a proxy to attend, speak and, on a poll, to vote in his/her place at the class meeting. Such shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting 'the chairman of the meeting', provided that any such deletion must be signed in full by the shareholder. The person whose name stands first on the proxy form and who is present at the class meeting will be entitled to act as proxy to the exclusion of those whose names follow. Should a proxy not be specified, this will be exercised by the chairman of the meeting.
2. Every person present and entitled to vote at the class meeting shall on a show of hands have one vote only, irrespective of the number of shares such person holds or represents, and on a poll shall have one vote for each share held or represented. You are not obliged either to cast all your votes or to cast all your votes in the same way. Please instruct your proxy how to vote by either:
 - (a) marking the appropriate box with an "X" next to the special resolution (i.e. in favour of and/or against and/or by way of abstention), in which event the proxy will cast all your votes in the manner so specified; or
 - (b) setting out the number of votes to be cast in the appropriate box next to the special resolution, provided that, if for any resolution the aggregate number of votes to be cast would exceed the total number of shares held, you will be deemed to have given no specific instruction as to how you wish your proxy to vote in respect of that resolution.

Your proxy will have discretion to vote in respect of your total holding on any resolution on which you have not (or are deemed not to have) given specific instruction as to how to vote and, unless instructed otherwise, on any business which may properly come before the meeting.

3. The date must be filled in on this form of proxy and it must be signed by the shareholder.
4. If you are signing in a representative capacity, whether for another person or for an organisation, then, in order for this proxy form to be valid, you must include a power of attorney or other written authority that authorises you to sign (or a certified copy of such power or authority).
5. In the case of a company, the proxy form should either be sealed by the Company or signed by a director or an authorised signatory (and the provisions of note 4 shall apply to such authorised signatory).
6. In the case of joint shareholders only one need sign. If more than one joint shareholder votes, whether in person or by proxy, only the most senior shareholder who renders a vote, whether in person or by proxy, will be counted. For this purpose, seniority is determined by the order in which shareholders' names appear in the register for that share.
7. Any alteration or correction made to this form of proxy must be signed in full and not initialled by the signatory or signatories.
8. A minor must be assisted by his/her parent/guardian and the relevant documentary evidence establishing his/her legal capacity must be attached to this form of proxy unless previously recorded by the Company or waived by the chairman of the meeting.
9. The chairman of the meeting may reject or accept any proxy form which is completed and/or received, other than in compliance with these notes.
10. The return of this form of proxy will not prevent you from attending the meeting and voting in person.
11. A proxy may not delegate his/her authority to act on behalf of the shareholder, to another person.
12. The appointment of a proxy or proxies:
 - (a) is suspended at any time to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
 - (b) is revocable in which case the shareholder may revoke the proxy appointment by:
 - (i) cancelling it in writing or making a later inconsistent appointment of a proxy; and
 - (ii) delivering a copy of the revocation instrument to the proxy and to the Company.
13. Should the instrument appointing a proxy or proxies have been delivered to the Company, as long as the appointment remains in effect, any notice that is required by the Companies Act, or the Company's MOI to be delivered by such company to the shareholder, must be delivered by such Company to:
 - (a) the shareholder; or
 - (b) the proxy or proxies, if the shareholder has directed the Company to do so in writing and has paid any reasonable fee charged by the Company for doing so.
14. The proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act, 2008.
15. It is requested that this form of proxy be deposited at the Company's transfer secretaries:

Computershare Investor Services (Pty) Limited

Ground Floor, 70 Marshall Street, Johannesburg, 2001
PO Box 61051, Marshalltown, 2107

not later than 14:30 on Sunday, 7 July 2013.