

# **WARRANT AND NOTE PROGRAMME**

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## **Investec Bank Limited**

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# IMPORTANT NOTICE

## General

Under the terms of this Warrant and Note Programme (the “Programme”), the Issuer may from time to time issue Warrants and Debt Securities of any kind (both listed and unlisted) including, but not limited to Equity and Index Warrants, Preference Shares, Bonds Notes and Equity Structured Products (“Products”). Each issue will be issued on the terms set out herein which are relevant to such Products and under the conditions and on such additional terms as will be set out in the Supplement which, with respect to the Products that are to be listed on a stock exchange, will be delivered to such stock exchange on or prior to the date of listing of such Products in accordance with the relevant requirements relating to the listing of the Products on such stock exchange.

This document is to be read and construed in conjunction with any amendment or supplement hereto, with any Supplement and with all documents which are deemed to be incorporated herein (see “Documents Incorporated by Reference: in paragraph 15 of Section 4 of this Document) provided that any such amendment or Supplement and any such document incorporated herein by reference shall not form part of the Particulars.

Application shall be made to the JSE Limited (“JSE”) for Products to be issued under the Programme during the effective period of this Programme and for same to be admitted to the Official List of the JSE. The Programme provides that Products may be listed on any other stock exchange(s).

In connection with the listing of Products on the JSE, the Issuer confirms that Products which are listed on the JSE shall conform to Section 19 of the JSE Listing Requirements and the Debt Listing Requirements (the “Listing Requirements”). The Issuer confirms that if at any time after the publication of the Particulars:

- a) there is a significant change affecting any matter contained in the Particulars, inclusion of which was required by the Listing Requirements, or by the JSE; or
- b) a significant new matter arises, the inclusion of information with respect to which would have been so required if it had arisen when the Particulars were prepared;

the Issuer shall give to the JSE Listing Division full information about such change or matter and shall publish supplementary particulars as may be required by the JSE (in a form approved by the JSE Listing Division), and shall otherwise comply with the Listing Requirements in that regard.

In connection with the issue and sale of the Products, no person is authorised to give any information or to make any representation not contained in the Programme. The Issuer does not accept any responsibility for any information not contained herein. Neither the delivery of the Programme nor any sale made hereunder shall, in any circumstances, create any implication that there has been a change in the affairs of the Issuer or in any other information contained herein since the date hereof.

The distribution of the Programme and the offering of the Products in certain jurisdictions may be restricted by law. Persons into whose possession the Programme comes are required by the Issuer to inform them about and to observe any such restrictions. The Programme does not constitute, and may not be used for the purposes of, an offer or solicitation by any one in any jurisdiction in which offer or solicitation is not authorised or to any person to whom it is unlawful to make offer or solicitation, and no action is being taken to permit an offering of the Products or the distribution of the Programme or any Supplement thereto in any jurisdiction where action is required.

## **Nature of the Warrants**

The Warrants represent general, unsecured, unsubordinated, contractual obligations of the Issuer and rank *pari passu* in all respects with each other. Purchasers are reminded that the Warrants constitute obligations of the Issuer only and of no other persons. Therefore potential purchasers should understand that they are relying solely on the creditworthiness of the Issuer.

## **Nature of the Equity Structured Products**

The Equity Structured Products represent general, unsecured, unsubordinated, contractual obligations of the Issuer and rank *pari passu* in all respects with each other. Purchasers are reminded that the Equity Structured Products constitute obligations of the Issuer only and of no other persons, unless otherwise provided in a Supplement. Therefore potential purchasers should understand that they are relying solely on the creditworthiness of the Issuer.

## **Nature of Exchange Traded Notes**

Exchange Traded Notes are contractual obligations traded on the JSE. Their performance is linked to the value of a given underlying index or share or share basket. Each Holder of an Exchange Traded Note is entitled to payment of a Cash Settlement Amount calculated in accordance with a formula set out in the relevant Pricing Supplement. Note Holders are not entitled to receipt of the underlying index, share or share basket.

## **United States Registration**

The Products have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended, and trading in the Products has not been approved by the U.S. Commodity Futures Trading Commission under the U.S. Commodity Exchange Act. The Products, or interests therein, may not be offered, sold, or delivered directly or indirectly within the United States or to, or for the account of or benefit of U.S. persons, nor may any U.S. persons at any time trade, or maintain a position in, the Products.

## **JSE Limitation**

The JSE takes no responsibility for the contents of this Programme Memorandum, the Applicable Pricing Supplements, or the annual report (as amended or restated from time to time), makes no representation as to the accuracy or completeness of any of the foregoing documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of this Programme Memorandum, the Applicable Pricing Supplements, or the annual report (as amended or restated from time to time). The Issuer shall accept full responsibility for the accuracy of the information contained in this Programme Memorandum, the Applicable Pricing Supplements, and the annual report (as amended or restated from time to time), except as otherwise stated herein.

## **Responsibility**

The Issuer accepts full responsibility for the information contained in the Applicable Pricing Supplement. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case) the information contained in this Applicable Pricing Supplement is in accordance with the facts and does not omit anything which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made. This Applicable Pricing Supplement contains all information required by law and the debt listings requirements of the JSE.

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Investec Securities Limited  
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Reference in this section of Programme to the Conditions are to the section of this Programme headed “Terms and Conditions”. All capitalised terms not defined in Section 1 of the Programme are defined in the Conditions to which reference should be made.

## Section 1 Definitions and Interpretation

The following definitions shall apply to this Programme, save as amended in the related Supplement.

**“Actual Exercise Date”** means subject to Condition 4.5, the date on which a valid Exercise Notice is received or deemed under Condition 5 to be received;

**“American Product”** means a Products which can be exercised on any day during the Exercise Period;

**“Automatic Exercise”** means the exercise of a Product on a date stipulated in the Supplement without the delivery of an Exercise Notice;

**“Barrier Level”** means a Level predetermined by the Issuer and referred to in the Supplement;

**“Bermudan Warrant”** means a Product which can be exercised on specific dates as referred to in the Supplement;

**“Breaching of Barrier”** a Barrier is deemed to have been breached if, subject to the Supplement, on any Business Day up to and including the Expiration Date, the closing price of the Underlying Parcel as quoted on the JSE Limited is equal to or less than the Barrier Level in the case of a Call Warrant or is equal to or more than the Barrier Level in the case of a Put Warrant.

**“Business Day”** means a day (other than a Saturday or Sunday) on which banks are open for business in Johannesburg and the Issuer’s CSDP, the Product holder’s CSDP and the JSE are open for business;

**“Calculation Agent”** means, unless and until another person is appointed as such under Condition 8.6, Investec Bank Limited;

**“Cash Settlement Amount”** means the amount determined as such by the Calculation Agent under Condition 5.9 to 5.11;

**“Cash Settlement Date”** means, in relation to an Exercise Date, a date five (5) Business Days after the Valuation Date;

**“Closing Price Level”** means:

- (a) in relation to Index Warrants (i) the final “Expiry Price” in respect of the Index quoted by SAFEX on the Expiration Date; or (ii) if that price is not published, the “Closing Price” in respect of the Index quoted by the JSE on the Expiration Date; or (iii) if neither of these prices is published and the Index is a Substituted Index, the final price on the Expiration Date of the Substitute Index published by the person who publishes the Index; or (iv) if none of these prices is published, the final price of the index on the Expiration Date as calculated by the Calculation Agent; and
- (b) in relation to Equity Warrants the Volume Weighted Average Price in respect of the Underlying Parcel on the Expiration Date;

**“Company”** means one of the companies specified in any Supplement;

**“Conditions”** means, as the context requires, the Terms and Conditions of the Products in Section 2 of the Offering Circular or in the Technical Supplement;

**“Controlled Warrant holder”** means a Holder not appointing its own CSDP, but utilising the services of their Member’s CSDP;

**“Cover rate”, “strike ratio” and Conversion ratio** means the ratio that determines the number of warrants required to be exercised in relation to the underlying security/ies provided that, in respect of call warrants, no warrant may on exercise thereof entitle the warrant holder to delivery of more than one underlying security and, in respect of put warrants, no warrant shall on exercise thereof oblige the warrant holder to deliver more than one underlying security;

**“CSDP”** means a depository institution accepted by Strate as a participant in terms of the Custody and Administration of Securities Act, 1992 (or any successor legislation);

**“Debt Securities”**, means and Debt Securities as defined in the Debt Listings Requirements of the JSE, as amended from time to time

**“Delivery”**, means in the case of Certificated Warrants, delivery of the Certificate together with such other documents as may be necessary to entitle the transferee to become the Holder, and in all other cases the electronic transfer of the Warrant by the relevant CSDP in accordance with the rules of Strate into the Certificated Warrants Account of the transferee, and “Deliver” shall have a analogous meaning;

**“this Document”** means this document, dated 20 December 2009, as amended from time to time;

**“Dividend”** means all the ordinary dividends declared and paid by the issuer of the Underlying Share.

**“European Product”** means a Product which is exercisable only on the Last Day for Exercise;

**“Equity Series”** means Products relating to a Share specified in the Supplement;

**“Equity Structured Products”** means one of the specialist securities created under the Technical Supplement and incorporated into this Programme by way of a Supplement;

**“Equity Warrant”** means Products issued over a Share specified in the Supplement;

**“Exercise Date”** means, in respect of a Product, the date during the Exercise Period that the Product is exercised or deemed to be exercised in accordance with the Conditions;

**“Exercise Expenses”** means all STT, stamp duty and other direct costs and charges (not including the Issuer’s administration costs) of transferring one Underlying Parcel to a Holder following exercise of the Specified Number of Warrants which, unless the Issuer notifies Holders that a higher amount is applicable before the Actual Exercise Date in relation to a Warrant, may be assumed by the Holder to be 0.25% of the Exercise Price for each Specified Number of Warrants exercised;

**“Exercise Notice”** means a notice in the form or substantially in the form of Schedules 1 and 2 to the Conditions delivered in accordance with the provisions of Condition 4.2;

**“Exercise Period”** means in relation to Products the period commencing on the date specified in the Supplement and ending at the close of trading on the JSE one Business Day prior to the Expiration Date;

**“Exercise Price”** in relation to an Equity Series means the amount per Specified Number of Warrants as set out in the Supplement and in relation to a Index Series or Series means the price per Index Warrant as set out in the Supplement;

**“Expiration Date”** in relation to a Series means the Expiration Date as set out in the Supplement;

**“Holder”** or **“Warrant Holder”** in relation to a Warrant means the person whose name is entered in the Register as the holder of that Warrant;

**“Index”** means the relevant Index as specified in the Supplement over which Index Products are offered in terms of this circular and, unless the context otherwise requires, includes any Substitute Index;

**“Index Level”** at any time means the level of the Index at that time as published by the person who publishes the Index or otherwise, such publication as determined by the Issuer;

**“Index Multiplier”** is used to convert an Index Level to a Rand value as specified in the Supplement;

**“Index Series”** means Products relating to an Index specified in the Supplement;

**“Index Warrants”** means Products issued over an Index specified in the Supplement;

**“Issuer”** means Investec Bank Limited;

**“Issuer’s CSDP”** means FNB Custody Services, a division of FirstRand Bank Limited

**“JSE”** means JSE Limited, a company duly registered and incorporated with limited liability under the company laws of the Republic of South Africa under registration number 2005/022939/06, licensed as an exchange under the Securities Services Act, 2004”.

**“Last Day for Exercise”** means either the last day of the Exercise Period for American Products or no later than the close of trading on the JSE one Business Day prior to the Expiration Date for European Products;

**“Market Disruption Event”** means, subject to the approval of the JSE, any event or circumstances, including, without limitation, any suspension or limitation of trading affecting any Shares, which in the opinion of the Calculation Agent, on any Business Day, results or would result in such Shares being unavailable for purchase, transfer or delivery on an arms length basis on the JSE;

**“Maximum Exercise Number”** means, except on the Expiration Date, 1,000,000;

**“Member”** means an entity admitted to membership of the JSE under the JSE rules, as published from time to time;

**“Minimum Exercise Number”** means, except on the Expiration Date, 100;

**“Non-Controlled Warrant holder”** means a Warrant holder appointing its own CSDP and not utilising the CSDP of its Member;

**“Programme”** means, this Document together with all schedules, annexures and appendices thereto;

**“Particulars”** means the particulars contained in this Programme which are issued in compliance with the listings rules made by the JSE for the purpose of giving information with regard to the Issuer and the issue of Products to be listed on the JSE by the Issuer during the period that this Programme is effective;

**“Reference Currency”** means South African Rands (ZAR), unless otherwise specified in the applicable Supplement;

**“Register”** means the aggregate of the register of Certificated Warrant holders kept and maintained by the Issuer’s CSDP and/or the Sponsor as envisaged in these Conditions, together with the



individual sub-registers as maintained by the respective CSDPs for purposes of maintaining a record of interests of Holders (from time to time);

“**SAFEX**” means the Derivatives Division of the JSE (formerly known as the South African Futures Exchange);

“**Securities Account**” means the account maintained by a CSDP for and on behalf of the holder of dematerialised securities in terms of the rules of Strate, which account reflects the interests of such holder in dematerialised securities, which may include but is not limited to the Uncertificated Warrant Account;

“**Series**” means a particular Product issuance, a similar issuance of which may follow in the future;

“**Settlement Date**” means, in relation to each Exercise Date, the date upon which the Shares would be settled as if traded through the Trading System on the Exercise Date;

“**Settlement Disruption Event**” means an event which in the opinion of the Calculation Agent, is both beyond the reasonable control of the Issuer and which precludes the Issuer from making delivery of the Underlying Parcel as would have been required (if the event had not occurred) by the Conditions;

“**Settlement Price**” in relation to a Specified Number of Warrants, means the Closing Price Level of the Underlying Parcel, or if no Closing Price Level is available for the Underlying Parcel, the value of the Underlying Parcel on the Valuation Date determined by the Calculation Agent as the sum of the weighted average traded prices of all items of property comprising the Underlying Parcel on the JSE in the ordinary course of business on the Valuation Date, except that where in the opinion of the Calculation Agent a price cannot reasonably be determined for any such item of property for any reason, the value of that item of property shall be the fair market value as determined by the Calculation Agent;

“**Share**” in relation to a Series means the relevant shares in a Company specified in the Supplement over which Products are offered in terms of this document;

“**Specified Number**” in relation to an Equity Series means, subject to adjustment in certain conditions, the number specified in the Supplement as such in relation to that Equity Series and is the number of Equity Warrants that constitutes one Underlying Parcel;

“**Sponsor**” means Investec Securities Limited and/ or Investec Bank Limited;

“**Stop Loss Level**” has the same definition as “Barrier Level”;

“**Strate**” means the Central Securities Depository known as *Share Transactions Totally Electronic Limited* and which operates the electronic share settlement and clearance system as implemented by the JSE;

“**Strike Price**” means the level of the relevant Index or share or Index Basket or Shares Basket and as specified in the Schedule;

“**STT**” means Securities Transfer Tax within the meaning of the Securities Transfer Tax Act No. 25 of 2007, as amended, substituted or replaced from time to time;;

“**Sub-register**” means the record of Uncertificated Products administered and maintained by a CSDP, which forms part of the Register;

“**Substitute Index**” in relation to an Index Product means an Index replacing the Index over which Index Products have been issued in terms of this Programme;

**“Supplement”** means the supplement prepared in connection with any issue of Products listed on the JSE, and any other supplement to the Particulars, which will comprise supplementary particulars in respect of any new type of Product;

**“Takeover Regulations”** means the regulations made by the Minister in terms of sections 120 and 223 of The Companies Act No 71 of 2008 as amended;

**“Technical Supplement”** means the Technical Supplement for Equity Structured Products governing the issue of any Equity Structured Product, attached to this Programme as Schedule 3;

**“Trading System”** means the trading system operated by the JSE for the trading of equity instruments listed on the JSE or any successor trading system utilised by the JSE for this purpose;

**“Uncertificated Warrant”** means a Warrant not evidenced by a Warrant Certificate, and which is electronically transferred by the relevant CSDP;

**“Uncertificated Warrant Account”** means an account kept by, or on behalf of, a CSDP for a Warrant holder reflecting the number and/or nominal value of Uncertificated Warrants deposited with the relevant CSDP, and all entries made in respect of such Uncertificated Warrants relating to such Warrant holder;

