
NOTE TERMS AND CONDITIONS

*The following are the terms and conditions of the Notes (the “**Note Terms and Conditions**”) to be issued by the Issuer pursuant to this Programme Memorandum, which Note Terms and Conditions will be incorporated by reference into each Note. Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. Before the Issuer issues any Tranche of Notes, the Issuer shall complete and sign the Applicable Pricing Supplement (Notes), based on the Pro Forma Pricing Supplement (Notes) included in the Programme Memorandum, setting out details of such Notes.*

The Applicable Pricing Supplement (Notes) in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Note Terms and Conditions, replace or modify the following Note Terms and Conditions for the purpose of such Tranche of Notes. If there is any conflict or inconsistency between the provisions set out in the Applicable Pricing Supplement (Notes) and the provisions set out in these Note Terms and Conditions, then the provisions in the Applicable Pricing Supplement (Notes) will prevail.

Any reference in this Programme Memorandum to any statute, regulation or other legislation shall be a reference to that statute, regulation or other legislation at the Programme Date, as amended or substituted from time to time.

1. INTERPRETATION

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

“2013 Programme Memorandum”	the programme memorandum dated 4 September 2013 issued by the Issuer in relation to the Programme, which applies to all Notes and Programme Preference Shares issued under the Programme between 4 September 2013 and the Programme Date and which in respect of any such Notes and Programme Preference Shares superseded and replaced in its entirety the programme memorandum dated 12 February 2003 issued by the Issuer in relation to the Programme;
“Additional Business Centre(s)”	in relation to a Tranche of Notes, the city or cities specified as such in the Applicable Pricing Supplement (Notes);
“Additional Conditions”	in relation to any Tranche of Subordinated Capital Notes, such conditions (in addition to the conditions specified in the

applicable Regulatory Capital Requirements) as may be prescribed by the Relevant Authority for the proceeds of the issuance of such Tranche of Subordinated Capital Notes to qualify as Regulatory Capital at the time of such issue pursuant to the approval granted by the Relevant Authority for the issue of such Subordinated Capital Notes, as specified in the Applicable Pricing Supplement (Notes);

"Additional Tier 1 Capital"

"additional Tier 1 capital" as defined in the Banks Act;

"Additional Tier 1 Capital Regulations"

Regulation 38(11)(b) of the Regulations Relating to Banks and/or such other provisions of the Regulatory Capital Requirements with which the instruments and/or shares contemplated in that Regulation (including the Additional Tier 1 Notes) must comply in order for the proceeds of the issue of such instruments and/or shares to rank as Additional Tier 1 Capital;

"Additional Tier 1 Noteholder"

a Noteholder of an Additional Tier 1 Note;

"Additional Tier 1 Notes"

Notes specified as such in the Applicable Pricing Supplement (Notes) and complying with the Additional Tier 1 Capital Regulations;

"Applicable Law"

in relation to a Person, any law (including statutory, common or customary law), statute, constitution, decree, treaty, regulation, judgment, directive, code of practice, guidance note, circular, by-law, order, other legislative measure, regulation, requirement, request, rule or guideline (whether or not having the force of law but, if not having the force of law, is generally complied with by the person to whom it is addressed or applied) of any government, supranational, local government, statutory or regulatory or self-regulatory or similar body or authority or court, compliance with which is mandatory for that Person;

"Applicable Pricing Supplement (Notes)"

the pricing supplement relating to a 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 headed "*Pro Forma Applicable*

Pricing Supplement;

"Applicable Procedures"	the rules, debt listings requirements and operating procedures from time to time of the CSD, Participants, Issuer Agents, JSE and/or any Financial Exchange, as the case may be;
"Applicable Redemption Amount"	in relation to a Tranche of Notes, the Final Redemption Amount, the Optional Redemption Amount, the Early Redemption Amount or such other amount in the nature of a redemption amount, as appropriate, as may be specified in, or determined in accordance with the provisions of, the relevant Applicable Pricing Supplement (Notes) relating to that Tranche;
"Applicable Redemption Date"	in relation to a Tranche of Notes, the Maturity Date or the relevant Early Redemption Date, as applicable;
"Arranger"	Investec Bank Limited, or such other entity as may be appointed by the Issuer as arranger, as specified in the Applicable Pricing Supplement (Notes);
"Banks Act"	the Banks Act, 1990;
"Beneficial Interest"	in relation to a Tranche of Notes which is held in the CSD, the beneficial interest as a co-owner of an undivided share of all of the Uncertificated Notes in that Tranche, as contemplated in section 37(1) of the Financial Markets Act, the nominal value of which beneficial interest, in relation to any number of Notes in that Tranche, is determined by reference to the portion that the aggregate Nominal Amount of such number of Notes Outstanding bears to the aggregate Nominal Amount of all of the Notes in that Tranche Outstanding, as provided for in section 37(3) of the Financial Markets Act;
"BESA Guarantee Fund Trust"	the guarantee fund established and operated by the JSE as a separate guarantee fund, in terms of the rules of the JSE, as required by sections 8(1)(h) and 17(1)(w) of the Financial Markets Act or any successor fund;
"Books Closed Period"	in relation to a Tranche of Notes, the period, as specified in the Applicable Pricing Supplement (Notes) relating to that Tranche, commencing after the Last Day to Register, during which transfers of that Tranche of Notes will not be registered, or

such other shorter period as the Issuer may decide to determine those Noteholders entitled to receive interest or redemption monies;

"Business Day"

a day (other than a Saturday or Sunday or public holiday within the meaning of the Public Holidays Act, 1994) which is a day on which commercial banks settle ZAR payments in Johannesburg or any Additional Business Centre specified in the Applicable Pricing Supplement (Notes) save that if the Specified Currency is not ZAR, **"Business Day"** shall mean a day (other than a Saturday or Sunday) which is a day on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the Specified Currency and in each (if any) Additional Business Centre, save further that if the Applicable Pricing Supplement (Notes) so provides, **"Business Day"** shall include a Saturday;

"Calculation Amount"

in relation to a Tranche of Notes, has the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to that Tranche;

"Central Securities Account"

shall bear the meaning ascribed thereto in the Financial Markets Act;

"Change in Law"

on, or after the Issue Date of the first Tranche of Notes in any Series of Notes, (i) due to the adoption of or any change in any Applicable Law or regulation (including, without limitation, any tax law), or (ii) 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 it or its holding company will incur a materially increased cost in performing its obligations under such Notes (including, without limitation, due to any tax liability, decrease in tax benefit or other adverse effect on its tax position);

"Class of Noteholders"

the holders of a Series of Notes or, where appropriate, the holders of different Series of Notes;

"Common Equity Tier 1 Capital"

"common equity Tier 1 capital" as defined in the Banks Act;

"Companies Act"	the Companies Act, 2008;
"Concurrent Claims"	all unsecured, non-preferent, unsubordinated claims of creditors of the Issuer including, without limiting the generality of the foregoing, the claims of the holders of Senior Notes, proved in the dissolution, winding-up or liquidation of the Issuer;
"Contractual Conversion Condition"	the conditions contemplated in Condition 6.7 (<i>Conversion of Convertible Subordinated Capital Notes upon a Trigger Event</i>);
"Contractual Write Off Condition"	the conditions contemplated in Condition 6.8 (<i>Write Off of Subordinated Capital Notes upon a Trigger Event</i>);
"Conversion"	the conversion of Subordinated Capital Notes into Issuer Shares upon the occurrence of a Trigger Event and after the delivery of an Issuer's Trigger Event Notice in accordance with Condition 6.7 (<i>Conversion of Convertible Subordinated Capital Notes upon a Trigger Event</i>), and its cognates shall bear the same meaning;
"Conversion Amount"	<p>in respect of each holder of Individual Certificates in respect of, or, as the case may be, a Beneficial Interest in, the Converted Subordinated Capital Notes on the relevant date of calculation, the aggregate of:</p> <ul style="list-style-type: none"> (i) the outstanding Nominal Amount of the relevant Converted Subordinated Capital Notes (in the case of holders of Individual Certificates) or the Beneficial Interest therein (in the case of Uncertificated Notes) of that holder; and (ii) any accrued but unpaid interest in respect thereof;
"Conversion Last Day to Trade"	the date which is 3(three) Business Days prior to the Conversion Record Date;
"Conversion Price"	in relation to a Tranche of Subordinated Capital Notes, the conversion price as specified in, or determined in the manner specified in, the Applicable Pricing Supplement (Notes);
"Conversion Record Date"	the date which is 1 (one) Business Day prior to the Conversion Settlement Date or such other date specified in the Applicable

Pricing Supplement (Notes);

“Conversion Settlement Date”

the date of the Conversion of the Subordinated Capital Notes (or a Relevant Part thereof) into newly-issued Issuer Shares, which shall be:

- (i) a date which falls within 30 (thirty) days of receipt by the Issuer of the Relevant Authority's Trigger Event Notice (or such other number of days specified in the Applicable Pricing Supplement (Notes)), unless the Issuer, using its best efforts, is unable to complete the Conversion within the aforesaid 30 (thirty) day period as a result of the need to comply with any Applicable Laws, regulations or written instructions of the Relevant Authority (including but not limited to the time required to interface and consult with the Relevant Authority), in which case the Conversion Settlement Date shall be a date as soon as reasonably possible after the end of the aforesaid 30 (thirty)-day period; or
- (ii) where the Relevant Authority determines a date for Conversion, such date;

“Converted Subordinated Capital Notes”

the Series of Subordinated Capital Notes which the Relevant Authority requires to be Converted upon the occurrence of a Trigger Event or, as the case may be, the Relevant Part(s) thereof identified by the Relevant Authority, as adjusted for upward rounding in the circumstances and manner contemplated in Conditions 6.7.2.2 and 6.7.2.2;

“Convertible Subordinated Capital Notes”

Subordinated Capital Notes to which the Contractual Conversion Condition is specified as applicable in the Applicable Pricing Supplement (Notes);

“CSD”

Strate Proprietary Limited (Registration number 1998/022242/07), or its nominee, being a registered central securities depository operating in terms of the Financial Markets Act (or any successor legislation thereto), and any reference to “CSD” shall, whenever the context permits, be deemed to include a reference to its successor operating in terms of the Financial Markets Act, or any additional or

alternate depository approved by the Issuer;

"Day Count Fraction"

in respect of the calculation of an amount for any period of time (the "**Calculation Period**"), such day count fraction as may be specified in these Note Terms and Conditions or the Applicable Pricing Supplement (Notes):

- (i) if "**Actual/Actual (ICMA)**" is so specified, means:
 - (a) where the Calculation Period is equal to or shorter than the Regular 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
 - (b) 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 (1) the actual number of days in such Regular Period and (2) 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 (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (ii) if "**Actual/365**" or "**Actual/Actual (ISDA)**" is so specified, means the actual number of days in the Calculation Period divided by 365 (three hundred and sixty five) (or, if any portion of the Calculation Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 (three hundred and sixty six) and (b) the actual number of days in that portion of the Calculation Period falling in a non leap year divided by 365 (three hundred

and sixty five));

- (iii) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (three hundred and sixty five);
- (iv) “**Actual/360**” is so specified, means the number of days in the Calculation Period divided by 360 (three hundred and sixty);
- (v) if “**30/360**” is so specified, means the number of days in the Calculation Period divided by 360 (three hundred and sixty) (the number of days to be calculated on the basis of a year of 360 (three hundred and sixty) days with 12 (twelve) 30 (thirty) day months (unless (a) the last day of the Calculation Period is the 31st (thirty first) day of a month but the first day of the Calculation Period is a day other than the 30th (thirtieth) or 31st (thirty first) day of a month, in which case the month that included the last day shall not be considered to be shortened to a 30 (thirty) day month, or (b) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30 (thirty) day month)); and
- (vi) if “**30E/360**” or “**Eurobond Basis**” is so specified means, the number of days in the Calculation Period divided by 360 (three hundred and sixty) (the number of days to be calculated on the basis of a year of 360 (three hundred and sixty) days with 12 (twelve) 30 (thirty) day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the date of final maturity is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30 (thirty) day month;

“Dealer(s)”

the Issuer and/or any other 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, subject to the Issuer's right to terminate the appointment

of any Dealer, as indicated in the Applicable Pricing Supplement (Notes);

“Debt Sponsor”

Investec Bank Limited, unless the Issuer elects to appoint another entity as a debt sponsor, in which event that other entity will act as a debt sponsor, as specified in the Applicable Pricing Supplement (Notes); provided that the Issuer shall maintain the appointment of at least one debt sponsor until such time as the Programme is deregistered from the JSE;

“Deposit”

a “*deposit*” as defined in the Banks Act;

“Depositor”

any Person having a claim against the Issuer in respect of a Deposit, excluding:

- (i) in relation to the claims of the Tier 2 Noteholders, any such Person whose claim in respect of such Deposit (a) ranks or is expressed to rank (or are deemed under the Regulatory Capital Requirements to rank), *pari passu* with, or junior to the claims of the Tier 2 Noteholders or (b) constitutes a claim of the Tier 2 Noteholders in respect of Tier 2 Notes; and
- (ii) in relation to the claims of the Additional Tier 1 Noteholders, any such Person whose claim in respect of such Deposit (a) ranks or is expressed to rank (or are deemed under the Regulatory Capital Requirements to rank), *pari passu* with, or junior to the claims of the Additional Tier 1 Noteholders or (b) constitutes a claim of the Additional Tier 1 Noteholders in respect of Additional Tier 1 Notes;

“Designated Maturity”

has the meaning ascribed thereto in the Applicable Pricing Supplement (Notes);

“Early Redemption Amount”

the amount at which the Notes will be redeemed by the Issuer pursuant to the provisions of Conditions 10.2 (*Redemption following the occurrence of a Tax Event (Gross up) or Tax Event (Deductibility) or Change in Law*), 10.5 (*Redemption of Subordinated Capital Notes for Regulatory Capital reasons*) and/or Condition 14 (*Events of Default*), determined in accordance with Condition 10.9 (*Early Redemption Amounts*)

or as set out in the Applicable Pricing Supplement (Notes);

“Early Redemption Date”

- (i) the date on which the Issuer elects to redeem Notes as contemplated in Condition 10.2 (*Redemption following the occurrence of a Tax Event (Gross up) or Tax Event (Deductibility) or Change in Law*), Condition 10.3 (*Early Redemption at the option of the Issuer*) or Condition 10.5 (*Redemption of Subordinated Capital Notes for Regulatory Capital reasons*); and/or
- (ii) the Optional Redemption Date on which the Issuer is obliged to redeem Senior Notes in accordance with Condition 10.4 (*Early Redemption at the option of Noteholders of Senior Notes*);

“Event of Default”

an event of default as set out in Condition 14 (*Events of Default*);

“Exchangeable Notes”

Notes which may be redeemed by the issuer in the manner specified in the Applicable Pricing Supplement (Notes) by the delivery to the Noteholders of cash or of so many of the Exchange Securities as are determined in accordance with the Applicable Pricing Supplement (Notes);

“Exchange Control Regulations”

the Exchange Control Regulations, 1961, promulgated pursuant to the Currency and Exchanges Act, 1933;

“Exchange Period”

in respect of Exchangeable Notes to which the Noteholders' Exchange Right applies (as specified in the Applicable Pricing Supplement (Notes)), the period specified in the Applicable Pricing Supplement (Notes) during which such right may be exercised;

“Exchange Price”

the value specified in the Applicable Pricing Supplement (Notes) according to which the number of Exchange Securities which may be delivered in redemption of an Exchangeable Note will be determined;