**“Underlying Asset”** means, in relation to Equity Products, the relevant Underlying Shares and in relation to Index Products, the relevant underlying Index;

**“Underlying Parcel”** means, in relation to a Specified Number of Equity Warrants in a Series initially one unit of the relevant Underlying Asset (subject to adjustment under Condition 14);

**“Underlying Share/s”** in relation to Equity Products means shares in the Company/ies specified in the Supplement;

**“Valuation Date”** means:

- (a) in respect of American Products, the first Business Day following the Actual Exercise Date of the relevant Product;
- (b) in respect of European Products, the Expiration Date; and
- (c) in respect of Bermudan Products, the first Business Day following the Actual Exercise Date of the relevant Product, according to the Exercise Dates specified in the Supplement

provided that, in respect of either American Products, European Products and Bermudan Products, if, in the opinion of the Calculation Agent, a Market Disruption Event has occurred on that day, in which case the Valuation Date shall be the first succeeding Business Day on which there is no Market Disruption Event, unless there is a Market Disruption Event occurring on each of the five Business Days immediately following the original date which (but for the Market Disruption Event) would have been the Valuation Date, in which case the fifth Business Day following to the Actual Exercise Date shall be the Valuation Date;

**“Volume Weighted Average Price”** means a price, as determined by the Calculation Agent in its sole determination, achieved by dividing the total value of the Underlying Shares traded on the JSE by the total volume of the Underlying Shares traded on the JSE during the same period. Any transactions in the Underlying Shares representing transactions not entered into directly through the Trading System but which are subsequently captured into the Trading System shall be excluded for the purpose of determining the volume weighted average price. In making such determination, the Calculation Agent shall determine whether a transaction should be included or omitted for this purpose;

**“Warrant/s”** means one of the securities created under the Conditions and includes (but shall not be limited to) Index Warrants and Equity Warrants or any other type of Warrant incorporated into this Programme by way of a Supplement;

**“Warrant Certificate”** means a certificate evidencing Warrants issued by or on behalf of the Issuer in respect of Certificated Warrant holders entitling such Warrant holders to the rights as against the Issuer as provided for in these Terms and Conditions;

**“Warrant holder’s CSDP”** means either a Warrant holder’s chosen CSDP (for Non-Controlled Warrant holders) or the CSDP of the Warrant holder’s Member (for Controlled Warrant holders);

## **Section 2**

### **Introduction to Warrants**

#### **What is a Warrant?**

Warrants are contractual obligations traded on the JSE. Their performance is linked to the value of a given underlying index or share. Equity Warrants are issued over an Underlying Share and give the Holder the right to buy (in the case of Call Warrants) or sell (in the case of Put Warrants) those Underlying Shares. All Warrants offered under this Programme are Call or Put Warrants, and the term “Warrant” should be read accordingly.

A Holder of American Style Warrants is entitled, but not obliged, by giving an Exercise Notice and paying the Exercise Price and Exercise Expenses before the Expiration Date, to receive in the case of Equity Warrants, an Underlying Parcel (or the Cash Settlement Amount as set out in the Conditions), on the Settlement Date.

A Holder of European Style Warrants is entitled, but not obliged, by giving an Exercise Notice and paying the Exercise Price and Exercise Expenses on or before the Expiration Date, to receive, in the case of Equity Warrants, the Underlying Parcel for each Specified Number (or the Cash Settlement amount as set out in the Conditions); or in the case of Index Warrants the Cash Settlement Amount (if any), on the Settlement Date.

In the case of Index Warrants, exercise is automatic on the Expiration Date and a Holder of an Index Warrant need not give an Exercise Notice in order to receive the Cash Settlement Amount (if any).

#### **Underlying Parcel**

The Underlying Parcel is initially one unit of the relevant Underlying Share. Subject to JSE approval, it may be adjusted in certain circumstances, such as a bonus or rights issue, a cash return of capital, a reconstruction of capital, or a call or put on shares.

#### **What is a Put Warrant?**

Put Warrants are financial instruments entitling the Holder to receive a Cash Settlement Amount equal to the amount (if any) by which the price of the relevant Underlying Shares or Index is less than the Exercise Price on the Valuation Date, or in the case of Equity Warrants, to sell the Underlying Parcel to the Issuer at the Settlement Price.

#### **What is a Call Warrant?**

Call Warrants are financial instruments entitling the Holder to receive a Cash Settlement Amount equal to the amount (if any) by which the price of the relevant Underlying Shares or Index is greater than the Exercise Price on the Valuation Date, or in the case of Equity Warrants, to buy the Underlying Parcel from the Issuer at the Settlement Price.

#### **What are Index Warrants?**

Index Call Warrants are financial instruments that give the Holder of the Specified Number of Warrants of a Series the right to receive a Cash Settlement Amount that reflects the value by which the Settlement Price in respect of that Index exceeds the Exercise Price in respect of that Index. Index Put Warrants are financial instruments that give the Holder of the Specified Number of Warrants of a Series the right to receive a Cash Settlement Amount that reflects the value by which the Settlement Price in respect of that Index is lower than the Exercise Price in respect of that Index.

## **What are Barrier Warrants?**

Barrier Warrants are securities that give the Holder of the Specified Number of Warrants of that Series the right to buy or sell one Underlying Parcel from the Issuer.

The Barrier Warrants can be exercised only during the Exercise Period, provided that the Barrier Level has not been breached.

If, on any Business Day up to and including the Expiration Date, the closing price of the Underlying Parcel as quoted on the JSE Limited is equal to or less than the Stop-Loss Level in the case of a Call Warrant and equal to or more than Stop-Loss Level in the case of a Put Warrant, the Barrier Warrant will automatically lapse.

The Terms of the Barrier Warrants are set out in Section 4 of this Programme.

## **What are Basket Warrants?**

Basket Warrants are warrants comprising a Basket of shares from a group of companies as the underlying securities. Basket warrants provide investors with the opportunity to benefit from the performance of a selected group of companies or a particular sector.

## **What are Enhanced Dividend Securities (“EDS”)?**

EDS are Warrants that confer the following rights on the Holder:

1. The right to buy one Underlying Parcel from the Issuer; and
2. The right to the Dividends to which the holder of an Underlying Parcel would normally be entitled.

The Warrant Holder benefits by paying a fraction of the share price and is entitled to the same dividends that would normally accrue to holders of the underlying share.

## **What are Hot Enhanced Dividend Securities (“HOT EDS”)?**

HOT EDS are Warrants that confer the following rights on the Holder:

1. The right to buy one Underlying Parcel from the Issuer; and
2. The right to the Dividends to which the holder of an Underlying Parcel would normally be entitled.

The Warrant Holder benefits by paying a fraction of the share price and is entitled to the same dividends that would normally accrue to holders of the underlying share.

The strike price and barrier will be higher on the HOT EDS than the strike price and barrier of the EDS.

## **What are Variable Strike Warrants?**

Variable Strike Warrants are essentially vanilla call warrants with the following distinguishing features;

- the maturity date is extended longer than the average warrant
- the Strike Price is a floating amount rather than a fixed amount
- the Strike Price is initially set at 50% of spot on the issue rate but then is recalculated each day
- the floating strike is recalculated each day using a formula that is set out in the Pricing Supplement. Under the formula the Strike Price increases by an interest rate and reduces by the gross amount of the distributions paid by the underlying security
- If the distributions are greater than the interest charges, the Warrant Strike will reduce over time. If they are smaller then the Warrant Strike will increase
- If the Strike Price falls to R0.01 the Warrant will automatically exercise and the Holder will acquire the underlying share
- the Holder will not be eligible to receive any distributions or dividends paid by the underlying company

## **What are Reverse Securities (“REVS”)?**

Reverse Securities (REVS) are tradable instruments which provide moderately geared exposure to declining markets.

- They give investors the right to sell the underlying asset at the exercise price on the maturity date.
- REVS are “deep in the money” put options, meaning that the price of the underlying asset is much lower than the exercise price which is set at issue date. The price of REVS will therefore directly track the inverse performance of the underlying security on a one for one basis.
- As “deep in the money” put options have more intrinsic value than conventional “at the money” options, they are only moderately geared and therefore less sensitive to volatility adjustments and time decay.

## **Characteristics of Warrants**

**Warrants are leveraged investment instruments. Warrants can provide exposure to an Underlying Share or Index for a fraction of the cash required to hold the relevant Shares or Shares representing an Index.**

**The value of call Warrants tends to rise if the value of the Underlying Shares or Index increases, and tends to fall if the value of the Underlying Shares or Index decreases. Such increase and decrease in the value of the Underlying Shares or Index are likely to be magnified, in percentage terms, in the Warrant price.**

## **Adjustments to the Exercise Price and Barrier Level**

The Exercise Price may be adjusted in certain circumstances. The Barrier Level may also be adjusted in certain circumstances, as set out in the Terms and Conditions in Section 4. The adjustments are designed with the intention that neither the Holder nor Issuer is disadvantaged in such circumstances.

## **Adjustments to Indices**

The constituent shares and the weightings within a JSE Index may be adjusted from time to time by the JSE. Generally, where this is done in accordance with the current rules applying to an Index, no changes will be made to the Conditions of the Warrants. In the event, however, that there are material changes made to the structure or method of calculation of an Index, an adjustment may be

made to the Conditions of the Index Warrants, subject to the approval of the JSE, so as to reflect, as far as possible, the structure and method of calculation of the Index at the date of this Programme. The adjustments will be designed with the intention that neither the Holder nor Issuer is disadvantaged in such circumstances. Adjustments are discussed further in Section 4.

## **Dividends and Voting Rights in respect of Underlying Shares**

Holders of Equity Warrants (subject to the Calculation Agent's discretion) are not entitled to dividends or rights (including voting rights) in respect of the Underlying Parcel, except that following the exercise of Warrants which are physically settled, all dividends on the relevant Shares to be delivered shall be payable to the party that would receive such dividend according to market practice for a sale of the Shares executed on the Exercise Date and to be delivered in the same manner as such Underlying Parcel.

## **Taxation**

Purchasing, holding, selling and exercising Warrants may have income tax implications for investors. The tax consequences will depend on the particular circumstances of each Holder. Potential investors should seek their own independent advice relating to their own circumstances prior to making any investment decision.

## **Delivery of Conditions**

The Terms and Conditions of the Warrants will be delivered to the JSE Limited on or prior to the date of listing of the Warrants.

## **Delivery of Underlying Parcel**

In the case of Equity Call Warrants, the Warrants may, at the Issuer's discretion, entitle the Holder thereof to receive Delivery of the Underlying Parcel against payment of a specified sum (subject to the Cash Settlement provisions), all as set out in the Conditions. In the case of Equity Put Warrants, the Warrants may, at the Issuer's discretion, entitle the Holder thereof to Deliver to the Issuer the Underlying Parcel, against payment by the Issuer of a specified sum (subject to the Cash Settlement provisions), all as set out in the Conditions.

## **Contents of Programme**

This Programme, any amendments and/or supplements thereto, the applicable Pricing Supplements relating to any issue of listed Notes and the audited annual financial statements of the Issuer are also available on the Issuer's website [www.investec.co.za](http://www.investec.co.za) In addition, this Programme, any amendments and/or supplements thereto and the applicable Pricing Supplements relating to any issue of listed Notes will be filed with the JSE which will publish such documents on its website at <http://www.jse.co.za>.

The Programme, Pricing Supplements and amendments may be obtained from the Issuers offices.

This Programme is available only in the English language..

Subject to the further provisions of this Programme, the Issuer accepts responsibility for the information contained in this document. The Issuer further confirms that any conditions or restrictions imposed by the South African Reserve Bank in respect of the listing of the warrants have been, and shall be, adhered to by the Issuer.

To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

## **Role of Company**

The information contained herein or in any Supplement with respect to the Companies, where applicable, consists of extracts from, or summaries of, information that is publicly available. The Issuer accepts responsibility for accurately reproducing such extracts or summaries. The Issuer accepts no further or other responsibility for such information. The Companies have not been involved in the production of this Programme and accordingly make no representation or warranty with respect thereto.



## **Information and Representations**

No person is authorised to give any information or to make any representation not contained in, or consistent with, this Document or any other information supplied in connection with this Programme and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer.

This Document does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation and no action is being taken to permit an offering of the Warrants or the distribution of this Document in any jurisdiction where any such action is required.

This Document is to be read and construed with all documents which are deemed to be incorporated herein by reference. This Programme constitutes a placing document under the terms of the Listing Requirements made by the JSE for the purpose of giving information with regard to the Issuer and in connection with the issue of Warrants.

## **Rights of Holders**

The Warrants create rights, but until Exercise do not impose any obligations on the Holder. In the absence of exercise, any obligation on the Issuer to pay any amount or deliver any Shares to any Holder is subject to limitations. The Warrants shall be exercisable in the manner set out herein.

## **Affected Transactions and Take-overs**

Any person who holds Warrants and who is, or may become a substantial holder of Shares should consider the provisions of Chapter 5 of the Companies Act No 71 of 2008 and the Takeover Regulations.

Holders of the Warrants should note that if an offer is made to acquire all or to acquire substantially all of the Shares or a take-over offer is made otherwise with respect to the Shares, a Holder may be unable to participate in such offer.

The Issuer gives no undertaking, assurance or guarantee with respect thereto. Should compulsory acquisition or anything similar thereto take place, the Warrants shall lapse with effect from the date thereof.

## **Placement Size**

There is no obligation upon the Issuer to sell all or any particular number of the Warrants.

## **Role of JSE**

The fact that the JSE has approved listing of the Warrants is not to be taken in any way as an indication of the merits of the Issuer or of the Warrants. The JSE has not verified the accuracy or truth of the contents of this Programme and takes no responsibility for the contents of this Programme.

In listing the Warrants, the JSE has not authorised or caused the making of offers or invitations with respect to the Warrants. To the extent permitted by law, the JSE shall be under no liability for any claim of whatever kind, including a claim for any financial or consequential loss or damage suffered by any Holder of Warrants or any other person, where that claim arises wholly or substantially out of

-

- reliance on any information contained in this Programme; or

- any error in, or omission from, this Programme.

Claims against the JSE Guarantee Fund, established in terms of Section 30 of the Stock Exchanges Control Act 1985, as amended, may only be made in respect of trading in Warrants on the JSE, and can in no way relate to the issue of Warrants by the Issuer.

## **Registration and Transfer**

Only persons registered in the Register (as defined) shall be recognised as Holders of the Warrants.

Transfers of Warrants will only be recognised when the proposed transferee of such Warrants is entered into the Register by the Sponsor (in the case of Certificated Warrants), or by the relevant Issuer's CSDP or Warrant holder's CSDP (in the case of Uncertificated Warrants).

## **Limitations on Use of Programme**

Neither this Programme nor any other information supplied in connection with the issue -

- is intended to provide the basis of any credit or other evaluation; or
- should be considered as a recommendation by the Issuer that any recipient of this Programme or any other information supplied in connection with the issue should purchase any Warrants.

Each investor contemplating purchasing any Warrants should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Programme nor any other information supplied in connection with the Issue of Warrants constitutes an offer or an invitation by or on behalf of the Issuer or any person to subscribe for or to purchase any Warrants.

The delivery of this Programme does not at any time imply that the information contained herein is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Issue of Warrants is correct as of any time subsequent to the date indicated in the document containing such information. Investors should review, *inter alia*, the most recently published annual report and accounts of the Issuer when deciding whether or not to purchase any Warrants.

The distribution of this Programme and the offering of Warrants in certain jurisdictions may be restricted by law.

Persons into whose possession this Programme comes are required by the Issuer to inform them about and to observe any such restrictions.

In this Programme and in any Supplement thereto, references to "R" or "Rand" are to the currency of the Republic of South Africa.

## **Section 3 Risk Factors Relating to Warrants and Equity Structured Products**

An investment in the Warrants or Equity Structured Products involves a number of risks, some of which are referred to below. Potential investors should ensure that they understand fully all of the risks prior to making any investment decision. Potential investors should seek independent financial advice prior to investing in Warrants or Equity Structured Products.

Warrants and Equity Structured Products involve a high degree of risk. Prospective purchasers of Warrants or Equity Structured Products should consider the following risk factors before making an investment decision. Purchasers should reach an investment decision only after careful consideration, with their advisers, of the suitability of Warrants or Equity Structured Products in light of their particular financial circumstances.