“Exchange Securities”

the securities specified in the Applicable Pricing Supplement (Notes) which may be delivered by the Issuer in redemption of Exchangeable Notes to the value of the Exchange Price;

“Extraordinary Resolution”

- (i) a resolution passed at a meeting (duly convened) of the Noteholders or relevant Class of Noteholders, as the case may be, by a majority consisting of not less than 66.67% (sixty-six point six seven percent) of the persons voting thereat upon a show of hands or if a poll is duly demanded, then by a majority consisting of not less than 66.67% (sixty-six point six seven percent) of the votes given on such poll by Noteholders or the relevant Class of Noteholders present in person or by proxy; provided that, if and for so long as the Programme and/or any Notes issued thereunder are registered with and/or listed on the JSE, and then only to the extent required by the applicable debt listings requirements of the JSE, where a resolution (and where such resolution forms part of a composite resolution, in relation to that specific resolution only) relates to an amendment to the Note Terms and Conditions (other than an amendment contemplated in Condition 21.1), such resolution will need to be approved by Noteholders or Noteholders of the relevant Series of Notes, as the case may be, representing not less than 66.67% (sixty-six point six seven percent) (or such higher amount as may be prescribed by the applicable debt listings requirements of the JSE from time to time) of the value of all Notes or Notes in that Series (**“relevant Noteholders”**), as the case may be (**“relevant Notes”**) (being determined with reference to the aggregate outstanding Nominal Amount of the Notes Outstanding held by such relevant Noteholders as it bears to the aggregate outstanding Nominal Amount of all of the relevant Notes Outstanding), notwithstanding that the meeting of relevant Noteholders may otherwise be duly convened or quorated and that other matters (including other Extraordinary Resolutions) may otherwise validly be considered and approved at such meeting; and
- (ii) a resolution passed other than at a meeting (duly convened) of the Noteholders or relevant Class of Noteholders, as the case may be (**“relevant Noteholders”**), in respect of which relevant Noteholders representing not less than 66.67% (sixty-six point six

seven percent) of the value of all Notes or Notes in that Series, as the case may be ("**relevant Notes**") (being determined with reference to the aggregate outstanding Nominal Amount of the Notes Outstanding held by such relevant Noteholders as it bears to the aggregate outstanding Nominal Amount of all of the relevant Notes Outstanding), voted in favour by signing in writing a resolution in counterparts. Where the requisite approval is obtained within 20 (twenty) Business Days from the date the resolution is submitted to the relevant Noteholders, such a resolution shall be as valid and effectual as if it had been passed at a meeting (duly convened) of the relevant Noteholders, provided that notice shall have been given to all relevant Noteholders in terms of Condition 19 (*Notices*); provided that where (a) a resolution (and where such resolution forms part of a composite resolution, in relation to that specific resolution only) relates to an amendment to the Note Terms and Conditions (other than an amendment contemplated in Condition 21.1), (b) the Programme and/or any Notes issued thereunder are registered with and/or listed on the JSE and (c) a higher amount is prescribed by the applicable debt listings requirements of the JSE in relation to amendments to the Note Terms and Conditions, the resolution will need to be passed by relevant Noteholders representing not less than such higher percentage of the value of the relevant Notes;

"Fair Market Value"

in respect of any securities or assets, the amount determined in good faith by the Independent Financial Advisor, acting reasonably;

"Final Broken Amount"

in relation to a Tranche of Notes, the final broken amount specified as such in the Applicable Pricing Supplement (Notes);

"Final Redemption Amount"

the nominal amount payable in respect of each Note upon final redemption thereof, as specified in, or determined in the manner specified in, the Applicable Pricing Supplement (Notes);

"Financial Exchange"	the JSE or its successor and/or such other or further financial exchange(s) as may be selected by the Issuer and the relevant Dealer, subject to Applicable Law;
"Financial Indebtedness"	<p>any indebtedness of any Person for money borrowed or raised including (without limitation) any indebtedness for or in respect of:</p> <ul style="list-style-type: none"> (i) amounts raised by acceptance under any acceptance credit facility; (ii) amount raised under any note purchase facility; (iii) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with the Applicable Law and generally accepted accounting principles, be treated as finance and capital leases; (iv) 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 90 (ninety) days; and (v) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;
"Financial Markets Act"	the Financial Markets Act, 2012;
"Fixed Coupon Amount"	the fixed coupon amount specified as such in the Applicable Pricing Supplement (Notes);
"Fixed Rate Notes"	Notes which will bear interest at a fixed interest rate, as specified in the Applicable Pricing Supplement (Notes) and more fully described in Condition 9.1 (<i>Interest on Fixed Rate Notes</i>);
"Floating Rate Notes"	Notes which will bear interest at a floating rate as specified in the Applicable Pricing Supplement (Notes) and more fully described in Condition 9.2 (<i>Interest on Floating Rate Notes and Indexed Notes</i>);
"Guidance Note 6"	Guidance Note 6 of 2017 (<i>Loss absorbency requirements for Additional Tier 1 and Tier 2 capital instruments</i>) issued by the

	SARB on 14 August 2017 in terms of section 6(5) of the Banks Act, or such other replacement or successor guidance note, directive or circular;
“Higher Redemption Amount”	has the meaning ascribed thereto in the Applicable Pricing Supplement (Notes);
“Implied Yield”	the yield accruing on the Issue Price of Zero Coupon Notes, as specified in the Applicable Pricing Supplement (Notes);
“Income Tax Act”	the Income Tax Act, 1962;
“Independent Financial Advisor”	an internationally-recognised auditor or independent financial institution appointed at the request of the Issuer by the head of the South African Institute of Chartered Accounts (or its replacement or successor body), whose decision as to appointment shall be final and binding;
“Indexed Interest Notes”	Notes in respect of which the Interest Amount is calculated by reference to such index and/or formula as specified in the Applicable Pricing Supplement (Notes);
“Indexed Notes”	an Indexed Interest Note and/or an Indexed Redemption Amount Note, as applicable;
“Indexed Redemption Amount Notes”	Notes in respect of which the Final Redemption Amount is calculated by reference to an index and/or a formula as specified in the Applicable Pricing Supplement (Notes);
“Individual Certificate”	a Registered Note in the definitive registered form of a single certificate, a certificate exchanged for an Uncertificated Note or a Beneficial Interest therein in accordance with Condition 14.1 (<i>Exchange of Beneficial Interests and Replacement of Individual Certificates</i>) and any further certificate issued in consequence of a transfer thereof;
“Initial Broken Amount”	in relation to a Tranche of Notes, the initial broken amount specified as such in the Applicable Pricing Supplement (Notes);
“Instalment Amount”	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 Date"	in relation to a Tranche of Notes, the dates specified as such in the Applicable Pricing Supplement (Notes);
"Instalment Notes"	Notes redeemable in Instalment Amounts by the Issuer on an amortised basis on different Instalment Dates, as specified in the Applicable Pricing Supplement (Notes);
"Interest Amount"	in relation to a Tranche of Notes and an Interest Period, the amount of interest payable on the Calculation Amount of each Notes in that Tranche, on each Interest Payment Date in respect of such Interest Period, determined by the Issuer Agent in accordance with Condition 9 (<i>Interest</i>);
"Interest Commencement Date"	in relation to a Tranche of Notes, the first date from which interest on such Tranche, other than Zero Coupon Notes, will accrue, as specified in the Applicable Pricing Supplement (Notes);
"Interest Payment Date"	if applicable in relation to a Tranche of Notes, the date(s) specified in the Applicable Pricing Supplement (Notes) or if no express such date(s) is/are specified in the Applicable Pricing Supplement (Notes), 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"	each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date; provided that the first Interest Period shall begin on (and include) the Interest Commencement Date and the last Interest Period in respect of such Notes shall end on (but exclude) the Applicable Redemption Date;
"Interest Rate"	the rate or rates of interest applicable to Notes other than Zero Coupon Notes, as specified in the Applicable Pricing Supplement (Notes);
"Interest Rate Determination Date"	if applicable in relation to a Tranche of Notes, the date(s) specified in the Applicable Pricing Supplement (Notes);

“Investec Bank Limited”	Investec Bank Limited (registration number 1969/004763/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa;
“Investec Limited Group”	the Issuer and any of its subsidiaries;
“Investec Limited Restricted Group”	the Issuer and any of its wholly-owned consolidated subsidiaries which are regulated as a banking operation;
“ISDA Definitions”	the 2006 ISDA Definitions as published by International Swaps and Derivatives Association, Inc. (as amended, supplemented, revised or republished from time to time), or as specified in the Applicable Pricing Supplement (Notes);
“Issue Date”	in relation to a Tranche of Notes, the date specified as such in the Applicable Pricing Supplement (Notes), being the date upon which such Tranche of Notes is issued by the Issuer;
“Issue Price”	in relation to a Tranche of Notes, the price specified as such in the Applicable Pricing Supplement (Notes);
“Issuer”	Investec Limited (registration number 1925/002833/06), a public company with limited liability and a registered “controlling company” duly incorporated in accordance with the company and banking laws of South Africa;
“Issuer Agent”	Investec Bank Limited, unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Notes, another entity as Issuer Agent in respect of that Tranche or Series of Notes;
“Issuer Agency Agreement”	the issuer agency agreement dated on or about 15 November 2017 entered into between the Issuer and the Issuer Agent;
“Issuer Shares”	fully paid ordinary shares of the Issuer;
“Issuer Share Price”	the Fair Market Value of the Issuer Shares on the Conversion Settlement Date;
“Issuer’s Trigger Event Notice”	has the meaning ascribed thereto in Condition 6.6.1;

"Junior Debt"

in relation to Additional Tier 1 Notes, any subordinated debt issued by the Issuer which ranks or is expressed to rank (or is deemed under the Regulatory Capital Requirements to rank) senior to the Additional Tier 1 Notes and/or the proceeds of which qualify (or are deemed under the Regulatory Capital Requirements to qualify) as Tier 2 Capital;

"Junior Securities"

(i) the Issuer Shares, (ii) other share capital or any other securities of the Issuer or any other member of the Investec Limited Restricted Group, the proceeds of which qualify (or are deemed under the Regulatory Capital Requirements to qualify) as Common Equity Tier 1 Capital of the Issuer or any other member of the Investec Limited Restricted Group, as the case may be, (iii) other share capital or any other securities of the Issuer or any other member of the Investec Limited Restricted Group which rank or are expressed to rank (or are deemed under the Regulatory Capital Requirements to rank) junior to the Additional Tier 1 Notes and (iv) any other securities issued by a member of the Investec Limited Restricted Group which benefit from a guarantee or similar support agreement from any other member of the Investec Limited Restricted Group which ranks or is expressed to rank (or is deemed under the Regulatory Capital Requirements to rank), as to the payment of sums under any such guarantee or similar support agreement, junior to the Additional Tier 1 Notes;

"JSE"

JSE Limited (registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa, licensed as an exchange under the Financial Markets Act;

"JSE Guarantee Fund"

the guarantee fund established and operated by the JSE as a separate guarantee fund in terms of the rules of the JSE as required by sections 8(1)(h) and 17(1)(w) of the Financial Markets Act or any successor fund;

"Last Day to Register"

with respect to a particular Series of Notes (as specified in the Applicable Pricing Supplement (Notes)), the last date or dates preceding a Books Closed Period on which the Issuer 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 and in the case of Notes listed on the Main Board of the JSE, shall mean "*Last Day to Trade*" as set out in the listings requirements of the JSE;

"Mandatory Exchange"	if specified in the Applicable Pricing Supplement (Notes), the obligation of the Issuer to redeem Exchangeable Notes on the Maturity Date by delivery of Exchange Securities to the relevant Noteholders of Exchangeable Notes;
"Margin"	in relation to a Tranche of Floating Rate Notes, has the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to that Tranche;
"Maturity Date"	in relation to a Tranche of Notes (other than a Tranche of Additional Tier 1 Notes), the date specified as such in the Applicable Pricing Supplement (Notes) relating to that Tranche;
"Maturity Period"	in relation to a Tranche of Notes (other than a Tranche of Additional Tier 1 Notes), the period from (and including) the Issue Date to (but excluding) the Maturity Date, as specified in the Applicable Pricing Supplement (Notes);
"Maximum Redemption Amount"	in relation to a Tranche of Notes, has the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to that Tranche;
"Minimum Redemption Amount"	in relation to a Tranche of Notes, has the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to that Tranche;
"Mixed Rate Notes"	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 Indexed Notes, each as specified in the Applicable Pricing Supplement (Notes) and as more fully described in Condition 9.3 (<i>Interest on Mixed Rate Notes</i>);
"Nominal Amount"	the nominal amount of each Note, as specified in the Applicable Pricing Supplement (Notes);
"Noteholders"	the holders of the Registered Notes (as recorded in the

Register);

"Noteholders' Exchange Right"	if specified in the Applicable Pricing Supplement (Notes), 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;
"Notes"	the notes issued or to be issued by the Issuer under the Programme pursuant to the Programme Memorandum and represented by an Individual Certificate (if any), or Uncertificated Notes;
"Optional Redemption Amount "	in respect of any Note, its outstanding Nominal Amount or such other amount as may be specified in, or determined in accordance with, the Applicable Pricing Supplement (Notes);
"Optional Redemption Date(s)"	<p>the date(s) specified as such in the Applicable Pricing Supplement (Notes) in relation to a Tranche of Notes pursuant to which:</p> <ul style="list-style-type: none"> <li data-bbox="692 1032 1415 1570">(i) the Issuer is specified as having an option to redeem in accordance with Condition 10.3 (<i>Early Redemption at the option of the Issuer</i>). If no such date(s) is/are specified in the Applicable Pricing Supplement (Notes), the Optional Redemption Date(s) shall be the Interest Payment Date(s) (in the case of interest-bearing Notes) or, such other date(s) (in the case of non-interest bearing Notes) stipulated as the date(s) for redemption of such Tranche of Notes or the relevant portion of such Tranche of Notes, as the case may be, in the notice delivered by the Issuer pursuant to Condition 10.3 (<i>Early Redemption at the option of the Issuer</i>); or <li data-bbox="692 1619 1415 1960">(ii) the Noteholders of Senior Notes are specified as having an option to redeem in accordance with Condition 10.4 (<i>Early Redemption at the option of the Noteholders of Senior Notes</i>). If no such date(s) is/are specified in the Applicable Pricing Supplement (Notes), the Optional Redemption Date(s) shall be the Interest Payment Date(s) (in the case of interest-bearing Notes) or such other date(s) (in the case of noninterest bearing Notes)

stipulated as the date(s) for redemption of such Tranche of Senior Notes or the relevant portion of such Tranche of Senior Notes, as the case may be, in the Put Notice;

“Ordinary Resolution”

- (i) a resolution passed at a meeting (duly convened) of the Noteholders or relevant Class of Noteholders, as the case may be, upon a show of hands, by a majority consisting of more than 50% (fifty percent) of the value of the Notes held by the Noteholders or relevant Class of Noteholders, as the case may be, present in person and voting at such meeting, or, if a poll is duly demanded, a majority consisting of more than 50% (fifty percent) of the votes cast at such poll by Noteholders or Noteholders of the relevant Series of Notes, as the case may be, present in person or by proxy; and
- (ii) a resolution passed other than at a meeting (duly convened) of the Noteholders or relevant Class of Noteholders, as the case may be (“**relevant Noteholders**”), in respect of which relevant Noteholders representing more than 50% (fifty percent) of the value of all Notes or Notes in that Series, as the case may be (“**relevant Notes**”) (being determined with reference to the aggregate outstanding Nominal Amount of the Notes Outstanding held by such relevant Noteholders as it bears to the aggregate outstanding Nominal Amount of all of the relevant Notes Outstanding), voted in favour by signing in writing a resolution in counterparts. Where the requisite approval is obtained within 20 (twenty) Business Days from the date the resolution is submitted to the relevant Noteholders, such a resolution shall be as valid and effectual as if it had been passed at a meeting (duly convened) of the relevant Noteholders, provided that notice shall have been given to all relevant Noteholders in terms of Condition 19 (*Notices*);