Prospective purchasers of Warrants should recognise that their Warrants may expire worthless and should be prepared to sustain a loss of the total purchase price. Thus, in order to recover and realise a return upon his investment, a purchaser of a Warrant must generally be correct about the direction, timing and magnitude of any anticipated change in the value of the Share or level of the index underlying the Warrant.

Certain Equity Structured Products involve a high degree of risk, including the risk of their expiring worthless. Potential investors should be prepared to sustain a total loss of their investment in the case of certain Equity Structured Products.

The value of a Warrant will be subject to continuous change in response to market and economic forces. The factors which may generally affect the pricing of a Warrant include, but are not limited to, such variables as the current value of the Share underlying the Warrant and the relationship between the value and the Exercise Price, the current values of related interests (e.g. exchange-traded futures related to the Underlying Shares), the style of the Warrant (e.g. American call), the individual estimates by market participants of the future volatility of the Share, the amount of time remaining until expiration of the Warrant, current interest rates, the effect of supply and demand (including the depth of liquidity) in the market for the Warrants as well as the markets for the Underlying Shares and for related interests, and other factors generally affecting the prices or volatility of Underlying Shares, related interests or securities generally.

### **Issuer's Credit Rating**

The Warrants and Equity Structured Products represent general, unsecured, unsubordinated contractual obligations of the Issuer which rank *pari passu* in all respects with each other and with other general unsecured and unsubordinated obligations of the Issuer.

Purchasers of the Warrants should therefore look solely to the Issuer for performance of its obligations to deliver the Underlying Parcel (or to pay the Cash Settlement Amount) and potential Investors in Equity Structured Products should therefore look solely to the Issuer for the performance of the obligations of the Issuer set out in Technical Conditions 3.2, 3.3 and 4 of the Technical Supplement. The value of the Warrants or Equity Structured Products may be affected by investors' appraisal of the Issuer's creditworthiness. Such perceptions may be influenced by the ratings accorded to the Issuer's outstanding securities by rating services, such as Moody's Investors Service, Inc ("Moody's") and Fitch Southern Africa (Pty) Ltd ("Fitch"). A reduction in the rating accorded to outstanding debt securities of the Issuer by one of these rating agencies could result in a reduction in the value of the Warrants or Equity Structured Products. On the date hereof the Issuer is rated Aa2 for National Long Term Rating by Moody's and A+ for National Long Term Rating by Fitch.

### **Potential Conflicts of Interest**

The Issuer and its affiliates may also engage in trading activities (including hedging activities) related to the Shares and other instruments or derivative products based on or related to the Shares for their proprietary accounts or for other accounts under their management. The Issuer and its affiliates may also issue other derivative instruments in respect of the Shares. For example, issuance of other securities indexed to the Shares (i.e. the introduction of competing products into the marketplace) could adversely affect the value of the Warrants or Equity Structured Products.

The Issuer may have interests which may be adverse to those of the Holders of the Warrants or Equity Structured Products. The Issuer or its affiliates may also act as underwriter in connection with the future offerings of Shares or other securities related to the relevant Warrants or Equity Structured Products or may act as financial adviser to any Company or in a banking capacity for any Company. Such activities could present certain conflicts of interest, influence the prices of such Shares or other securities and could adversely affect the value of the Warrants or Equity Structured Products.

### **Maximum Exercise of Warrants**

The Issuer shall have the ability to limit the number of Warrants exercisable on any date (other than the Expiration Date) to the Maximum Number and, in conjunction with such limitation to limit the number of Warrants exercisable by any person or group of persons (whether or not acting in concert) on such date. In the event that the total number of Warrants being exercised on any date (other than the Expiration Date) exceeds such Maximum Number and the Issuer has elected to limit the number of Warrants exercisable on such date, Holders may not be able to exercise on such date all Warrants that they desire to exercise. In any such case, the number of Warrants to be exercised on such date shall be reduced until the total number of Warrants exercised on such date no longer exceeds such maximum, such Warrants being selected by the Issuer on the basis of the time at which notices to exercise the Warrants are received by the Issuer with the earlier of such notices taking priority over those which are received later in time.

Any Warrants tendered for exercise but not exercised on such date shall be automatically exercised on the next date on which Warrants may be exercised, subject to the same daily maximum limitation and delayed exercise provisions.

### **Minimum Exercise of Warrants**

Except on the Expiration Date, Holders must tender at least a specified Minimum Number of Warrants at any one time, in order to exercise their Warrants.

Thus, Holders with fewer than the Minimum Number of Warrants will either have to sell their Warrants or purchase additional Warrants, incurring transaction costs in each case, in order to realise a return on their investment, and may incur the risk that the trading price of the Warrant is different from the property to be delivered upon exercise.

In addition, on any date including the Expiration Date, Warrants must be exercised in multiples of the Specified Number.

Thus, Holders with fewer than the Specified Number of Warrants will either have to sell their Warrants or purchase additional Warrants, incurring transaction costs in each case, in order to realise a return on their investment, and may incur the risk that the trading price of the Warrant is different from the value of the property to be delivered upon exercise.

Upon exercise, Warrants will only entitle Holders (subject to the provisions concerning the Cash Settlement Amount) to an integral multiple of a whole integer of the number of Shares. Fractions of a Share will not be delivered. However, the Calculation Agent may make an adjustment and may pay an amount in Rands in order to compensate the relevant Holder as specified in the Terms and Conditions.

## **Barrier Events**

The Barrier Warrants of a particular Series will lapse automatically if, on any Business Day up to and including the Expiration Date, the closing price of the Underlying Parcel as quoted on the JSE Limited is equal to or less than the Barrier Level in the case of a Call Warrant or equal to or more than the Barrier Level in the case of a Put Warrant. Holders will not be able to trade those Warrants after they have lapsed. In the event that a Warrant lapses on or after the last day to trade in respect of any dividend declared by a Company, the Holders will not be entitled to receive any dividends in respect of such lapsed Warrants, nothing to the contrary herein excepted.

## **Settlement Risk**

The Holder shall bear the risk of any failure in any settlement system through which the Underlying Parcel or Cash Settlement Amount are to be settled or paid.

Upon the occurrence of certain events as specified herein, the Issuer may vary the settlement in respect of the Warrants and it may make payment of the Cash Settlement Amount on the Cash Settlement Date to the relevant Holders in substitution for Delivery of the Underlying Parcel.

The occurrence or existence of a Market Disruption Event in respect of the Shares shall be determined by the Calculation Agent. Such a determination may have an adverse effect on the value of the relevant Warrants.

The Calculation Agent may determine that a Settlement Disruption Event has occurred or exists where, in the opinion of the Calculation Agent, as a result of the occurrence of an event beyond the reasonable control of the Issuer, the Issuer is precluded from making Delivery of the Underlying Parcel. Such a determination may have an adverse effect on the value of the relevant Warrants.

There shall be a time difference between the time a Holder gives instructions to exercise and the time the Underlying Parcel or Cash Settlement Amount is determined (with the Valuation Date being one Business Day prior to the Actual Exercise Date). Any such difference between the time of exercise and the determination of the Underlying Parcel or the Cash Settlement Amount could be significant due, *inter alia* to any daily maximum exercise limitation or the occurrence of a Settlement Disruption Event or a Market Disruption Event. The applicable Underlying Parcel or Cash Settlement Amount could change during any such period and such movement or movements could decrease the value of the entitlement or the Cash Settlement Amount of the Warrants being exercised.

In case of Call Warrants with physical delivery and upon exercise of Call Warrants and in the case where the Issuer elects to deliver the Underlying Shares, the Warrant holder must pay the total amount of the aggregate Exercise Price relating to the Call Warrants exercised as well as all applicable Exercise Expenses before being delivered the Underlying Shares.

If an Exercise Notice is received by the Issuer on any Business Day after 12h00 Johannesburg time, it shall not be deemed to be received by the Issuer until the following Business Day. Any resultant delay may, as above, decrease the quantity of the property to be Delivered or the Cash Settlement Amount. If no such Exercise Notice is received from a Member (in respect of Controlled Warrant holders) or a CSDP (in respect of Non-Controlled Warrant holder) who shall also confirm that the Holder has funds sufficient to enable Member or CSDP to pay the Exercise Price in full on behalf of such Holder, before 12h00, Johannesburg time on the Expiration Date, the Warrants may be automatically exercised by the Issuer in accordance with the Conditions.

## **Illegality of Issue**

If the Issuer, upon advice from its independent external legal adviser, determines that the performance of its obligations under the Warrants has become unlawful in whole or in part for any

reason, the Issuer may terminate the Warrants by giving notice of this to the Holders and paying to each Holder an amount determined by the Calculation Agent to be its fair market value.

## **Section 4 Terms and Conditions of the Warrants**

### **1 General**

#### 1.1 Application to Different Series

These Conditions apply only to a Series of Warrants offered under this Programme.

#### 1.2 Issue of Certificates

The Warrants can only be traded on the JSE in dematerialised form. The rules of the JSE and the rules of Strate do not allow for Certificated Warrants to be traded, settled or cleared on the JSE or through Strate. In the absence of a written request for a Warrant Certificate by the Holder, no Certificate shall be issued in respect of any Warrant(s). Settlement of dematerialised Warrants shall be effected electronically through the Strate system of the JSE.

### **2 Type, Title and Transfer**

#### 2.1 Type

The Warrants are American or European style call or put warrants, barrier or variable strike warrants over Underlying Shares or Indices which confer on a Holder the right, but not the obligation, to require delivery of the Underlying Parcel or payment of the Cash Settlement Amount in accordance with these Conditions; or European style call or put warrants over Underlying Shares or Indices which confer on the Holder the right to deliver the Underlying Parcel or receive the Cash Settlement Amount in accordance with these Conditions.

#### 2.2 Title to Warrants

Each person who is at the relevant time shown in the Register as the Holder of a Warrant may be treated by the Issuer as the absolute owner of such Warrant for all purposes.

Save as required by law, neither the Sponsor nor the Issuer's CSDP (as the case may be) is required to take account of any trust (whether express, implied or constructive) to which any Warrant may be alleged to be subject.

#### 2.5 Transfer of Warrants

Transfer of Warrants shall be affected through and by the Warrant holder's CSDP according to the rules of Strate and any applicable customary market practices and subject to applicable laws and regulations.

The Warrants will be quoted on the Trading System for the purpose of trading. Transfers of Warrants may not be affected after the exercise of such Warrants pursuant to Condition 5.

#### 2.6 Form of Transfer

Each transfer of a Warrant shall be affected through a CSDP in the usual manner for the transfer of listed dematerialised securities on the JSE and in accordance with the rules of Strate.

Each transfer of Warrants shall only be affected in minimum numbers equal to the Minimum Exercise Number.

The transfer of Warrants may give rise to an obligation on the part of the transferee to pay STT and the Sponsor, Issuer's CSDP or Warrant holder's CSDP (as the case may be) may refuse to register any transfer until the Sponsor, Issuer's CSDP or Warrant holder's CSDP (as the case may be) is satisfied that the relevant STT has been paid.

## 2.7 Lapse of Warrants

- a) A Warrant automatically lapses and ceases to confer any rights on the Holder at the time the Issuer notifies Holders of any cancellation of the Warrants under Conditions 6, 7 and 13 or otherwise in accordance with these Conditions.
- b) If, in respect of a Barrier Warrant, the Price of the Underlying Parcel on any Business Day on or before the Expiry Date, breaches the Barrier Level, with the effective date of such lapse being the first day on which the Price breaches the Barrier Level.

## 3 Status of the Warrants and Debt Securities

### 3.1 Warrants

The Warrants represent direct, general, unsecured, unsubordinated contractual obligations of the Issuer and rank *pari passu* in all respects with each other and all other general, unsecured, unsubordinated contractual obligations of the Issuer. The Warrants constitute obligations of the Issuer and of no other person.

In particular, the Warrants shall not be secured by Underlying Shares in respect of the Warrants and the Issuer does not accept any responsibility for the maintenance of the listing (where applicable) of the Underlying Shares on the relevant stock exchange on which such Shares may be quoted, nor for the availability of information in respect of the Assets published by or on the relevant stock exchange.

### 3.2 Debt Securities

Debt Securities are contractual obligations traded on the JSE. Their performance may be linked to the value of a given underlying index or share or share basket. Each Holder is entitled to payment of a Cash Settlement Amount calculated in accordance with a formula set out in the relevant Pricing Supplement. Note Holders are not entitled to receipt of the underlying index, share or share basket.

In particular, the Debt Securities shall not be secured by underlying shares or indices. In respect of the Debt Securities and the Issuer does not accept any responsibility for the maintenance of the listing (where applicable) of the Underlying Shares on the relevant stock exchange on which such Shares may be quoted, nor for the availability of information in respect of the Assets published by or on the relevant stock exchange.

### 3.3 Debt Securities Offering Procedure

The procedures and methodology for the subscription, sale or redemption etc of Debt Securities to be listed shall be contained in the relevant Pricing Supplement.

## 4 Exercise of Warrants

4.1 Warrants shall, unless otherwise stated in any Supplement, be settled in cash subject to each Holder being entitled to elect instead to receive the Underlying Parcel. To make this election the Holder shall be required to deliver a valid Exercise Notice prior to 12h00 on the Last Day for Exercise. The Issuer shall retain a right of refusal which shall entitle it to refuse to accept all of the Exercise Notices in respect of any Warrant provided that its refusal is announced publicly by the close of business on the Last Day for Exercise. Any such public announcement shall be made on the JSE news service.

### 4.2 Delivery of Exercise Notice

Warrant holders will ordinarily not be required to deliver an Exercise Notice (as most Warrants will be exercised automatically), unless the Supplement to any specific issue of Warrants require the delivery of an Exercise Notice. An Exercise Notice for all Warrants requiring the delivery of an Exercise Notice, shall be delivered on or prior to the Last Day for Exercise. Should no Exercise Notice be delivered on or prior to the Last Day for Exercise for a Warrant requiring the delivery of an Exercise Notice, such Warrant shall be exercised automatically and be settled in accordance with Condition 5.3.

The Holder of Equity Warrants not being subject to automatic exercise may, if permitted to do so under the Warrant, exercise Warrants in multiples of the Specified Number on any Business Day during the Exercise Period by delivering to the Sponsor and the Warrant holder's CSDP (for Non-Controlled Warrant holders) or to the Sponsor and the Holder's Member (for Controlled Warrant holders) a duly completed Exercise Notice accompanied by the following:

- a) The Exercise Price in relation to each Specified Number of Warrants to which the Exercise Notice relates;
- b) The Exercise Expenses in relation to each Specified Number of Warrants to which the Exercise Notice relates.

Delivery of an Exercise Notice shall constitute an irrevocable election by the relevant Holder to Exercise the Warrants specified therein. After the Delivery of such Exercise Notice, such Exercising Holder may not otherwise transfer the Warrants to which such Exercise Notice relates.

### 4.3 Contents of Exercise Notice

The notice given under clause 4.2 shall:

- a) set out the number of Warrants being exercised;
- b) contain an undertaking to pay all Exercise Expenses; and
- c) specify the name and address of the broker any person(s) to whom the Underlying Parcel is to be Delivered and/or into whose name the Underlying Parcel is to be registered and the Warrant holder's CSDP that maintains the



Securities Account to which the Underlying Parcel is to be transferred, and the name and the number of the Holder's account with its Warrant holder's CSDP or bank in Johannesburg to be credited with any cash payable, by the Issuer in connection with exercise or settlement of the Warrant.

#### 4.4 Effectiveness of Exercise Notice

An Exercise Notice in relation to a Warrant becomes effective only upon clearance into the Issuer's bank account on or before the Settlement Date of funds for the Exercise Price plus the applicable Exercise Expenses with respect to the exercised Warrants in respect of Certificated Warrants, or transfer by the Warrant holder's CSDP to the Issuer's CSDP of the funds representing the aggregate of the relevant Exercise Price and Taxes and Duties with respect to the exercised Warrants (in respect of Uncertificated Warrants).

Any Exercise Notice received by any one or more of the Sponsor, the Warrant holder's CSDP or the Holder's Member on any Exercise Date, which is not duly completed, shall be deemed to be null and void.

An Exercise Notice shall further only be effective if delivered on or prior to the Last Day for Exercise.

#### 4.5 Time of Receipt

Any Exercise Notice which is received by the Issuer after 12h00 Johannesburg time, on any Business Day during the Exercise Period is deemed to be received on the next Business Day.

#### 4.6 Aggregation of Exercise Notices

Warrants exercised or deemed exercised on the same day by the same Holder may be aggregated by the Issuer for the purpose of determining the Underlying Parcel to be Delivered to the Holder.

#### 4.7 Verification of the Holder

The Holder hereby authorises the Issuer's CSDP and/or the Sponsor to do all things necessary in order to facilitate verification of the identity of a person exercising the Warrants including, but not limited to, supplying the Holder's Identification Number.

#### 4.8 Determinations

Any determination as to whether an Exercise Notice is duly completed and in proper form shall be made by the Issuer and shall be conclusive and binding on the Issuer, and the relevant Holder. Subject to this condition, any Exercise Notice determined to be incomplete or not in proper form, as the case may be, shall be null and void. If such Exercise Notice is subsequently corrected to the satisfaction of the Issuer, it is deemed to be a new Exercise Notice submitted at the time such correction was delivered to the Issuer.

None of the Issuer, the Calculation Agent, the Issuer's CSDP or the Sponsor shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

#### 4.9 Minimum Exercise Number

Other than on the Last Day for Exercise, the number of Warrants exercisable by any Holder on any Actual Exercise Date, as determined by the Calculation Agent, shall not be less than the Minimum Exercise Number. Any Exercise Notice which purports to exercise Warrants in an amount less than the Minimum Exercise Number is void and of no effect.

#### 4.10 Maximum Exercise Number

Other than on the Last Day for Exercise, if the Issuer determines that the number of Warrants being exercised on any Actual Exercise Date by any Holder or a group of Holders (whether or not acting in concert) exceeds the Maximum Exercise Number (a number equal to the Maximum Exercise Number being the "Quota"), the Issuer may deem the Actual Exercise Date for the first Quota of such Warrants, selected by the Issuer on the basis of the time at which notices to exercise the Warrants are received by the Issuer with the earlier of such notices taking priority over those which are received later in time, to be such day and the Actual Exercise Date for each additional Quota of such Warrants (and any remaining number thereof) to be each of the succeeding Business Days until all such Warrants have been attributed with an Actual Exercise Date, provided that the deemed Actual Exercise Date for any such Warrants which would thereby fall after the Last Day for Exercise shall fall on the Last Day for Exercise.

#### 4.11 Insufficient Funds

Where an otherwise valid Exercise Notice is received which is accompanied by funds less than the Exercise Price plus Exercise Expenses for the number of Warrants specified in the Exercise Notice, the Issuer may (but is not obliged to) treat the Exercise Notice for all purposes as applying to a smaller number of Warrants for exercise of which sufficient funds are available.

#### 4.12 Set-off in respect of Cash Settled Warrants

In respect of Warrants to be settled by payment of a cash amount, the Issuer reserves the right to set-off the applicable Exercise Price and Taxes plus Duties payable by the Holder as provided for in terms of these Conditions, against the Cash Settlement Amount payable by the Issuer to the relevant Holder. Should the Issuer elect to effect such set-off, the relevant Exercise Notice shall not be ineffective due to the failure of a Holder to transfer (or cause to have transferred) the required Exercise Price plus the Taxes and the Duties to the Issuer's bank account.

#### 4.13 Statements from CSDP after Exercise of Uncertificated Warrants

After Exercise of the relevant Uncertificated Warrants as provided for under this condition 4, such Uncertificated Warrants shall be cancelled, and shall no longer be reflected in the Uncertificated Warrants Account maintained by the Warrant holder's CSDP.

#### 4.14 Undertaking in respect of the Warrant holder's CSDP

Each Holder shall be responsible for ensuring that the relevant Warrant holder's CSDP is aware of the Terms and Conditions contained in this Warrant Programme, and the applicable Supplement, and shall comply with such terms and perform the functions necessary to permit the Exercise of the Warrants as provided therein.

Controlled Warrant holders should ensure that their respective Members inform the Member's CSDP of the Terms and Conditions contained in this Programme and any applicable Supplement, and that such Member's CSDP shall comply with such terms

and perform the functions necessary to permit the exercise of the Warrants as provided therein.

## **5 Settlement Following Exercise**

### **5.1 Settlement**

Subject to the Terms and Conditions and to the provisions of the applicable Supplement, the Warrants may, at the election of the Issuer, be settled by payment of the Cash Settlement Amount, or be settled by delivery of the Underlying Parcel by or to the Issuer.

### **5.2 Cash Settlement for Automatic Exercise.**

All Warrants subject to Automatic Exercise shall be settled by payment of the Cash Settlement Amount.

### **5.3 Cash Settlement Date**

Cash settlement shall take place on the Cash Settlement Date.

### **5.4 Verification of the Holder**

The Holder hereby authorises the Issuer's CSDP and/or Sponsor to do all things necessary in order to facilitate verification of the identity of the Holder of a Warrant including, but not limited to, supplying the Holder's Identification Number.

### **5.5 Settlement Disruption**

If, in the opinion of the Calculation Agent, delivery of the Underlying Parcel is not reasonably practicable by reason of a Settlement Disruption Event having occurred and continuing on any Settlement Date, then such Settlement Date is postponed until the first following Business Day in respect of which there is no such Settlement Disruption Event.

### **5.6 Cash Settlement Election**

If, in the opinion of the Calculation Agent, delivery of the Underlying Parcel is not reasonably practicable by reason of a Settlement Disruption Event having occurred and continuing on any Settlement Date, the Issuer may elect by notice to a Holder to satisfy its obligations in respect of any Specified Number of Warrants by payment of the Cash Settlement Amount.

### **5.7 Cash Settlement Following Settlement Disruption**

Where the Issuer has given a notice under Condition 5.6, the Issuer shall, as soon as reasonably practicable after the notice is given and in any event in accordance with the rules of Strate and/or the JSE, pay to the Holder the Cash Settlement Amount.

### **5.8 Cash Settlement If No Settlement Disruption**

The Issuer may in its absolute discretion choose not to effect delivery of the Underlying Parcel in accordance with Condition 5.14 and in such case the Issuer shall on the Settlement Date or as soon as practicable thereafter and in any event in accordance with the Rules of Strate and/or the JSE, pay to the Holder an amount equal to the Cash Settlement Amount.

5.9 Cash Settlement Amount in respect of Equity Warrants

In respect of Equity Call Warrants, the Cash Settlement Amount shall be determined by the Calculation Agent as the amount, in respect of each Underlying Parcel, by which the Settlement Price exceeds the Exercise Price unless such amount is negative in which case the Cash Settlement Amount is zero.

In respect of Equity Put Warrants, the Cash Settlement Amount shall be determined by the Calculation Agent as the amount, in respect of each Underlying Parcel, by which the Exercise Price exceeds the Settlement Price unless such amount is negative in which case the Cash Settlement Amount is zero.

5.10 Barrier Warrants Cash Settlement Amount

In the event of the Barrier Level being breached the holder of the Warrant will be entitled to receive a rebate of any intrinsic value if any, of the Warrants. The intrinsic value in respect of a Barrier call is the excess (if any) of the share price over the exercise price when the Warrants terminate. The intrinsic value in respect of a Barrier put is the excess (if any) of the Exercise Price The share price used for calculating the rebate will be the weighted average share price for the specified number of days following the termination of the Warrant.

5.10 Index Put Warrants Cash Settlement Amount

The Cash Settlement Amount in respect of a series of Index Put Warrants shall be determined by the Calculation Agent in terms of the following formula:

**CSA = (EP – CIL) x IM**

Where:

- CSA = the Cash Settlement Amount, provided that where CSA is determined to be a negative number, CSA shall equal zero;
- CIL = Closing Index Level;
- EP = the Exercise Price in respect of that Series, and
- IM = the Index Multiplier.

5.11 Index Call Warrants Cash Settlement Amount

The Cash Settlement Amount in respect of a series of Index Call Warrants shall be determined by the Calculation Agent in terms of the following formula:

**CSA = (CIL – EP) x IM**

Where:

- CSA = the Cash Settlement Amount, provided that where CSA is determined to be a negative number, CSA shall equal zero;
- CIL = Closing Index Level;
- EP = the Exercise Price in respect of that Series, and
- IM = the Index Multiplier.

5.12 Payments

Any cash which a Holder is entitled to receive in terms of these Conditions shall, subject to these Conditions, be paid to the Holder or to the Warrant holder’s CSDP on the Cash Settlement Date by the Sponsor or the Issuer’s CSDP on behalf of the Issuer.

Any such payment shall be effected by initiating an electronic funds transfer, as determined by the Sponsoring Broker, to the account referred to in the Exercise Notice after deduction of any unpaid portion of the Exercise Price and Exercise Expenses.

5.13 Cash Settlement for non-Automatic Exercise:

If by 12h00 on the Last Day for Exercise:

- a) no valid Exercise Notice has been given in relation to a Warrant; and
- b) the Cash Settlement Amount is greater than ten Rand (R10.00);

then the Issuer shall pay the Holder on the Cash Settlement Date or as soon as reasonably practicable thereafter and in any event in accordance with the Rules of the JSE, in the case of Equity Warrants, and Index Warrants, the Cash Settlement Amount provided that the terms of this Condition 5.13 may be amended in a Supplement.

5.14 Delivery of Underlying Parcel

Subject to this Condition 5, following receipt of a valid Exercise Notice which has become effective under Condition 4.4 the Issuer shall on the Settlement Date or as soon as reasonably practicable thereafter and in any event in accordance with the Rules of the JSE, in accordance with the Exercise Notice procure the delivery of the Underlying Parcel (in respect of Equity Call Warrants), or take delivery of the Underlying Parcel (in respect of Equity Put Warrants) or make payment of the Cash Settlement Amount in respect of each Specified Number of Warrants the subject of the Exercise Notice.

The Issuer shall only effect Settlement by procuring the delivery (for Call Warrants) or taking delivery of the Underlying Parcel (for Put Warrants) in respect of those Warrants which require the delivery of an Exercise Notice and for which a valid Exercise Notice has been delivered.

## 6 Illegality

6.1 Performance

If the Issuer, upon advice from its independent external legal counsel, determines that the performance of its obligations under the Warrants has become illegal in whole or in part for any reason, the Issuer may cancel the Warrants by giving notice of this to Holders.

6.2 Suspension of Related Products

If a future or option over which a Warrant is traded or which has the same Underlying Shares as a Warrant issued under this Programme, is suspended for a period in excess of one Business Day, then, subject to approval of the JSE, the Issuer may cancel that Warrant by giving notice of this to Holders. If the Issuer cancels the Warrants in terms hereof, then the Warrant shall automatically lapse and cease to confer any rights on the holder at the time the Issuer notifies the Holder of such cancellation.

6.3 Compensation for Cancellation

If the Issuer cancels Warrants under Condition 6.1 or 6.2 then it shall, if and to the extent permitted by applicable law, pay to each Holder in respect of each Warrant held an amount which shall be the fair market value of such Warrant less the cost to the

Issuer of unwinding any underlying related hedging arrangements plus, if already paid, the Exercise Price, all as determined by the Calculation Agent.

## **7 Purchases**

The Issuer may, but is not obligated to, at any time purchase Warrants at any price in the open market or by tender or private treaty. Any Warrants so purchased may be held or resold or surrendered for cancellation.

## **8 The Issuer, the Calculation Agent, the Issuer's CSDP, the Sponsor and Determinations**

### **8.1 Registered Office of Issuer**

The registered office of the Issuer is the address set out at the end of these Conditions or any other address of which notice is given to Holders.

### **8.2 Amendments**

These Conditions may be amended by the Issuer without the consent of the Holders, subject to the approval of the JSE, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein in any manner which the Issuer may deem necessary or desirable..

### **8.3 Determinations of Calculation Agent**

Where the Calculation Agent is required to opine on, or make a determination with respect to any matter, it shall do so in a fair and commercially reasonable manner and such opinions and determinations (save in the case of manifest error) shall be binding on the Issuer and the Holders.

### **8.4 Obligations of Calculation Agent, Issuer's CSDP and Sponsor**

The Calculation Agent, the Issuer's CSDP and the Sponsor act solely as agents of the Issuer and do not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders and any sponsors or Calculation Agents determinations and/or calculations in respect of the Warrants shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Holders.

### **8.5 Delegation of Functions**

The Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

### **8.6 Substitution of Calculation Agent**

The Issuer may appoint a substitute Calculation Agent in its sole discretion, and shall notify holders in accordance with Condition 9 below.

### **8.7 Maintenance of Register**

The Issuer has appointed the Sponsor, and the Issuer's CSDP as the relevant CSDP, who will maintain the relevant portions of the Register, at the Issuer's cost, in accordance with these Conditions.

8.8 Appointment of Warrant holder's CSDP

Non-Controlled Warrant holders should, prior to trading or exercising their Warrants, appoint a CSDP for purposes of registering the Warrants in the Sub-Register. In respect of Controlled Warrant holders, the CSDP chosen by the Warrant holder's Member shall register the Warrants in the Sub-Register.

8.9 Role of Issuer's CSDP

For purposes of Uncertificated Warrants, the Issuer's CSDP shall fulfil all functions on behalf of the Issuer as required by the rules of Strate, including but not limited to the delivery and receipt of cash and securities..

8.10 Identity of Transferee

Before any proposed transfer is registered, the Sponsor may require such evidence as it deems appropriate as to the identity and title of the transferor and the proposed transferee.

8.11 Cost of Transfers

Transfers in the Register shall be affected by the CSDP without cost to the Holder upon receipt by the CSDP of a valid instruction authorising the CSDP to transfer the Warrants in accordance with the rules of Strate, and upon receipt of payment of any applicable STT.

8.12 Opening Hours

Except when it is closed, the Register shall be open at all reasonable times between 08H00 and 16H00 on each Business Day for the inspection by any Holder, any person authorised in writing by the Holder or any officer or member of any Company.

8.13 Unregistered Interests

Subject to these Conditions, except as required by law or ordered by a court of competent jurisdiction:

- a) no notice of any trust (whether express, implied or constructive) may be entered in the Register;
- b) the Issuer shall recognise the Holder as the absolute owner of the Warrant and is not required to recognise unregistered interests of any kind in the Warrant whether or not the Issuer has notice (including actual knowledge) of such interest.

8.14 Situs of Property

Except where otherwise provided by law, the Warrant is, for all purposes, situated at the place where the Register is for the time being kept which shall, for the avoidance of doubt, be deemed to be at the registered office of the Sponsor and not elsewhere.

8.15 Joint Holders

The Holder, or his executor, shall be regarded as the only person having title to any Warrant.

8.16 Minors and Others

The Issuer shall not be obliged to enter the name of any minor, or any person under a legal disability, as a Holder in the Register.

**9 Notices**

All notices to Holders shall be valid if delivered to the addresses as per the Register or published in SENS (“Stock Exchange News Service”). Any notice to Holders is deemed to have been given on the second Business Day following such delivery or, if earlier, the date of such publication or, if published more than once, on the date of the first such publication.

**10 Taxation and Expenses**

The Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, exercise or enforcement of any Warrant and all payments made by the Issuer shall be made subject to any such tax, duty, withholding or other payment which may be required to be paid, being withheld or deducted.

**11 Further Issues and Amendments**

11.1 Further Issues of Warrants and new types of Warrants

The Issuer shall be at liberty (subject to approval by the JSE) from time to time without the consent of Holders to create and issue further Warrants so as to be consolidated with and form a single Series with the outstanding Warrants, or to create new types of Warrants by incorporating the terms and conditions of such new types of Warrants into a Supplement.

11.2 Amendment of these Conditions

The Issuer may with the consent of at least 75 per cent of Warrant Holders and 66.67 per cent of Debt Securities instruments Holders, as the case may be, excluding the votes of the Issuer and its affiliates, who attend any meeting of Holders convened by the Issuer in the Republic of South Africa, and subject to approval by the JSE, amend or supplement or substitute any of these Conditions. For this purpose, each Holder shall be entitled to one vote for each one Warrant or Debt Securities instrument as the case may be, held by such Holder. Holders who have delivered an Exercise Notice shall not be entitled to attend or vote at any such meeting.