“Outstanding”

in relation to the Notes, all the Notes issued other than:

- (i) those which have been redeemed in full;
- (ii) those in respect of which the date for redemption in

accordance with the Note Terms and Conditions has occurred and the redemption monies wherefor (including all interest (if any) accrued thereon to the date for such redemption and any interest (if any) payable under the Note Terms and Conditions after such date) remain available for payment against presentation and surrender of such Notes (or any Individual Certificates in respect thereof (if any));

- (iii) those which have been fully Written Off or Converted, as the case may be, under Condition 6 (*Status of Notes, Write Off and Conversion of Subordinated Capital Notes*);
- (iv) those which have been purchased and cancelled as provided in Condition 10.14 (*Cancellation*);
- (v) those which have become prescribed under Condition 13 (*Prescription*);
- (vi) Notes represented by those worn out, mutilated or defaced Individual Certificates which have been surrendered in exchange for replacement Individual Certificates pursuant to Condition 14.1 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*);
- (vii) (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 Individual Certificates alleged to have been lost, stolen or destroyed and in respect of which replacement Individual Certificates have been issued pursuant to Condition 14.1 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*),

provided that for each of the following purposes, namely:

- (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 20 (*Meetings of Noteholders*) and 21 (*Modification*), 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;

"Participants"

a person that holds in custody and administers securities or an interest in securities and that has been accepted by the CSD as a participant in terms of the Financial Markets Act;

"Partly Paid Notes"

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

"Payment Day"

any day which is a Business Day and upon which a payment is due by the Issuer in respect of a Tranche of Notes;

"Person"

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

"Previous Programme Memoranda"

the programme memorandum dated 12 February 2003 issued by the Issuer in relation to the Programme and the 2013 Programme Memorandum;

"Programme"

Investec Limited ZAR15,000,000,000 Domestic Medium Term Note and Preference Share Programme;

"Programme Amount"

the maximum aggregate Nominal Amount of all Notes Outstanding (including Notes issued under the Programme pursuant to the Previous Programme Memoranda) and the aggregate Calculation Amount of all Programme Preference Shares (including Programme Preference Shares issued under the Programme pursuant to the 2013 Programme Memorandum) that, considered together, may be issued under the Programme at any one point in time being as at the Programme Date, ZAR15,000,000,000 (or its equivalent in other currencies) or such increased amount as is determined by the Issuer from time to time, subject to the Applicable

	Procedures, Applicable Law and the programme agreement (if any) relating to the Programme as set out in the section of this Programme Memorandum headed " <i>General Description of the Programme</i> ";
"Programme Date"	15 November 2017;
"Programme Memorandum"	this programme memorandum dated 15 November 2017 which will apply to all Notes and Programme Preference Shares issued under the Programme on or after the Programme Date and which in respect of any such Notes and Programme Preference Shares, supersedes and replaces the 2013 Programme Memorandum in its entirety;
"Programme Preference Share Terms and Conditions"	the terms and conditions of the Programme Preference Shares set out in the section of this Programme Memorandum headed " <i>Programme Preference Share Terms and Conditions</i> ";
"Programme Preference Shares"	the preference shares issued or to be issued by the Issuer under the Programme from time to time;
"Put Notice"	a notice which must be delivered to the Issuer Agent by any Noteholder wanting to exercise its option (if applicable) to require the Issuer to redeem the Senior Notes in that Tranche of Notes held by the Noteholder, in whole or in part at the Optional Redemption Amount on the Optional Redemption Date in terms of Condition 10.4 (<i>Early Redemption at the Option of Noteholders of Senior Notes</i>);
"Qualifying Additional Tier 1 Securities"	<p>in relation to a Tranche of Additional Tier 1 Notes, securities issued directly by the Issuer that:</p> <p>(i) have terms not materially less favourable to a holder of Additional Tier 1 Notes than the terms of the Additional Tier 1 Notes being substituted or varied in accordance with Condition 10.7 (<i>Substitution or variation</i>) (as reasonably determined by the Issuer), and provided that a certification to such effect signed by 2 (two) authorised officers of the Issuer shall have been delivered to the Issuer Agent prior to the issue or, as appropriate, variation of the relevant securities and is so stated in the certificate), and which Qualifying Additional Tier 1</p>

Securities (a) contain terms which comply with the then current minimum requirements of the Relevant Authority in relation to Additional Tier 1 Capital, required to ensure that such Qualifying Additional Tier 1 Securities qualify as Additional Tier 1 Capital, (b) include terms which provide for the same Interest Rate, dividend or distribution rate or rate of return from time to time applying to the Additional Tier 1 Notes, and preserve the Interest Payment Dates, (c) rank at least *pari passu* with the ranking of the Additional Tier 1 Notes, (d) preserve any existing rights under the Note Terms and Conditions to any accrued interest or other amounts which have not been paid and (e) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Additional Tier 1 Notes, including, without limitation, as to the timing of, and amounts payable upon, such redemption; and

- (ii) if the Additional Tier 1 Notes being substituted or varied in accordance with Condition 10.7 (*Substitution or variation*) are listed on the JSE, (a) are listed on the JSE or (b) are listed on such other Financial Exchange at that time as selected by the Issuer;

"Qualifying Tier 2 Securities"

in relation to a Tranche of Tier 2 Notes, securities issued directly by the Issuer that:

- (i) have terms not materially less favourable to a holder of Tier 2 Notes than the terms of the Tier 2 Notes being substituted or varied in accordance with Condition 10.7 (*Substitution or variation*) (as reasonably determined by the Issuer), and provided that a certification to such effect signed by 2 (two) authorised officers of the Issuer shall have been delivered to the Issuer Agent prior to the issue or, as appropriate, variation of the relevant securities and is so stated in the certificate), and which Qualifying Tier 2 Securities (a) contain terms which comply with the then current minimum requirements of the Relevant Authority in relation to Tier 2 Capital, required to ensure that such Qualifying Tier 2 Securities qualify as Tier 2 Capital,

(b) include terms which provide for the same Interest Rate, dividend or distribution rate or rate of return from time to time applying to the Tier 2 Notes, and preserve the Interest Payment Dates, (c) rank at least *pari passu* with the ranking of the Tier 2 Notes, (d) preserve any existing rights under the Note Terms and Conditions to any accrued interest or other amounts which have not been paid and (e) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Tier 2 Notes, including, without limitation, as to the timing of, and amounts payable upon, such redemption; and

- (ii) if the Tier 2 Notes being substituted or varied in accordance with Condition 10.7 (*Substitution or variation*) are listed on the JSE, (a) are listed on the JSE or (b) are listed on such other Financial Exchange at that time as selected by the Issuer;

“Rating”

in relation to the Issuer, the Programme or a Tranche of Notes, as the case may be, the rating assigned to the Issuer, the Programme or that Tranche of Notes, as the case may be, by any Rating Agency, as specified in the Applicable Pricing Supplement (Notes);

“Rating Agency”

such rating agency(ies) (registered in terms of section 5(1) of the Credit Rating Services Act, 2012) as may be appointed by the Issuer for the purpose of rating the Issuer, the Programme and/or a Tranche of Notes, as the case may be, and as specified in the Applicable Pricing Supplement (Notes);

“Reference Banks”

in relation to a Tranche of Notes, has the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to that Tranche;