In the event that the Issuer makes any changes to the Offering Circular that affects the terms and conditions of the Debt Securities instruments or the guarantee, other than changes which are of a formal, minor or technical nature or are made to correct a manifest error or to comply with mandatory provisions of the law of South Africa, the Applicant Issuer must obtain approval from Holders of Debt Securities holding not less than 66.67% of the value of a specific class of notes or all outstanding notes.

The Issuer and any affiliate of the Issuer which is a Holder shall, not be precluded from attending such meeting but shall not be entitled to vote. Any such amendment, supplementation or substitution shall take effect as determined by such meeting but no earlier than the Business Day immediately following the date of such meeting. If no such date is specified by the meeting, it shall take effect on the Business Day immediately following the date of such meeting. Any such amendment, supplementation or substitution shall not take effect in respect of Warrants or Debt



Securities instrument as the case may be, for which an Exercise Notice has been delivered.

## 12 Governing Law and Jurisdiction

The Warrants shall be governed by and be construed in accordance with the laws of the Republic of South Africa and each of the Issuer, the Calculation Agent, the Issuer's CSDP, Sponsor and each Holder submits to the exclusive jurisdiction of the High Court of the Republic of South Africa (Witwatersrand Local Division) in connection with any matters arising from any of the Warrants.

## 13 Adjustments

### 13.1 Potential Adjustment Events

A "Potential Adjustment Event" ("Adjustments") means in relation to Shares, any of the following:

- a) a subdivision, consolidation, or reclassification of Shares (unless a Merger Event, but including any unbundling or de-merger) or a free distribution or dividend of any Shares to existing Holders by way of bonus, capitalisation or similar issue;
- b) a distribution, issue or dividend to existing Holders of the Shares of (a) Shares or (b) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company or equally or proportionately with such payments to holders of Shares or (c) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Issuer;
- c) a call in respect of Shares that are not fully paid;
- d) a repurchase of Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or
- e) any other similar event having, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the Underlying Shares, which events may include but are not limited to-
  - (i) closing times which are different to the closing times on the JSE;
  - (ii) suspension of the market on which the Underlying Shares are traded;
  - (iii) failures by reference market makers or other quotation providers to provide quotations on the relevant Underlying Shares; or
  - (iv) the modification of quotations provided by quotation providers mentioned under Condition 13.1(e)(iii) above.

### 13.2 Effect of Potential Adjustment Event

Following the declaration of the terms of any Potential Adjustment Event, the Calculation Agent shall determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, shall, subject to approval of the JSE,

- (i) make the corresponding adjustment, if any, to the Underlying Parcel, the Exercise Price, the Barrier Level or any of the terms of these Conditions as the

Calculation Agent determines appropriate to account for that diluting or concentrative effect; and

- (ii) determine the effective date of that adjustment.

The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Shares traded on that options exchange.

The adjustment in respect of a sub-division in 13(1)(a) above shall, subject to the discretion of the Calculation Agent, be substantially as follows:

### **Exercise Price Adjustments**

All positions will be multiplied by a factor

Factor = No. of new shares in issue prior to the Adjustment / no. of shares in issue post the Adjustment

The strike price will be adjusted as follows:

Adjusted strike = current strike \* Factor

### **Conversion Ratio's**

Conversion ratio is adjusted as follows:

Conversion Ratio = Current Ratio \* Factor

### **Capital Reductions and Special Dividends**

#### Strike Adjustment

Spot<sub>cum div</sub>: Spot Price on cum dividend date

Strike<sub>cum div</sub>: Current Strike Price

Strike<sub>ex div</sub>: Strike Price after the adjustment has been made

Div Adjustment: Excess Dividend declared

Factor =  $\text{Spot}_{\text{cum div}} / (\text{Spot}_{\text{cum div}} - \text{Div Adjustment})$

$\text{Strike}_{\text{ex div}} = (\text{Strike}_{\text{cum div}}) \times 1 / \text{Factor}$

#### Conversion Ratio

New Ratio = warrant conversion Ratio / Factor

The adjustment in respect of a rights issue in 13(1)(b) above shall, subject to the discretion of the Calculation Agent, be substantially as follows:

:

$$\text{factor} = \frac{\text{Close of share on ldt}}{((m * \text{Close of Share on ldt} + n * \text{TU}) / (m + n))}$$

Where :

m = number of shares held on ldt

n = number of shares to be received ex date

TU = Implied value of rights (take-up price)

### **Option Strike Price**

$$\text{Adjusted strike price} = \text{Existing strike price} * \frac{1}{\text{factor}}$$

### **Conversion Ratio**

$$\text{New Ratio} = \text{Old conversion ratio} * 1 / \text{CSM}$$

## 13.3 Notice of Adjustment

Upon the occurrence of any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Holders setting out the adjustment of the Underlying Parcel, the Exercise Price, Barrier Level or the Conditions and giving brief details of the Potential Adjustment Event.

## 13.4 Other Events

In this Condition 13:

- a) "Insolvency" means that by reason of the voluntary or involuntary liquidation, bankruptcy or winding-up of or any analogous proceeding affecting a Company:
  - (i) all the Shares are required to be transferred to a trustee, liquidator or other similar official; or
  - (ii) holders of the Shares become legally prohibited from transferring them.
- b) "Merger Date" means, in respect of a Merger Event, the date upon which all Holders of Shares (other than, in the case of a take-over offer, Shares owned or controlled by the offeror) have agreed or have irrevocably become obliged to transfer their Shares.

- c) "Merger Event" means any:
- (i) reclassification or change of the Shares that results in a transfer of or an irrevocable commitment to transfer all outstanding Shares;
  - (ii) consolidation, amalgamation, or merger of a Company with or into another entity (other than a consolidation, amalgamation or merger in which such Company is the continuing entity and which does not result in any such reclassification or change of all outstanding Shares); or
  - (iii) other take-over offer for the Shares that results in a transfer of or an irrevocable commitment to transfer all the Shares (other than the Shares owned or controlled by the offeror),
- in each case if the Merger Date is on or before the relevant Actual Exercise Date.
- d) "Nationalisation" means that all the Shares or all the assets or substantially all the assets of a Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity.

### 13.5 Effects of Other Events

If a Merger Event, Nationalisation or Insolvency occurs in relation to a Share, the Calculation Agent may:

- a) determine the appropriate adjustment, if any, to be made to the Underlying Parcel or to these Conditions to account for the Merger Event, Nationalisation or Insolvency, as the case may be, and determine the effective date of that adjustment. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Nationalisation or Insolvency made by any options exchange to options on the Shares traded on that options exchange; or
- b) cancel the Warrants by giving notice to Holders. If the Warrants are so cancelled the Calculation Agent shall pay an amount to each Holder in respect of each Warrant held by him which amount shall be the fair market value of a Warrant taking into account the Merger Event, Nationalisation or Insolvency, as the case may be, less the cost to the Issuer of unwinding any underlying related hedging arrangements plus, if already paid, the Exercise Price, all as determined by the Calculation Agent in its opinion. Payments will be made in such manner as shall be notified to the Holders.

### 13.6 Notice of Other Events

Upon the occurrence of a Merger Event, Nationalisation or Insolvency, the Calculation Agent shall give notice as soon as practicable to the Holders stating the occurrence of the Merger Event, Nationalisation or Insolvency, as the case may be, giving details thereof and the adjustments to be made to the Underlying Parcel, the Exercise Price or the Conditions and other action to be taken in relation thereto.

### 13.7 Effect of Potential Adjustment Events and/or Other Events on the Rights of the Warrant Holders

#### 13.7.1 Save to the extent that the Calculation Agent has adjusted the Underlying Parcel, Exercise Price, Barrier Level or the Conditions in accordance with the provisions of this

clause 13, the rights as conferred upon the Warrant Holders in terms of any specific Warrant shall remain unaffected, subject to the provisions of clause 13.7.2 hereunder.

- 13.7.2 To the extent that the Calculation Agent determines that the appropriate adjustment upon the occurrence of a Potential Adjustment Event or Other Event, as the case be, in accordance with the provisions of this clause 13 shall be the cancellation of the Warrant, such Warrant shall automatically lapse and cease to confer any rights on the Holder as at the time the Issuer notifies the Holders of such cancellation.

## **14 Substitute Index and Adjustment**

### **14.1 Calculation by Successor**

If on or prior to the Expiration Date the Index ceases to be published by the JSE (or any successor thereto) but is published by any successor to such person the index so calculated shall become the Index.

### **14.2 Substitute Index**

If on or prior to the Expiration Date:

- a) the Index ceases to be published by the JSE (or any successor under Condition 14.1); or
- b) the JSE (or any successor under Condition 14.1) makes any material change to the formula for or the method of calculating the Index in a way that materially modifies the Index (other than a modification prescribed in that formula or method to maintain the Index in the event of changes to the constituent shares and capitalisation or other routine event),

then, subject to JSE approval,

- c) where another index is or commences to be published which in the opinion of the Calculation Agent is substantially equivalent to the original Index, the Issuer may substitute that other index for the Index;
- d) where the Issuer does not make the substitution referred to in paragraph (c), the Issuer may instead require the Calculation Agent to determine the level of the Index in accordance with Condition 14.3 and refer to the level of the Index so calculated to determine the Index Level and closing Index Level.

### **14.3 Calculation of Index by Calculation Agent**

Where the Issuer requires the Calculation Agent to determine the level of the Index, the Calculation Agent shall use the same formula and method for calculating the Index as was used by the JSE (or any successor under Condition 14.1) prior to the cessation or change, except that only those securities which comprised the Index immediately prior to the cessation or change are to be used subsequently to determine the level of the Index (excluding securities which cease to be traded on the JSE).

### **14.4 Adjustments**

Where:

- a) a Substitute Index is substituted for the Index under Condition 14.2(c); and

- b) at the time the substitution takes place the Index Level of the Substitute Index is not exactly the same as the Index Level of the original Index immediately before the substitution takes place,

then the adjustments specified in Condition 14.5 shall take effect immediately the substitution takes place.

#### 14.5 Adjustment

The adjustments required under Condition 14.4 are as follows:

The Exercise Price of each Index Warrant shall be adjusted in line with the following formula:

a) 
$$E = \frac{P \cdot N}{L}$$

Where:

E = the new Exercise Price of the Index Warrant;

P = the Exercise Price of the Index Warrant immediately before the substitution takes place;

N = the Index Level of the Substitute Index immediately after the substitution takes place; and

L = the Index Level of the original Index immediately before the substitution takes place.

- b) The Index Multiplier of each Index Warrant shall be adjusted in line with the following formula:

$$I = \frac{M \cdot L}{N}$$

Where:

I = the new Index Multiplier;

L = the Index Level of the original Index immediately before the substitution takes place;

N = the Index Level of the Substitute Index immediately after the substitution takes place; and

M = old Index Multiplier.

#### 15 Documents incorporated by reference

The following documents shall be deemed to be incorporated in, and form a part of, this Programme (but shall not be part of the Particulars):

- a) the most recently published annual report and audited consolidated financial statements of the Issuer. Such annual financial statements were for the year ended 31 March; and
- b) any supplements to this Programme circulated by the Issuer from time to time.

Any statement contained in a document incorporated or deemed incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Programme (but not the Particulars) to the extent that a statement contained herein or in any other subsequently filed or published document which also is or deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Programme.

The Sponsor shall provide, without charge, to each person to whom a copy of this Programme has been delivered upon written request of such person, a copy of any or all the documents which are incorporated herein by reference. Written requests for such documents should be directed to the Sponsor.

## Section 5 Description Of The Issuer

Investec Bank Limited  
Incorporated in **Gauteng**, South Africa **on 31 March 1969**  
Registration Number: 1969/004763/06

Investec Bank Limited is a wholly owned subsidiary of Investec Limited, the holding company of Investec's businesses in South Africa. Investec Limited is listed on the Johannesburg, Namibian and Botswana stock exchanges.

Investec Bank Limited is largely active in the wholesale banking market through its corporate and investment banking activities and it offers specialist retail banking services to its clients through its Private Banking division.

In terms of Section 19.6 of the Listing Requirements of the JSE the Issuer confirms that:

- a) It is incorporated under the laws of South Africa , is subject to inter alia the Banks Act, No 94 of 1990 and is a member of the Banking Association of South Africa;
- b) It has acquired members of staff who have been responsible for the listing and trading of warrants on various exchanges world-wide, including, Australia, Hong Kong and South Africa;
- c) It intends to ensure that a reasonable secondary market in the Products will be established and maintained;
- d) It shall disclose in any Supplement any material dealings (inclusive of those of a corporate finance nature) other than in the ordinary course of business by it or its associates in the securities in respect of which the Products are to be issued during the six week period prior to the date of formal application for the listing of a Warrant;
- e) Its capital and reserves as at 31 March 2011 amounted to R12billion. As at the date hereof, the Issuer has net tangible assets of not less than R2 billion located in South Africa; and
- f) The Issuer undertakes for so long as any Product is outstanding to inform the JSE if the level of the Issuer's net tangible assets falls below R2 billion.



## **Documents incorporated by reference**

The three most recently published annual reports and audited consolidated financial statement of the Issuer shall be deemed to be incorporated in, and to form part of this Programme. Copies of such documents may be obtained free of charge from the registered office of the Issuer.

In terms of Section 19.13(iv) of the Listing Requirements of the JSE the Issuer confirms that when a period of more than nine months have elapsed since the end of the financial year to which the last published annual financial statements relate, an interim report containing an income statement and balance sheet, covering at least the first 6 months following the end of the financial year, will be made available in the documentation.

## **Investec Bank Limited**

### **Annual financial statements**

#### **Directorate and corporate information for the financial year ended 31 March 2012.**

Fani Titi  
Non-executive Chairman

David M Lawrence  
Deputy Chairman

Stephen Koseff  
Chief Executive

Bernard Kantor  
Managing director

Sam E Abrahams  
Non-executive director

Glynn R Burger  
Executive director

M Peter Malungani  
Non-executive director

Karl-Bart XT Socikwa  
Non-executive director

Bradley Tapnack  
Executive director

Peter RS Thomas  
Non-executive director

C Busi Tshili  
Non-executive

S Koseff (60)

Chief executive officer BCom, CA(SA), H Dip BDP, MBA Committees: Board risk and capital, DLC capital, DLC social and ethics and global credit Stephen joined Investec in 1980. He has had diverse experience within Investec as chief accounting officer and general manager of banking,

treasury and merchant banking. Current directorships: The Bidvest Group Limited and a number of investee subsidiaries.

**B Kantor (62)**

Managing director CTA Committees: Board risk and capital, DLC capital, DLC social and ethics and global credit Bernard joined Investec in 1980. He has had varied experience within Investec as a manager of the trading division, marketing manager and chief operating officer. Current directorships: Phumelela Gaming and Leisure Limited and a number of Investec subsidiaries.

**DM Lawrence (60)**

Deputy chairman BA (Econ) (Hons), MCom Before joining Investec David was the managing director of FirstCorp Merchant Bank Limited. David joined Investec in 1996 as part of the executive management team. Current directorships: Cadiz Holdings Limited and Corovest (Pty) Limited.

**GR Burger (55)**

Group risk and finance director BAcc, CA(SA), H Dip BDP, MBL Committees: Board risk and capital, DLC capital and global credit Glynn joined Investec in 1980. His positions within Investec have included chief accounting officer, group risk manager and joint managing director for South Africa. Current directorships: A number of Investec subsidiaries.

**B Tapnack (65)**

BCom, CA(SA) Bradley joined Investec in 1989. Before Investec Bradley was the finance director of I Kuper & Co (Pty) Limited. He was previously finance director at Investec and is currently global head of compliance and corporate governance. Current directorships: Metaf Investment Holdings (Pty) Limited and a number of Investec subsidiaries.

**F Titi (49)**

Chairman BSc (Hons), MA, MBA Committees: Board risk and capital, DLC nominations and directors' affairs and DLC social and ethics Fani is joint chairman of the Investec group and was formerly the chairman of Tiso Group Limited. Current directorships: Tsiya Group (Pty) Limited and a number of its investee companies, Investec Employee Benefits Limited and Investec Asset Management Holdings (Pty) Limited.

**SE Abrahams (73)**

FCA, CA(SA) Committees: DLC audit, Investec plc audit, Investec Limited audit, DLC nominations and directors' affairs, board risk and capital, DLC capital and global credit Sam is a former international partner and South African managing partner of Arthur Andersen. Current directorships: The Foschini Group Limited and a number of Investec subsidiaries.

**MP Malungani (54)**

BCom, MAP, LDP Committees: Board risk and capital Peter is chairman and founder of Peu Group (Pty) Limited. Current directorships: Phumelela Gaming and Leisure Limited (chairman), Investec Bank Limited, Investec Asset Management Holdings (Pty) Limited, Peu Group (Pty) Limited and a number of Peu subsidiaries.

**Sir David Prosser (68)**

BSc (Hons), FIA Committees: Board risk and capital, DLC nominations and directors' affairs and DLC remuneration Sir David was previously chief executive of Legal & General Group PLC, joining Legal & General in 1988 as group director (investments) becoming deputy chief executive in January 1991 and group chief executive in September 1991. Sir David was previously chairman of the Financial Services Skills Council. Current directorships: Epsom Downs Racecourse Limited, The Royal Automobile Club Limited, Pippbrook Limited.

**KXT Sockiwa (43)**

BCom, LLB, MAP, IPBM (IMD) Committees: DLC nominations and directors' affairs and board risk and capital Karl is the chief executive officer of Transnet Port Terminals. Current directorships: RAM Transport (South Africa) (Pty) Limited and The Brand Union (Pty) Limited.

PRS Thomas (67)

CA(SA) Committees: DLC audit, Investec plc audit, Investec Limited audit, board risk and capital, DLC nominations and directors' affairs, global credit and DLC social and ethics Peter was the former managing director of The Unisec Group Limited. Current directorships: Various Investec companies, JCI Limited and various unlisted companies.

CB Tshili (48)

CA(SA) Committee: Investec Limited audit Busi has been group finance director at Peu Group (Pty) Limited since October 2001. She serves on the boards and committees of Peu's underlying investments including Super Group. Current directorships: A number of Peu group companies.

## Combined consolidated income statement

For the year to 31 March £'000	Notes	2011	2010*
Interest income		2 238 783	2 041 153
Interest expense		(1 557 314)	(1 428 067)
<b>Net interest income</b>		<b>681 469</b>	<b>613 086</b>
Fee and commission income		896 300	612 574
Fee and commission expense		(108 642)	(67 497)
Principal transactions	<a href="#">2</a>	418 686	457 759
Investment income on assurance activities	<a href="#">30</a>	64 834	94 914
Premiums and reinsurance recoveries on insurance contracts	<a href="#">30</a>	6 110	31 938
Other operating income	<a href="#">3</a>	54 003	34 332
<b>Other income</b>		<b>1 331 291</b>	<b>1 164 020</b>
Claims and reinsurance premiums on insurance business	<a href="#">30</a>	(57 774)	(119 918)
<b>Total operating income net of insurance claims</b>		<b>1 954 986</b>	<b>1 657 188</b>
Impairment losses on loans and advances	<a href="#">20</a>	(318 230)	(286 581)
<b>Operating income</b>	<a href="#">10</a>	<b>1 636 756</b>	<b>1 370 607</b>
Operating costs	<a href="#">4</a>	(1 196 865)	(957 151)
Depreciation on operating leased assets	<a href="#">25/28</a>	(16 447)	–
<b>Operating profit before goodwill and acquired intangibles</b>		<b>423 444</b>	<b>413 456</b>
Impairment of goodwill	<a href="#">27</a>	(6 888)	(3 526)
Amortisation of acquired intangibles		(6 341)	–
<b>Operating profit</b>		<b>410 215</b>	<b>409 930</b>
Profit arising from associate converted to subsidiary	<a href="#">29</a>	73 465	–
Net loss on sale of subsidiaries		(17 302)	–
<b>Profit before taxation</b>		<b>466 378</b>	<b>409 930</b>
Taxation on operating profit before goodwill	<a href="#">6</a>	(65 075)	(82 599)
Taxation on intangibles and sale of subsidiaries	<a href="#">6</a>	6 610	–
<b>Profit after taxation</b>		<b>407 913</b>	<b>327 331</b>
Operating losses attributable to non-controlling interests		10 962	18 802
Loss on subsidiaries attributable to non-controlling interests		1 641	–
<b>Earnings attributable to shareholders</b>		<b>420 516</b>	<b>346 133</b>
<b>Earnings per share (pence)</b>			
– Basic	<a href="#">7</a>	49.7	44.0

For the year ended 31 March £'000	2012	2011*
Interest income	2 299 925	2 238 783
Interest expense	(1 600 878)	(1 557 314)
Net interest income	699 047	681 469
Fee and commission income	1 013 379	896 300
Fee and commission expense	(129 145)	(108 642)
Investment income	174 327	254 943
Trading income arising from		
– customer flow	77 066	76 447
– balance sheet management and other trading activities	32 204	87 296
Other operating income	65 128	67 173
Total operating income before impairment on loans and advances	1 932 006	1 954 986
Impairment losses on loans and advances	(325 118)	(318 230)
Operating income	1 606 888	1 636 756
Operating costs	(1 230 628)	(1 196 865)
Depreciation on operating leased assets	(28 670)	(16 447)
Operating profit before goodwill and acquired intangibles	347 590	423 444
Impairment of goodwill	(24 366)	(6 888)
Amortisation of acquired intangibles	(9 530)	(6 341)
Cost arising from integration of acquired subsidiaries	(17 117)	–
Operating profit	296 577	410 215
Non-operational costs arising from acquisition of subsidiary	(5 342)	–
Profit arising from associate converted to subsidiary	–	73 465
Net loss on sale of subsidiaries	–	(17 302)
Profit before taxation	291 235	466 378
Taxation on operating profit before goodwill	(62 907)	(65 075)
Taxation on acquired intangibles and acquisition/disposal/integration of subsidiaries	8 164	6 610
Profit after taxation	236 492	407 913
Operating losses attributable to non-controlling interests	11 035	10 962
Loss on subsidiaries attributable to non-controlling interests	–	1 641
Earnings attributable to shareholders	247 527	420 516
Earnings per share (pence)		
– Basic	25.7	49.7
– Diluted	24.3	46.7

## Combined consolidated balance sheet

At 31 March £'000	2012	2011*	2010*
<b>Assets</b>			
Cash and balances at central banks	2 593 851	1 769 078	2 338 234
Loans and advances to banks	2 725 347	1 468 705	2 781 630
Non-sovereign and non-bank cash placements	642 480	535 983	581 117
Reverse repurchase agreements and cash collateral on securities borrowed	975 992	2 467 775	911 432
Sovereign debt securities	4 067 093	3 532 100	2 533 377
Bank debt securities	3 081 061	3 006 129	2 142 117
Other debt securities	377 832	267 132	118 945
Derivative financial instruments	1 913 650	1 799 204	1 591 841
Securities arising from trading activities	640 146	743 487	626 535
Investment portfolio	890 702	858 610	768 896
Loans and advances to customers	17 192 208	17 692 356	16 720 495
Own originated loans and advances to customers securitised	1 034 174	1 065 782	1 170 302
Other loans and advances	1 397 477	1 066 168	694 196

Warehoused assets – Kensington warehouse funding	1 431 712	1 612 181	1 776 525
Other securitised assets	3 101 422	3 858 511	4 164 151
Interests in associated undertakings	27 506	23 481	104 059
Deferred taxation assets	150 381	114 838	134 355
Other assets	1 802 121	1 446 066	1 268 472
Property and equipment	171 685	279 801	161 255
Investment properties	407 295	379 527	273 038
Goodwill	468 320	456 608	274 417
Intangible assets	192 099	136 452	36 620
	45 284 554	44 579 974	41 172 009
Other financial instruments at fair value through profit or loss in respect of			
– Liabilities to customers	6 265 846	6 361 296	5 397 014
– Assets related to reinsurance contracts	–	–	2 842
	51 550 400	50 941 270	46 571 865
Liabilities			
Deposits by banks	2 132 516	1 858 893	2 439 670
Deposits by banks – Kensington warehouse funding	834 912	975 542	1 213 042
Derivative financial instruments	1 421 130	1 486 419	1 193 421
Other trading liabilities	612 884	716 556	504 618
Repurchase agreements and cash collateral on securities lent	1 864 137	1 599 646	1 110 508
Customer accounts (deposits)	25 343 771	24 441 260	21 934 044
Debt securities in issue	2 243 948	2 145 213	2 187 040
Liabilities arising on securitisation of own originated loans and advances	1 036 674	1 052 281	1 212 906
Liabilities arising on securitisation of other assets	2 402 043	3 288 583	3 501 650
Current taxation liabilities	209 609	206 957	196 965
Deferred taxation liabilities	102 478	148 750	136 974
Other liabilities	1 575 154	1 411 137	1 177 589
Pension fund liabilities	–	–	1 285
	39 779 256	39 331 237	36 809 712
Liabilities to customers under investment contracts	6 263 913	6 358 732	5 392 662
Insurance liabilities, including unit-linked liabilities	1 933	2 564	4 352
Reinsured liabilities	–	–	2 842
	46 045 102	45 692 533	42 209 568
Subordinated liabilities	1 492 776	1 287 635	1 070 436
	47 537 878	46 980 168	43 280 004
Equity			
Ordinary share capital	221	208	195
Perpetual preference share capital	153	153	152
Share premium	2 457 019	2 242 067	1 928 296
Treasury shares	(72 820)	(42 713)	(66 439)
Other reserves	82 327	315 878	246 718
Retained income	1 249 515	1 131 980	846 060
Shareholders' equity excluding non-controlling interests	3 716 415	3 647 573	2 954 982
Non-controlling interests	296 107	313 529	336 879
– Perpetual preferred securities issued by subsidiaries	291 769	317 997	314 944
– Non-controlling interests in partially held subsidiaries	4 338	(4 468)	21 935
Total equity	4 012 522	3 961 102	3 291 861
Total liabilities and equity	51 550 400	50 941 270	46 571 865

The integrated annual report has been compiled in accordance with the integrated reporting principles contained in the Code of Corporate Practices and Conduct set out in the King Report on Corporate Governance for South Africa 2009 (King Code). This report covers all our operations across the various geographies in which we operate and has been structured to provide stakeholders with relevant financial and non-financial information to enable them to obtain a balanced view of our business.

This is the first integrated report we have produced and we acknowledge that local and international guidelines on integrated reporting are still at an early stage of development.

**Further information is available on our website: [www.investec.com](http://www.investec.com)**

### **King III Code of Corporate Governance Compliance**

The majority of the principles of King III are being applied by Investec as is evidenced in the various sections of the Investec group's 2012 annual report. The following principle of King III is currently not being applied by Investec Bank Limited:

- Sustainability reporting and disclosure should be independently assured – Sustainability reporting and related disclosure was not independently assured by an external expert. The audit committees have overseen the integrated report, including sustainability disclosures, which have been verified by the Internal Audit division – We recognise the importance of sustainability reporting and verification of our efforts in this area. During the 2012 financial year, we designed and implemented a reporting system to align our sustainability process across the group and accordingly we will be able to commission external verification for the 2013 financial year.

## **Section 6 Outstanding Warrants Issued by the Issuer**

The Issuer has outstanding listed Warrant Issues. Prospective purchasers should direct themselves, *inter alia*, to the financial information set out in the financial statements of the Issuer when assessing the credit risk of the Issuer.

### **Taxation**

Purchasing, selling and holding the Products may have tax consequences for Holders, including the possibility of income tax being payable on profits from trading the Products.

Purchasers of the Products (including those purchasing after their issue and those holding the Products upon Exercise) may be required to pay stamp taxes (including securities transfer tax, as the Products constitute a dematerialised Security in terms of the Securities Transfer Tax Act of 2007, in accordance with the laws and practices of the Republic of South Africa) and other charges in addition to the issue price of each Product.

Potential purchasers of the Products who are in any doubt about their tax position on purchase, ownership, transfer, exercise or non-exercise of any Product should consult their own tax advisors.

### **Offering and Sale**

No action has been or shall be taken by the Issuer that would permit a public offering of any Product or possession or distribution of any offering material in relation to the Products in any jurisdiction where action for that purpose is required. No offers, sales, re-sales or deliveries of any Products, or distribution of any offering material relating to the Products, may be made in or from any jurisdiction except in circumstances which shall result in compliance with any applicable laws and regulations and which shall not impose any obligation on the Issuer.

The Issuer is of the opinion that Chapter 4 of the Companies Act No 71 of 2008 as amended has no application with respect to the Issue of Warrants in accordance with Conditions.

## **Section 7 General Information**

### **1. Authorisation**

The Issue of Products has been duly authorised by the Issuer.

### **2. Listing**

Transactions will normally be effected for settlement in accordance with the settlement process applied and enforced by the JSE from time to time.

Application may be made to list the Products on the JSE prior to the offering thereof.

Maintenance of any listing shall be subject to JSE consent in respect of which fees may be payable to the JSE from time to time.

### **3. Documents Available**

From the date hereof and so long as the Products are outstanding, copies of the following documents will, when published, be available from the registered offices of the Issuer and the Issuer's Sponsor:

- a) a copy of the most current credit ratings of the Issuer;
- b) the financial statements of the Issuer in respect of the three financial years preceding the date of this Programme and the most recently published annual financial statements and interim financial statements (if any) of the Issuer and the reports of the Auditors of the Issuer; and
- c) this Programme.

### **4. Use of Proceeds**

This Issuer intends to use the proceeds from the sale of the Products in the ordinary course of its corporate and investment activities.

### **5. Trading of the Products**

The minimum number (or an integral multiple thereof of the Products for trading of such Products on the JSE shall be specified in the applicable Supplement). The Products shall be traded via the Trading System of the JSE. Settlement and clearing of the Products will occur through Strate and the Issuer's CSDP

### **6. Liquidity following Issue**

The Issuer, through the Sponsor or otherwise, intends to ensure that a reasonable secondary market in the Products will be established and maintained. However, Holders should be aware that it is not possible to predict a price at which the Products will trade following the Issue.



## **7. Outstanding Products**

The Issuer is a regular Issuer of Products of various complexities and maturities. Products issued by the Issuer are issued over, *inter alia* shares, indices, fixed income products. It is not practicable to state the exact number of issues outstanding within the confines of this Programme. A list of outstanding issues is available for inspection at the offices of the Issuer and/or the Sponsor.

## **8. Exchange Controls**

The Issuer shall obtain all necessary approvals from the Exchange Control Department of the South African Reserve Bank for each foreign exchange transaction implicit in a Product issue under this Programme and shall furnish same to the JSE with each application.

## **9. Auditors**

The auditors of the Issuer are KPMG Inc. and Ernst & Inc.

The consolidated financial statements of the Issuer for the two years ended 31 March 2011 and 31 March 2012 were audited in accordance with International financial Reporting Standards and in the manner required by the Companies Act No 61 of 1973 without qualification by the Auditors.

## **10. Interim Statements**

The Issuer publishes half yearly un-audited financial statements as of 30 September each year.

## **11. Material Change**

There has been no material change in the financial or trading position of the Issuer since the end of the last financial period for which financial Statements have been published up to the date of the Programme.. There was no involvement from the auditors in making the aforementioned statement.

## **12. Litigation**

There are no legal or arbitration proceedings (including, any such proceedings which are pending or threatened of which the Issuer is aware) which is reasonably likely to have a material adverse effect on its financial position.

## **13. Non South African Resident Holders and Emigrants from the Common Monetary Area**

The following guidelines are not a comprehensive statement of the South African Exchange Control Regulations ("the Regulations"), they are merely reflective of the Issuer's understanding of the Regulations and appear only for purposes of information. Holders who have any doubt as to the action they should take, should consult their professional advisers.

In the case of Holders whose addresses in the Register are outside the Common Monetary Area, the issuance of Certificates shall be dealt with in compliance with the Regulations as follows:

a) Emigrants from the Common Monetary Area

Products purchased by emigrants need to be restrictively endorsed and will be deposited with the Authorised Dealer controlling such emigrant's blocked assets. Furthermore, in certain circumstances specified in the Supplement, emigrants will not be entitled to purchase the Products.

Any proceeds arising from entitlement due on exercise, where applicable, to a Holder who is an emigrant from the Common Monetary Area will be deposited in the Holder's blocked Rand account with the Authorised Dealer controlling his blocked assets. The entitlements are not freely transferable from the Common Monetary Area and may only be dealt with in terms of the Regulations.

b) All non-residents of the common Monetary Area

Certificates issued to Holders who are not resident in the Common Monetary Area will be endorsed "non-resident", provided that foreign currency introduced into South Africa was used to pay the consideration for the Warrants. Such endorsement may be effected by any South African authorised dealer in foreign exchange.