“Reference Price”

in relation to a Tranche of Notes, has the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to that Tranche;

“Reference Rate”

in relation to a Tranche of Notes, has the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to

	that Tranche;
"Register"	the register of Noteholders maintained by the Issuer Agent in terms of Condition 17 (<i>Register</i>) and the agency agreement (if any), of which any Uncertificated Securities Register (which is administered and maintained by a Participant or the CSD, as determined in accordance with the Applicable Procedures) forms part;
"Registered Note"	a Note issued in registered form and transferable in accordance with Condition 16 (<i>Transfer of Notes</i>) and which may include Uncertificated Notes;
"Registrar of Banks"	the Registrar of Banks designated under section 4 of the Banks Act;
"Regular Period"	<ul style="list-style-type: none"> (i) 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; (ii) 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 falling in any year to, but excluding the next Regular Date, where "<i>Regular Date</i>" means the day and month (but not the year) on which any Interest Payment Date falls; and (iii) 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 falling in any year to, but excluding the next Regular Date, where "<i>Regular Date</i>" 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;

"Regulations Relating to Banks"	the Regulations promulgated under section 90 of the Banks Act (published on 12 December 2012 in Government Gazette 35950) (as amended by Government Notice R261 in Government Gazette 38616 of 27 March 2015, Government Notice R309 in Government Gazette 38682 of 10 April 2015 and Government Notice R297 in Government Gazette 40002 of 20 May 2016), as such Regulations may be amended, supplemented or replaced from time to time, and any other prevailing capital adequacy regulations promulgated under the Banks Act and applicable to the Issuer, as such regulations may be amended, supplemented or replaced from time to time;
"Regulatory Capital"	as applicable, Tier 2 Capital or Additional Tier 1 Capital;
"Regulatory Capital Change"	(i) a change in, or amendment to, the Regulatory Capital Requirements or (ii) any change in the application of or official or generally published guidance or interpretation of the Regulatory Capital Requirements, which change or amendment becomes, or would become, effective on or after the Issue Date of the first Tranche of Notes of the relevant Series;
"Regulatory Capital Event"	an event which is deemed to have occurred if, with respect to the Notes of any Series which comprise Subordinated Capital Notes on the Issue Date of the first Tranche of Notes of that Series, the whole or any part of the aggregate outstanding Nominal Amount of the Notes of that Series would, as a result of a Regulatory Capital Change, no longer be eligible to qualify or no longer qualify (on a solo and/or consolidated basis) fully, or to the extent permitted by the Regulatory Capital Requirements, partially, or will in the future, but in the case of Tier 2 Notes, prior to the Maturity Date, no longer qualify (on a solo or consolidated basis) fully, or to the extent permitted by the Regulatory Capital Requirements, partially, as Regulatory Capital (save where such non-qualification arises only as a result of any applicable limitation on the amount of such capital or any amortisation or recognition of Tier 2 Capital under the Regulatory Capital Requirements in the final 5 (five) years prior to maturity) of the Issuer, on a solo and/or consolidated basis. For the avoidance of doubt, a Write Off would not constitute a

"Regulatory Capital Requirements"	<p>Regulatory Capital Event;</p> <p>at any time, any legislation, regulations, requirements, guidelines and policies relating to capital adequacy then in effect in South Africa in relation to banks registered under the Banks Act and licensed to conduct the business of a bank in South Africa (and, if applicable, to the controlling companies of such banks) (including any rules and Additional Conditions applicable specifically to the Issuer as prescribed by the Relevant Authority);</p>
"Relevant Authority"	<p>the Registrar of Banks in terms of the Banks Act and any successor or replacement thereto, or any authority having primary responsibility for the prudential oversight and supervision of the Issuer and/or the responsibility of making decisions relating to the declaration of a bank as being non-viable with the effect (as contemplated in the Regulations Relating to Banks) of triggering loss absorption within the relevant capital instruments and/or shares;</p>
"Relevant Authority's Trigger Event Notice"	<p>the notification given to the Issuer by the Relevant Authority upon the occurrence of a Trigger Event as contemplated in the Regulatory Capital Requirements, which notification may or may not be in writing, and which may or may not require the Issuer to Convert or Write Off all or some of its Regulatory Capital-qualifying instruments or shares;</p>
"Relevant Date"	<p>in respect of any payment relating to a Tranche of Notes, the date on which such payment first becomes due, except that, in relation to monies payable to the CSD in accordance with these Note Terms and Conditions, it means the first date on which:</p> <ul style="list-style-type: none"> (i) the full amount of such monies have been received by the CSD; (ii) such monies are available for payment to the holders of Beneficial Interests; and (iii) notice to that effect has been duly given to such holders in accordance with the Applicable Procedures;

"Relevant Financial Exchange"	the JSE, or if at the relevant time the Issuer Shares are not listed and admitted to trading on the JSE, the principal Financial Exchange or securities market on which the Issuer Shares are then listed, admitted to trading or quoted or dealt in, as the case may be;
"Relevant Part"	that portion of the aggregate outstanding Nominal Amount of the Series of Subordinated Capital Notes which the Relevant Authority requires be Written Off or Converted, as the case may be, upon the occurrence of a Trigger Event, whether expressed as a value, a percentage or otherwise, as determined and notified to the Issuer by the Relevant Authority;
"Relevant Screen Page"	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 (Notes), 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 Time"	in relation to a Tranche of Notes, has the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to that Tranche;
"Representative"	a Person duly authorised to act on behalf of a Noteholder, who may be regarded by the Issuer and the Issuer Agent (both 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;
"SARB"	the South African Reserve Bank, or the relevant replacement or successor regulator;
"Securities Account"	shall bear the meaning ascribed thereto in the Financial Markets Act;
"Senior Creditors"	(i) all creditors of the Issuer (including the Noteholders of Senior Notes) whose claims against the Issuer are in

respect of unsubordinated obligations of the Issuer; and

- (ii) all creditors of the Issuer whose claims (whether subordinated or unsubordinated) are, or are expressed to be or rank (or are deemed under the Regulatory Capital Requirements to rank) in priority to all or certain claims which are subordinated (whether only in the event of the winding up, liquidation or curatorship of the Issuer or otherwise) to the claims of other creditors of the Issuer, other than (i) in relation to the claims of Tier 2 Noteholders, all creditors of the Issuer whose claims rank or are expressed to rank (or are deemed under the Regulatory Capital Requirements to rank) *pari passu* with or junior to the claims of the Tier 2 Noteholders, or (ii) in relation to the claims of Additional Tier 1 Noteholders, all creditors of the Issuer whose claims rank or are expressed to rank (or are deemed under the Regulatory Capital Requirements to rank) *pari passu* with or junior to the claims of the Additional Tier 1 Noteholders;

"Senior Notes"

Notes issued with the status and characteristics set out in Condition 6.1 (*Status of Senior Notes*) as specified in the Applicable Pricing Supplement (Notes);

"SENS"

the Stock Exchange News Services established by the JSE;

"Series"

a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series; and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices;