It will be incumbent on any Holder, who is a non-resident of the Common Monetary Area and who is entitled to proceeds arising as a result of any entitlement due on exercise, where applicable, whose registered address is outside the Common Monetary Area and whose document(s) of title has/have been restrictively endorsed by a South African Authorised Dealer, to instruct such Authorised Dealer as to how such funds are to be dealt with.

For the purposes of paragraph 11 Common Monetary Area includes the Republic of South Africa, Swaziland and Lesotho.

## 14. Transferability of Securities

The Products listed under this Programme shall be freely transferable and fully paid up according to these Terms and Conditions, unless otherwise required by law.

## 15. Whole Agreement

- a) These Terms and Conditions set out the entire agreement and understanding between the Issuer and the Holders and supersedes all prior agreements, written or oral, in connection with the subject matter hereof.
- b) Subject to these Terms and Conditions, no addition to, variation or consensual cancellation of these Terms and Conditions shall be of any force and effect unless in writing and signed by or on behalf of the Issuer and Holders.

## Section 8 Form of Supplement

The supplement relating to each issue of the Products may contain (without limitation) such of the following information as is applicable in respect of such Products:

1. the type of Product which may be any type of Product incorporated by a Supplement;
2. whether the Products are American, European, Bermudan or other style Products;
3. whether the Products are Call or Put Products;
4. the number of Products being issued;
5. the issue price per Product;
6. the Exercise Price per Product
7. the Expiration Date for each Product;
8. details of the Calculation Agent if not the Issuer;
9. details of the exercise procedure in respect of each Product, and the procedure in the event of failure to exercise the warrant;
10. the details required in terms of the listing requirements;
11. any other special conditions and modifications to the Terms and Conditions in respect of the Warrants;
12. whether the Products are eligible for sale in the United States under Rule 144A and if they are:
  - (i) the applicable US selling restrictions and details of any transfer restrictions and necessary certifications;
  - (ii) any amendments to the form of Exercise Notice (the form of which is set out in this document);
13. details of any additional selling restrictions;
14. the series number of the Products;
15. the relevant ISIN; and
16. the relevant long name and short name.

## Example of the Summary of Offering for Warrants

**Issuer:** Investec Bank Limited

**Issuers Credit Rating:** “Aa3” for National Long Term Rating by Moodys  
“A+” for National Long Term Rating by Fitch

**Sponsor:** Investec Securities Limited

**Issue Description:** One Series of Uncovered American Call Warrants and Uncovered European Put Warrants as set out in the Warrant/Investment Product Information Cover Page below :

Warrant/Investment Product Information Cover Page														
New Listing														
Sponsor Details (Submitter)														
Sponsor Name		Investec Securities Limited												
Contact Name		Liane Liebenberg												
Contact Number		012368024												
Contact Fax Number		012311020												
Contact Email Address		liebenberg@investec.co.za												
Issuer Details														
Issuer Name		Investec Bank Limited												
Issuer Code		INVS												
Warrant/Investment Product Details														
No.	Long Name	Short Name	Alpha	Style	Instrument Type	Class of Warrant	Ratio	Issue Size	Issue Price (cents)	Strike Price/Level of Share (cents/index points)	Stop-Loss (cents)/Barrier Level	Underlying Security/Index Instrument (Alpha Code)	Expiry Date (e.g. 2001/12/31)	Listing Date (e.g. 2001/12/31)
1	IB MTN 3450CF 8:1 SEP04	IB MTN CF	MTNIEF	AC	vR	SNE	8:1	100,000,000	41	3,450		MTN	2004/09/10	2004/02/04
2	IB MTN 3200PR 8:1 SEP04	IB MTN PR	MTNIEP	EP	vR	SNE	8:1	100,000,000	55	3,200		MTN	2004/09/10	2004/02/04
3														
4														
5														
6	Abbreviations:													
7	Style		Instrument Type			Class of Warrant								
8	Uncovered American Call		AC Warrant			vR		Single Equity		SNE				
9	Uncovered European Call		EC WAVE			vV		Basket Equity		BTE				
10	Uncovered American Put		AP Compound			CD		Bond Equity		BDE				
11	Uncovered European Put		EP			BT		Index		IND				
12						BR		Commodity Reference		CMR				
13						DS		Currency Reference		CRR				
14						IX								
15						ED								
16						SV								
17						PV								
18														

**Minimum Exercise Number:** Except on the Expiration Date, 100 Warrants.

**Maximum Exercise Number:** Except on the Expiration Date, 1,000,000 Warrants.

**Underlying Parcel:** One Unit of the relevant Underlying Shares, subject to adjustment under the Conditions. The Holder is entitled to Delivery of the Underlying Parcel or a Cash Settlement Amount, at the Issuer’s discretion, subject to certain conditions.

**Automatic Exercise:** If the Holder fails to exercise a Warrant before 12h00 on the Expiration Date the Warrants shall be deemed to have been exercised, in accordance with the Conditions **[subject to Automatic Exercise being applicable]**.

**Listing:** JSE Limited

**Issue Date:** [DATE]

**Termination of Listing:** Close of business on the Expiration Date.

**Governing Law:** South African.

**I.S.I.N.**

*Please refer to the Terms and Conditions of the Products as set out in the Programme. This is a summary only of the main financial terms of the Products. In the event of any inconsistency between the summary and the Terms and Conditions, the Terms and Conditions shall prevail.*

**Information About the Companies** (to be included in Supplement where applicable to Equity Warrants)

**[Company]**

**Nature of Business**

**Directors**

**Registered Office**

## Example of Summary of Offering for ETN's

<b>Issuer:</b>	Investec Bank Limited
<b>Issuers Credit Rating:</b>	"Aa3" for Long Term National Scale Rating by Moodys, "A+" for Domestic Long Term by Fitch
<b>Sponsor:</b>	Investec Securities Limited
<b>Issue Description:</b>	<b>Exchange Traded Notes ("ETNs").</b>
<b>Structured Notes:</b>	Confer on the Holder the right, to delivery of the Cash Settlement Amount and not the Reference Asset.
<b>Dividends/Distributions:</b>	No dividends or distributions are payable in respect of the ETNs.
<b>ETN Price:</b>	The purchase price payable by an investor in respect of each ETN on the relevant Trade Date, except for the Issue Date, in which event the purchase price will be the Issue Price.
<b>Issue Price:</b>	The Issue Price as specified in the Schedule to Section 2.
<b>Trade Date:</b>	Means any Business Day commencing on the Issue Date to and excluding the Maturity Date, on which the Holders and investors may trade ETNs.
<b>Equities</b>	Means the relevant shares over which the ETN's are offered.
<b>Index</b>	Means the relevant indices over which the ETN's are offered.
<b>Reference Asset:</b>	Means the reference asset as specified in the Schedule to Section 2, which could comprise an Index or Equity.
<b>Index Sponsor:</b>	Means the Index Sponsor as Specified in the Schedule to Section 2.
<b>Reference Asset Level:</b>	In respect of Equities, the price of the Equities, as quoted on the Exchange, as at the close of the preceding Business Day and in respect of Indices, the closing level of the Index as at the close of the preceding Business Day.
<b>Business Day:</b>	Means any day on which the Exchange is open for trading, during its regular trading session, subject to the Market Adjustment Events provisions set out in this Supplement.

<b>Cover Ratio:</b>	Determines the number of ETN's required for delivery of the Cash Settlement Amount
<b>Cash Settlement Amount:</b>	The Cash Settlement Amount ("CSA") shall be determined in accordance with the following generic formula: [To be Advised]
<b>Maturity Date:</b>	Means the date upon which the ETNs are scheduled to terminate, as set out in the Schedule to Section 2.
<b>Market Adjustment Events:</b>	<p>1. Calculation by Successor:</p> <p>If on or prior to the Maturity Date the Index ceases to be published by the Exchange (or any successor thereto) but is published by any successor to such person the index so calculated shall become the Index.</p> <p>2. Substitute Index:</p> <p>If on or prior to the Maturity Date:</p> <p>e) the Index ceases to be published by the Exchange (or any successor); or</p> <p>f) the Exchange (or any successor) makes any material change to the formula for or the method of calculating the Index in a way that materially modifies the Index (other than a modification prescribed in that formula or method to maintain the Index in the event of changes to the constituent shares and capitalisation or other routine event),</p> <p>then, subject to JSE approval,</p> <p>a) where another index is or commences to be published which in the opinion of the Calculation Agent is substantially equivalent to the original Index, the Issuer may substitute that other index for the Index; or</p> <p>b) where the Issuer does not make the substitution referred to in paragraph (a), Calculation Agent Determination shall apply.</p>



**Calculation Agent Determination:**

means that the Calculation Agent will determine the Index Level (or a method for determining a Index Level), taking into consideration the latest available quotation for the Index and any other information in good faith it deems relevant, subject to the approval of the JSE.

**Effect of Market Adjustment Events:**

If, in the opinion of the Calculation Agent, a Market Adjustment Event (as defined above) has occurred and is continuing on any Trade Date, the Index Level for that Trade Date will be determined by the Calculation Agent in accordance with the provision set out above. For the avoidance of doubt, the provisions of clause 14 of the Terms and Conditions shall not apply to this Pricing Supplement.

Following the declaration of the terms of any Market Adjustment Event, the Calculation Agent will determine whether such Market Adjustment Event has an effect on the theoretical value of the ETN and, if so, will, subject to approval of the JSE:

- (i) make the corresponding adjustment, if any, to Cover Ratio, the ETN Price or Cash Settlement Amount, or any of the terms of these Conditions as the Calculation Agent determines appropriate; and
- (ii) determine the effective date of that adjustment; or
- (iii) cancel the ETN by giving notice to Holders. If the ETNs are cancelled, the Calculation Agent shall pay an amount to each Holder in respect of each ETN held by him which amount shall be the fair market value of an ETN taking into account the Market Adjustment Event, less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its opinion. Payments will be made in such manner as shall be notified to the Holders.

**Effect of Market Adjustment Events on the Rights of the Holders:**

Save to the extent that the Calculation Agent has adjusted the Cover Ratio, ETN Price, Cash Settlement Amount or the Conditions in accordance with the provisions of this Supplement, the rights as conferred upon the Holders in terms of any specific ETN shall remain unaffected, subject to the provisions hereunder.

To the extent that the Calculation Agent determines that the appropriate adjustment upon the occurrence of a Market Disruption, as the case be, in accordance with the provisions of this Supplement shall be the cancellation of the ETN, such ETN shall automatically lapse and cease to confer any rights on the Holder as at the time the Issuer notifies the Holders of such cancellation.

**Notice of Adjustment:**

Upon the occurrence of any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Holders setting out brief details of the Market Adjustment Event and associated adjustments.

**Exchange:**

“JSE” means JSE Limited, a company duly registered and incorporated with limited liability under the company laws of the Republic of South Africa under registration number 2005/022939/06, licensed as an exchange under the Securities Services Act, 2004”.

**Certificates:**

As the ETN's have been dematerialised, settlement will be effected electronically through the Strate system of the JSE and accordingly, certificates evidencing the ETN's will not be issued to Holders.

**Regulations:**

The trading and settlement of the ETN issue will be subject to the JSE, Strate and South African Reserve Bank regulations.

**Calculation Agent:**

Investec Bank Limited

**Issue Date:**

[ ]

**Termination of Listing:**

Close of business on the Maturity Date.

**Governing Law:**

South Africa.

**I.S.I.N:**

[...]

**Name of appointed CSDP**

: FNB Custody Services,  
a division of FirstRand Bank Limited

**Bank Code**

: 25

**Branch Code**

: 3455

**Holding Bank Account**

: ZA0000035961

**Settlement Bank Account**

: ZA0000035961

**Bank BIC Code**

: FIRNZAJJ896

**Strate Business Partner ID**

: ZA100043

**Bank CSD Account Number**

: 20004743

**Responsibility:**

The Issuer accepts full responsibility for the information contained in this Applicable Pricing Supplement. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case) the information contained in this Applicable Pricing Supplement is in accordance with the facts and does not omit anything which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made. This Applicable Pricing Supplement contains all information required by law and the debt listings requirements of the JSE.

## SCHEDULE TO SECTION 2

Long Name	IB XXX ETN [ ]MAR2017
Short Name	IB XXX ETN
Alpha	IBLXXX
Instrument Type	ETN
Cover Ratio	1:1
Issue Size	[=]
Issue Price (cents)	[=]cents
Reference Asset:	[=]
Index Sponsor	[=]
Maturity Date	[=]
Listing Date	[=]
U – Margin Rate	[=]

**INFORMATION ABOUT THE UNDERLYING INDICES (TO BE INCLUDED IN SUPPLEMENT WHERE APPLICABLE TO INDEX WARRANTS)**

**1.1 Index Qualification Criteria**

**1.1.1 FTSE/JSE Africa All Share Index**

The FTSE/JSE Africa All Share Index will represent 99% of the full market capital value i.e. before the application of any investibility weightings, of all ordinary securities listed on the main board of the JSE which qualify under Rules 4.1 to 4.4 as eligible for inclusion in the index.

**1.1.2 FTSE/JSE Africa Top 40 Index**

The FTSE/JSE Africa Top 40 Index will consist of the largest 40 companies ranked by full market value, i.e. before the application of any investibility weightings, in the All Share Index. The number of constituents in this index is maintained at a constant level.

**1.1.3 FTSE/JSE Africa Mid Capitalisation Index**

The FTSE/JSE Africa Mid Capitalization Index will consist of the next 60 companies ranked by full market value, i.e. before the application of any investibility weightings, in the All Share Index.

**1.1.4 FTSE/JSE Africa Small Capitalisation Index**

The FTSE/JSE Africa Small Capitalisation Index consists of shares that are in the FTSE/JSE Africa All Share Index, but are not large enough to qualify for the FTSE/JSE Africa Top 40 Index or the FTSE/JSE Africa Mid Capitalisation Index.

**1.1.5 FTSE/JSE Africa Fledgling Index**

The FTSE/JSE Africa Fledgling Index will consist of all ordinary securities listed on the JSE which qualify under Rules 4.1 to 4.4 as eligible for inclusion in an index but are too small to be included in the FTSE/JSE Africa All Share Index.

**1.1.6 FTSE/JSE Africa Industrial 25 Index**

The FTSE/JSE Africa Industrial 25 Index consists of the 25 largest companies ranked by full market value, i.e. before the application of any investibility weightings, as at the date of the review in the FTSE/JSE Africa All Share Index excluding the Resources and Financial economic groups. The number of constituents in this index is maintained at a constant level.

**1.1.7 FTSE/JSE Africa Resources 20 Index**

The FTSE/JSE Africa Resources 20 Index consists of the 20 largest companies ranked by full market value, i.e. before the application of any investibility weightings, as at the date of the review in the Resources Economic Group Index. The number of constituents in this index is maintained at a constant level.

**1.1.8 FTSE/JSE Africa Financial 15 Index**

The FTSE/JSE Africa Financial 15 Index consists of the 15 largest companies ranked by full market value, i.e. before the application of any investibility

weightings, as at the date of the review in the Financial Economic Group Index. The number of constituents in this index is maintained at a constant level.

#### **1.1.9 FTSE/JSE Africa Gold Mining Index**

The FTSE/JSE Africa Gold Mining Index consists of the companies in the gold sector that also belongs to the FTSE/JSE Africa All Share Index.

#### **1.1.10 FTSE/JSE Africa Financial and Industrial 30**

The FTSE/JSE Africa Financial and Industrial 30 Index consists of the 30 largest companies ranked by full market value, i.e. before the application of any investibility weightings, as at the date of the review in the FTSE/JSE Africa All Share Index excluding the Resources economic group. The number of constituents in this index is maintained at a constant level.

#### **1.1.11 FTSE/JSE Economic Group Indices**

A FTSE/JSE Economic Group Index consists of all constituents in the FTSE/JSE All Share Index that belongs to that specific economic group.

#### **1.1.12 FTSE/JSE Sector indices**

A FTSE/JSE Sector Index consists of all constituents in the FTSE/JSE All Share Index that belongs to that specific sector.