"Solvent Reconstruction"

the event where an order is made or an effective resolution is passed for the winding-up of the Issuer (i) under or in connection with a scheme of amalgamation or reconstruction not involving a bankruptcy or insolvency where the obligations of the Issuer in relation to the outstanding Securities are assumed by the successor entity to which all, or substantially all, of the property, assets and undertaking of the Issuer are transferred or (ii) where an arrangement with similar effect not

	involving a bankruptcy or insolvency is implemented;
"South Africa"	the Republic of South Africa;
"Specified Currency"	in relation to a Tranche of Notes, subject to Applicable Laws and in the case of Notes listed on the JSE, subject to the rules and applicable debt listings requirements of the JSE, has the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to that Tranche;
"Specified Denomination"	in relation to a Tranche of Notes, has the meaning ascribed thereto in the Applicable Pricing Supplement (Notes) relating to that Tranche;
"Specified Office"	in relation to each of the Issuer, the Issuer Agent and the stabilising manager (if any), the address of the office in respect of such entity as specified in the Applicable Pricing Supplement (Notes), or such other address as is notified by such entity (or where applicable, a successor to such entity) to the Noteholders in accordance with Condition 19 (<i>Notices</i>);
"Statutory Loss Absorption Regime" or "SLAR"	<p>any legal, statutory or regulatory regime or requirement implemented in South Africa which provides the Relevant Authority with (i) special resolution powers in respect of systemically-important- and other financial institutions and/or (ii) the power to implement principal loss absorption measures in respect of capital instruments (such as Additional Tier 1 Capital and Tier 2 Capital) in accordance with Basel III (being the set of minimum global standards for banks issued by the Basel Committee on Banking Supervision in December 2010 and revised in July 2011, or its successor or replacement standard) and which legal, statutory or regulatory regime or requirement so implemented:</p> <ul style="list-style-type: none"> (i) requires the capital instrument to be written off upon the occurrence of a trigger event specified by the Relevant Authority in writing; or (ii) requires the capital instrument to be converted to the most subordinated form of equity of the Issuer; or (iii) otherwise requires the instrument to absorb loss before

tax payers or ordinary depositors are exposed to loss;

“Subordinated Capital Notes”

Subordinated Notes the proceeds of which are intended to qualify as Regulatory Capital in accordance with the relevant Regulatory Capital Requirements;

“Subordinated Indebtedness”

any indebtedness of the Issuer in respect of monies borrowed, including guarantees given by the Issuer in respect of such indebtedness (including indebtedness of the Issuer in respect of the Subordinated Notes), under which the right of payment of the Person(s) entitled thereto is, or is expressed to be, or is required by any present or future agreement of the Issuer to be, subordinated to Concurrent Claims in the event of the dissolution, winding up or liquidation of the Issuer;

“Subordinated Notes”

any Notes (including Subordinated Capital Notes) specified as such in the Applicable Pricing Supplement (Notes), issued, in the case of Subordinated Notes that are not Subordinated Capital Notes, with the status and characteristics set out in Condition 6.2 (*Status of Subordinated Notes that are not Subordinated Capital Notes*), in the case of Subordinated Capital Notes the proceeds of which are intended to constitute Tier 2 Capital, with the status and characteristics set out in Condition 6.3 (*Status of Tier 2 Notes*) and in the case of Subordinated Capital Notes the proceeds of which are intended to constitute Additional Tier 1 Capital, with the status and characteristics set out in Condition 6.4 (*Status of Additional Tier 1 Notes*);

“Tax Event (Deductibility)”

an event where, as a result of a Tax Law Change, 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);
"Tax Event (Gross up)"	an event where, as a result of a Tax Law Change, 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 12 (<i>Taxation</i>), 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);
"Tax Law Change"	in relation to each Note in a Series of Notes, a change or proposed change in, or amendment or proposed amendment to, the tax 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 tax laws or regulations (including a holding by a court of competent jurisdiction), whether or not having retrospective effect, which actual or proposed change or amendment is announced on or after the Issue Date of the first Tranche of such Series of Notes;
"Taxes"	all present and future taxes, duties, imposts, levies, charges, fees, withholdings or deductions of whatever nature imposed, levied, collected, withheld or assessed by, or on behalf of, any governmental, fiscal or other competent authority in South Africa (including any penalty payable in connection with any failure to pay, or delay in paying, any of the same) and " Tax " and " Taxation " will be construed accordingly;
"Tier 2 Capital"	<i>"Tier 2 capital"</i> as defined in the Banks Act;
"Tier 2 Capital Regulations"	Regulation 38(12) of the Regulations Relating to Banks and/or such other provisions of the Regulatory Capital Requirements with which the instruments and/or shares contemplated in that Regulation (including the Tier 2 Notes) must comply in order for the proceeds of the issue of such instruments and/or shares to rank as Tier 2 Capital;

"Tier 2 Noteholder"	a Noteholder of a Tier 2 Note;
"Tier 2 Notes"	Notes specified as such in the Applicable Pricing Supplement (Notes) and complying with the Tier 2 Capital Regulations;
"Tranche"	in relation to any particular Series, all Notes which are identical in all respects (including as to listing);
"Transfer Form"	the written form for the transfer of a Registered Note, in the form approved by the Issuer Agent, and signed by the transferor and transferee;
"Trigger Event"	<p>unless otherwise specified in the Applicable Pricing Supplement (Notes):</p> <ul style="list-style-type: none"> (i) in the case of Subordinated Capital Notes the proceeds of which are intended to qualify as Tier 2 Capital and Subordinated Capital Notes the proceeds of which are intended to qualify as Additional Tier 1 Capital which are accounted for as equity, the occurrence of a <i>"trigger event"</i> specified in the Relevant Authority's Trigger Event Notice by the Relevant Authority as contemplated in Regulations 38(12)(a)(i) and 38(11)(b)(i) of the Regulations Relating to Banks respectively, provided that in each case, the aforesaid <i>"trigger event"</i> shall be the earlier of: <ul style="list-style-type: none"> (a) a decision that a Write Off, without which the Issuer would become non-viable, is necessary as determined by the Relevant Authority; or (b) a decision to make a public sector injection of capital without which the Issuer would become non-viable as determined by the Relevant Authority; and (ii) in the case of Subordinated Capital Notes the proceeds of which are intended to qualify as Additional Tier 1 Capital which are accounted for as liabilities, the first to occur of the following events: <ul style="list-style-type: none"> (a) the occurrence of a <i>"trigger event"</i> specified in the

Relevant Authority's Trigger Event Notice by the Relevant Authority as contemplated in Regulation 38(11)(b)(i) of the Regulations Relating to Banks, provided that the aforesaid "trigger event" shall be the earlier of:

(A) a decision that a Write Off, without which the Issuer would become non-viable, is necessary as determined by the Relevant Authority; or

(B) a decision to make a public sector injection of capital without which the Issuer would become non-viable as determined by the Relevant Authority; and

(b) the Common Equity Tier 1 ratio of the is equal to or falls below the value of risk-weighted exposures set out in Guidance Note 6 (or such other amount of risk-weighted exposures as may from time to time be prescribed in the Regulatory Capital Requirements);

"Uncertificated Note"

a Note that is an uncertificated security as contemplated in the Financial Markets Act, and related expressions have the same meaning;

"Uncertificated Securities Register"

the register of uncertificated securities administered and maintained by the Participant or the CSD, as determined in accordance with the Applicable Procedures, and which forms part of the Register;

"Write Off"

(i) in respect of Tier 2 Notes:

(a) the Tier 2 Notes shall be cancelled (in the case of a write off in whole) or written down in part on a *pro rata* basis (in the case of write off in part), in accordance with the Regulatory Capital Requirements and as determined by the Relevant Authority; and

(b) all rights of any Tier 2 Noteholders for payment of

any amounts under or in respect of the Tier 2 Notes, or the Written Off portion thereof, as the case may be, (including, without limitation, any amounts arising as a result of, or due and payable upon the occurrence of, an Event of Default) shall, as the case may be, be cancelled or written off *pro rata* among the Tier 2 Noteholders and, in each case, not restored under any circumstances, irrespective of whether such amounts have become due and payable prior to the date of the Relevant Authority's Trigger Event Notice and even if the Trigger Event has ceased; and

(ii) in respect of Additional Tier 1 Notes:

- (a) the Additional Tier 1 Notes shall be cancelled (in the case of a write off in whole) or written down in part on a *pro rata* basis (in the case of write off in part), in accordance with the Regulatory Capital Requirements and as determined by the Relevant Authority; and
- (b) all rights of any Additional Tier 1 Noteholders for payment of any amounts under or in respect of the Additional Tier 1 Notes, or the Written Off portion thereof, as the case may be, (including, without limitation, any amounts arising as a result of, or due and payable upon the occurrence of, an Event of Default) shall, as the case may be, be cancelled or written off *pro rata* among the Additional Tier 1 Noteholders and, in each case, not restored under any circumstances, irrespective of whether such amounts have become due and payable prior to the date of the Relevant Authority's Trigger Event Notice and even if the Trigger Event has ceased;

"ZAR"

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

"ZAR-JIBAR-SAFEX"

the mid-market rate for deposits in ZAR for a period of the Designated Maturity which appears on the Reuters Screen

SAFEY Page as at 12h00, Johannesburg time on the relevant date, or any successor rate; and

"Zero Coupon Notes"

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. INTERPRETATION

2.1. In these Note Terms and Conditions:

- 2.1.1. if an expression is stated in Condition 1 (*Definitions*) to have the meaning given in the Applicable Pricing Supplement (Notes), but the Applicable Pricing Supplement (Notes) gives no such meaning or specifies that such expression is "*not applicable*" then such expression is not applicable to the relevant Tranche of Notes;
- 2.1.2. any reference to any statute, regulation or other legislation will be a reference to that statute, regulation or other legislation as at the Programme Date and as amended, re-enacted or replaced and substituted from time to time; and
- 2.1.3. any reference to "*Currency*" or "*currency*" means the lawful currency from time to time of a country.

2.2. Unless inconsistent with the context or save where the contrary is expressly specified in the Note Terms and Conditions:

- 2.2.1. references to any Condition are to that Condition of the Note Terms and Conditions;
- 2.2.2. words denoting the singular only will include the plural also and *vice versa*, words denoting one gender only will include the other genders and words denoting persons only will include firms and corporations and *vice versa*;
- 2.2.3. a "subsidiary", "wholly-owned subsidiary" or "holding company" shall be interpreted in accordance with section 1 of the Companies Act;
- 2.2.4. the use of the word "*including*" followed by a specific example/s will not be construed as limiting the meaning of the general wording preceding it and the *ejusdem generis* rule will not be applied in the interpretation of such general wording or such specific example/s. Such references to "*including*" and "*in particular*" will not be construed restrictively but will mean "*including, without*

prejudice to the generality of the foregoing" and *"in particular, but without prejudice to the generality of the foregoing"* respectively;

- 2.2.5. any reference to days (other than a reference to Business Days), months or years will be a reference to calendar days, months or years, as the case may be;
- 2.2.6. where any number of days is to be calculated from a particular day, such number shall be calculated as inclusive of the first day and exclusive of the last day. If the last day of such number so calculated falls on a day which is not a Business Day, the last day shall be deemed to be the immediately preceding day which is a Business Day.
- 2.3. If any provision in a definition in the Note Terms and Conditions is a substantive provision conferring a right or imposing an obligation on any party then, notwithstanding that it is only in a definition, effect shall be given to that provision as if it were a substantive provision in the body of the Note Terms and Conditions.
- 2.4. Headings and sub-headings in the Note Terms and Conditions are inserted for convenience only.
- 2.5. Where any term is defined within a particular Condition, that term shall bear the meaning ascribed to it in that Condition wherever it is used in the Note Terms and Conditions.
- 2.6. The rule of construction that, in the event of ambiguity, a contract shall be interpreted against the party responsible for the drafting thereof shall not be applied in the interpretation of the Note Terms and Conditions.

3. **ISSUE**

- 3.1. The Issuer may, at any time and from time to time (without the consent of any Noteholder, but subject to the prior consent of the Relevant Authority if and to the extent required by Applicable Law), issue one or more Tranche(s) of Notes pursuant to the Programme, provided that the aggregate outstanding Nominal Amount of all of the Notes (including Notes issued under the Programme pursuant to the Previous Programme Memoranda) and the aggregate Calculation Amount (as defined in the Programme Preference Share Terms and Conditions) of all of the Programme Preference Shares (including Programme Preference Shares issued under the Programme pursuant to the 2013 Programme Memorandum) issued under the Programme from time to time does not exceed the Programme Amount.
- 3.2. 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 a Tranche of Notes which are the Note 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 (Notes) relating to that Tranche of Notes.

- 3.3. The applicable Note Terms and Conditions of a Tranche of Notes are incorporated by reference into the Individual Certificate(s) (if any) representing the Notes in that Tranche. The Applicable Pricing Supplement (Notes) relating to a Tranche of Notes issued in certificated form will be attached to the Individual Certificate(s) representing the Notes in that Tranche.
- 3.4. Copies of the Applicable Pricing Supplement (Notes) are available for inspection at the Specified Office of the Issuer.

4. **FORM**

4.1. General

- 4.1.1. A Tranche of Notes may be issued in the form of listed or unlisted Registered Notes, as specified in the Applicable Pricing Supplement (Notes).
- 4.1.2. A Tranche of Notes will comprise Senior Notes or Subordinated Notes, as indicated in the Applicable Pricing Supplement (Notes). Any Note issued, whether a Senior Note or a Subordinated Note, may, subject to the Regulatory Capital Requirements in the case of Subordinated Capital Notes, be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Indexed Note, a Mixed Rate Note, an Instalment Note, a Partly Paid Note, an Exchangeable Note or a combination of any of the foregoing or such other type of note as may be approved by the JSE, or its successor, or such other or further Financial Exchange(s), as may be determined by the Issuer, as indicated in the Applicable Pricing Supplement (Notes).
- 4.1.3. A Tranche of Notes may be listed on the JSE or on such other or further Financial Exchange(s) as may be determined by the Issuer, subject to any Applicable Law. Unlisted Notes may also be issued under the Programme. Unlisted Notes are not regulated by the JSE. The Applicable Pricing Supplement (Notes) will specify whether or not a Tranche of Notes will be listed, on which Financial Exchange(s) they are to be listed (if applicable) and, if such Tranche of Notes is to be listed on the JSE, the relevant platform or sub-market of the JSE on which such Tranche of Notes is to be listed.

4.2. Registered Notes

A Tranche of Registered Notes will be represented by (i) Individual Certificates, as contemplated in Condition 4.2.1 (*Notes issued in certificated form*), or (ii) no Individual Certificate and held in uncertificated form in the CSD, as contemplated in Condition 4.2.2 (*Notes issued in uncertificated form*), as specified in the Applicable Pricing Supplement (Notes). The CSD will hold the Notes subject to the Financial Markets Act and the Applicable Procedures.

4.2.1. Notes issued in certificated form

Each Tranche of Registered Notes may, subject to Applicable Law and the Applicable Procedures, be issued in certificated form.

All Registered Notes issued in certificated form will be represented by Individual Certificates and a Register of Noteholders will be maintained. A Registered Note which is represented by an Individual Certificate may be replaced by uncertificated securities in terms of section 33 of the Financial Markets Act.

4.2.2. Notes issued in uncertificated form

A Tranche of Registered Notes which is listed on the JSE must, subject to Applicable Laws and the Applicable Procedures, be issued in uncertificated form in terms of section 33 of the Financial Markets Act. Registered Notes issued in uncertificated form will (i) be held in the CSD and (ii) not be represented by any certificate or written instrument.

4.2.3. Beneficial Interests in Notes held in the CSD

A Tranche of Registered Notes which is listed on the JSE will be issued in uncertificated form and held in the CSD. A Tranche of uncertificated unlisted Registered Notes may also be held in the CSD.

The CSD will hold Registered Notes issued in uncertificated form subject to the Financial Markets Act and the Applicable Procedures.

All amounts to be paid in respect of Registered Notes held in the CSD will be paid to the CSD and all rights to be exercised in respect of Registered Notes held in the CSD may be exercised only, in each case, in accordance with the Applicable Procedures.

A holder of an uncertificated Registered Note or Beneficial Interest therein shall only be entitled to exchange such holding for Registered Notes represented by