#### **1.1.13 FTSE/JSE Sub Sector Indices**

The FTSE/JSE Sub Sector Index consists of all constituents in the FTSE/JSE Africa All Share Index that belongs to that specific sub sector.

#### **1.1.14 FTSE/JSE Secondary Market Indices**

##### **1.1.14.1 FTSE/JSE Africa Development Capital Market**

The FTSE/JSE Africa Development Capital Market Index consists of all companies that belong to the Development Capital Market. These companies cannot belong to any other FTSE/JSE Africa Index.

##### **1.1.14.2 FTSE/JSE Africa Venture Capital Market**

The FTSE/JSE Africa Venture Capital Market Index consists of all companies that belong to the Venture Capital Market. These companies cannot belong to any other FTSE/JSE Africa index.

#### **1.1.15 Specialist Indices**

Specialist indices can have any ordinary securities listed on the JSE.

##### **1.1.15.1 Financials and Industrials**

The FTSE/JSE Africa Financials and Industrials Index consists of all ordinary securities listed on the JSE which qualify under Rules 4.1 to 4.4 as eligible for inclusion in the FTSE/JSE Africa All Share index and do not belong to the Resources economic group.

**1.1.15.2 Property Unit Trust**

The FTSE/JSE Africa Property Unit Trust Index consists of all ordinary securities listed on the JSE which are classified by the JSE as a property unit trust security.

**1.1.15.3 Property Loan Stock**

The FTSE/JSE Africa Property Loan Stock Index consists of all ordinary securities listed on the JSE which are classified by the JSE as a property loan stock security

**1.1.15.4 Industrials**

The FTSE/JSE Africa Industrials Index consists of all ordinary securities listed on the JSE which qualify under Rules 4.1 to 4.4 as eligible for inclusion in the FTSE/JSE Africa All Share index and do not belong to the Resources or Financial economic groups.



## Schedule 1 Form of Exercise Notice for Equity Warrants

Form of Exercise Notice to be used for issues of Call Equity Warrants and/or Equity Put Warrants with:

- at the Issuer's election, either cash settlement or Delivery of the Shares for the Call Warrants;  
and
- cash settlement only for the Put Warrants.

### From the Warrant holder to the Issuer and the Warrant holder's CSDP

**Issuer** : *Investec Bank Limited*  
**Type of Warrants** : *Call Warrants / Put Warrants*  
**Underlying asset** : *Warrants relating to [insert]*  
**Expiration Date of the Warrants** :  
**Name of the Issuer:** Investec Bank Limited, 100 Grayston Drive, Sandown, Sandton, 2196 Republic of South Africa

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This Exercise Notice is subject to the Terms and Conditions contained in Section 4 of the Warrant Programme dated 20 **December 2009 as amended from time to time** (the "Terms and Conditions").

Terms in this Exercise Notice shall have ascribed to them the meanings in the Terms and Conditions.

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**This form is important and applies to Warrant holders who wish to exercise their Warrants in accordance with the Terms and Conditions.**

Any Exercise Notice which is not duly completed in accordance with the Terms and Conditions shall be deemed to be null and void. In addition, if the number of Warrants specified in this Exercise Notice is less than the minimum number of Warrants exercisable, as defined in Section 1 of the Warrant Programme (or is not an integral multiple of this minimum number), this Exercise Notice shall be deemed to be null and void.

Please read the instructions and notes below. Non-compliance with these instructions could result in the rejection of this form and you could be deemed not to have exercised your Warrants.

If you are in any doubt as to how to complete this form, please consult your stockbroker, banker, attorney, accountant or other professional adviser.

**THE ATTENTION OF WARRANTHOLDERS IS DRAWN TO THE FACT THAT, IN RESPECT OF WARRANTS WITH AUTOMATIC EXERCISE ON THE EXPIRATION DATE, ANY WARRANT NOT EXERCISED BY 12h00 noon (SOUTH AFRICAN TIME) ON THE BUSINESS DAY PRIOR TO THE EXPIRATION DATE MAY BE AUTOMATICALLY EXERCISED BY THE ISSUER IN ACCORDANCE WITH THE TERMS AND CONDITIONS.**

#### Notes:

1. A separate form is required for each Warrant holder.
2. This notice shall be delivered to the Issuer: Investec Bank Limited, 100 Grayston Drive, Sandown, Sandton, Republic of South Africa 2196, and to the relevant Warrant holders CSDP (to be delivered by the Warrant holder to his Member, in the case Controlled Warrant holders).
3. This exercise notice shall become effective only upon clearance of funds representing the aggregate of the Exercise Price plus applicable Taxes and Duties with respect to the exercised Warrants, provided that the Issuer shall be entitled (at its sole discretion) to reduce the Settlement Amount payable (in respect of cash settled warrants) by an amount equal to the Exercise Price plus applicable Taxes and Duties as provided for in the Conditions. Should Issuer elect to reduce the Settlement Amount as described above, this Exercise Notice shall be effective without the transfer or payment by the Warrant holder to the Issuer (or Sponsor on behalf of the Issuer) of funds representing the aggregate of the Exercise Price plus applicable Taxes and Duties.



3. In the case of Warrants in respect of which the relevant Supplement indicates that the Warrants may be settled by cash settlement or Delivery of the underlying share(s), the Warrant holder may, subject to the Terms and Conditions, be entitled either to the underlying Shares or to cash settlement, depending on the Issuer's election in terms of the Terms and Conditions. In all other cases, the Warrant holder shall be entitled only to a cash settlement.

Dear Sirs

I am/We are currently a Warrant holder of at least the following Warrants which I/we hereby exercise in accordance with the Terms and Conditions of the Warrants:

Number of Warrants being exercised	Tranche of Warrants	JSE Code	Certificate number(s) (Only in respect of Certificated Warrants)	Number of Warrants exercised hereby (or covered by each certificate enclosed)
<b>Total</b>				

I/We hereby provide the following information which the Issuer may rely upon:

Full Name:

Telephone Number and Contact Person: Fax Number:

(In the case of Warrants in respect of certificated Underlying Parcels) Address to which any Share certificates and other documents of title may be posted: where the Issuer has elected to settle by way of Delivery of Shares.

Postal Code:

CSDP Securities Account into which Shares may be transferred, or from which Shares may be transferred: Where the Issuer has elected to settle by way of Delivery of Shares:

Account Holder:

Name of Warrant holder's CSDP:

Branch:

Branch Number:

CSDP Account Number:

Bank Account or CSDP cash account in South Africa to which any cash amount due in respect of the Warrants (subject of the deduction of any Taxes and Duties payable) may be paid (such account may not be located in the United States):

Account Holder:

Name of Bank Warrant holder's CSDP:

Branch:

Branch Number:

Account Number:

I/We hereby certify and warrant that I/we have sent a copy of this Exercise Notice, together with an authorisation to transfer Shares into/from the securities account held in my/our name(s) by the Central Securities Depository Participant (as defined in the Custody and Administration of Securities Act, 1992, or any successor legislation thereto), and that such authorisation is in the form set out in Schedule 1B hereto.

I/We enclose a cheque crossed and marked "Not Transferable", or a bankers draft, in favour of **[Insert Investec account number]** which represents the aggregate of the Exercise Price plus applicable Taxes and Duties on exercise of the Warrants.

I/We enclose the relevant Warrant Certificates, or documents of title under Strate in respect of the Warrants being exercised, together with a securities transfer form in respect of the Warrant(s), signed by the Warrant holder and left blank as to the transferee.

**I/We understand and accept that: (a) this Exercise Notice shall become effective only upon clearance of funds representing the aggregate of the Exercise Prices plus applicable Taxes and Duties with respect to the exercised Warrant; and (b) that all risk in relation to the method of any payment in terms of this Exercise Notice shall be borne by the Warrant holder.**

**[In the case of Warrants settled by way of Delivery\*\*\*:**

I/We hereby

- (i) certify that neither the person exercising the Warrants referred to in this notice, nor any person on whose behalf the Warrants are being exercised, is a U.S. person (as such term is defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act")) or a person within the United States (as such term is defined in Regulation S under the Securities Act), or
- (ii) have provided to the Issuer prior to the date hereof a written opinion of counsel that the Warrants and the securities delivered upon exercise thereof have been registered under the Securities Act or an exemption from such registration is available.

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

[(To be deleted in the case of cash settled Warrants)] \*\*\*

Yours faithfully

Name of the signatory

Signature of Warrant holder:

Stamp and address of agent lodging this form (if any):

COPIES OF THIS EXERCISE NOTICE ARE AVAILABLE FROM THE ISSUER OR THE ISSUER'S CSPD.

**SCHEDULE 1B**

**FORM OF AUTHORISATION TO CENTRAL SECURITIES DEPOSITORY PARTICIPANT OF WARRANTHOLDER(S) TO TRANSFER SECURITIES TO OR FROM THE SECURITIES ACCOUNT OF THE WARRANTHOLDER**

**FORM OF AUTHORISATION TO BE USED FOR ISSUES OF CALL WARRANTS**

We, the Issuer, have elected to settle by way of Delivery of the Underlying Shares:

From the Warrant holder to the Central Securities Depository Participant **[insert name of participant]**

Issuer: Investec Bank Limited  
Type of Warrant: **[insert]**  
Underlying asset: Warrants relating to **[insert]**  
Expiration Date of the Warrant: **[insert]**  
Name of Central Securities Depository Participant: **[insert]**  
Name of Sponsor: Investec Securities Limited,  
100 Grayston Drive  
Sandown  
Sandton 2196  
Republic of South Africa

I/We, being the holder(s) of **[insert number]** Warrants issued by Investec Bank Limited, hereby –

1. refer to the Exercise Notice attached hereto; and
2. authorise you to transfer to the Member (for Controlled Warrant holders) or the number of Warrants exercised in terms of the Exercise Notice; and/or
3. authorise and request you to register in my/our name(s) any underlying Shares that the Warrant holders CSDP (for Non-Controlled Warrant holders) may wish to deliver to me/us pursuant to the delivery of the Exercise Notice.

Yours faithfully

Name of signatory:  
Signature of Warrant holder

## **Schedule 2 Form of Exercise Notice for American Style Index Warrants**

Form of Exercise Notice to be used for issues of Index Warrants.

### **From the Warrant holder to the Issuer and the Warrant holder's CSDP**

**Issuer** : *Investec Bank Limited*  
**Type of Warrants** : *American Style Call Warrants / Put Warrants*  
**Underlying asset** : *Warrants relating to \*\*\**  
**Expiration Date of the Warrants** :

**Name of the Issuer:** Investec Bank Limited, 100 Grayston Drive, Sandown, Sandton 2196 Republic of South Africa

This Exercise Notice is subject to the Terms and Conditions contained in Section 4 of the Warrant Programme dated **20 December 2009 as amended from time to time** (the "Terms and Conditions").

Terms in this Exercise Notice shall have ascribed to them the meanings in the Terms and Conditions.

**This form is important and applies to Warrant holders who wish to exercise their Warrants in accordance with the Terms and Conditions.**

Any Exercise Notice which is not duly completed in accordance with the Terms and Conditions shall be deemed to be null and void. In addition, if the number of Warrants specified in this Exercise Notice is less than the minimum number of Warrants exercisable, as defined in the applicable Supplement (or is not an integral multiple of this minimum number), this Exercise Notice shall be deemed to be null and void.

Please read the instructions and notes below. Non-compliance with these instructions could result in the rejection of this form and you could be deemed not to have exercised your Warrants.

If you are in any doubt as to how to complete this form, please consult your stockbroker, banker, attorney, accountant or other professional adviser.

**THE ATTENTION OF WARRANTHOLDERS IS DRAWN TO THE FACT THAT, IN RESPECT OF WARRANTS WITH AUTOMATIC EXERCISE ON THE EXPIRATION DATE, ANY WARRANT NOT EXERCISED BY 12h00 noon (SOUTH AFRICAN TIME) ON THE BUSINESS DAY PRIOR TO THE EXPIRATION DATE MAY BE AUTOMATICALLY EXERCISED BY THE ISSUER IN ACCORDANCE WITH THE TERMS AND CONDITIONS.**

#### **Notes:**

- 1. A separate form is required for each Warrant holder.**
- 2. This notice shall be delivered to the Issuer:** Investec Bank Limited, 100 Grayston Drive, Sandown, Sandton 2196 Republic of South Africa
- 3. This exercise notice shall become effective only upon clearance of funds representing the aggregate of the Exercise Price plus applicable Taxes and Duties with respect to the exercised Warrants.**
- 4. Subject to the Terms and Conditions, the exercise of both Call and Put Index Warrants entitle the Warrant holder to receive from the Issuer the Settlement Amount as defined in the relevant Supplement. Such Settlement Amount shall be paid by the Issuer to the Warrant holder's bank account as specified by the Warrant holder in this Exercise Notice.**

Dear Sirs

I am/we are currently a Warrant holder of at least the following Warrants which I/we hereby exercise in accordance with the Terms and Conditions of the Warrants:

Number of	Tranche of	JSE Code	Certificate number(s)	Number of Warrants
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Warrants being exercised	Warrants		(Only in respect of Certificated Warrants)	exercised hereby (or covered by each certificate enclosed)
<b>Total</b>				

I/We hereby provide the following information which the Issuer may rely upon:

Full Name:	
Telephone Number and Contact Person:	Fax Number:
Postal Code:	
Bank Account or CSDP cash account in South Africa to which any cash amount due in respect of the Warrants (subject of the deduction of any Taxes and Duties payable) may be paid (such account may not be located in the United States):	
Account Holder:	
Name of Broker:	
Contact details of Broker:	

**I/We understand and accept that: (a) this Exercise Notice shall become effective only upon clearance of funds representing the aggregate of the Exercise Prices plus applicable Taxes and Duties with respect to the exercised Warrant; and (b) that all risk in relation to the method of any payment in terms of this Exercise Notice shall be borne by the Warrant holder.**

Yours faithfully  
Name of the signatory  
Signature of Warrant holder:

Stamp and address of agent lodging this form (if any):  
**COPIES OF THIS EXERCISE NOTICE ARE AVAILABLE FROM THE ISSUER OR THE ISSUER'S CSDP.**

### **SCHEDULE 3: TECHNICAL SUPPLEMENT FOR EQUITY STRUCTURED PRODUCT**

Investec Bank Limited (the “**Issuer**”) has established a Warrant and Note Programme (the “**Programme**”) in terms of the Programme dated 20 December 2009 and updated on 30 August 2012 (the “**Programme**”). This technical supplement (the “**Technical Supplement**”) supplements the Programme.

**The attention of potential investors in the Equity Structured Product is drawn to the fact that:**

- (a) **they should read this Technical Supplement in conjunction with the Programme and with the applicable Pricing Supplement (as defined below) corresponding to the relevant Equity Structured Product; and**
- (b) **no information or explanation given herein or implied by the Issuer is intended as tax advice or investment advice. Potential investors should consult their own appropriate, independent, professionally qualified tax, investment and/or legal advisers prior to making any investment decision. The Issuer makes no representations or warranties regarding and accepts no responsibility or liability in respect of the tax, legal, accounting or regulatory treatment of such Equity Structured Product; and**
- (c) **they should reach an investment decision only after careful consideration, with their own advisers, of the suitability of such Equity Structured Product in light of their particular financial circumstances, the information set forth herein and in the applicable Pricing Supplement. Potential investors in any Equity Structured Product should ensure that they understand fully the nature of the Equity Structured Product and the extent of their exposure to risks, and that they consider the suitability of the Equity Structured Product as an investment only after careful consideration, with their own advisors, in light of their own circumstances, financial position and information set forth herein. Certain Equity Structured Products involve a high degree of risk, including the risk of their expiring worthless. Potential investors should be prepared to sustain a total loss of their investment in the case of certain Equity Structured Products. The obligations of the Issuer set out in Technical Conditions 3.2, 3.3 and 4 below in respect of the Equity Structured Product represent general, unsecured, unsubordinated, contractual obligations of the Issuer and rank pari passu in all respects with each other. Investors are reminded that the obligations of the Issuer set out in Technical Conditions 3.2, 3.3 and 4 below in respect of the Equity Structured Product constitute obligations of the Issuer only and of no other person. Therefore, potential investors should understand that they are relying solely on the credit worthiness of the Issuer in relation to such obligations; and**
- (d) **the Issuer and its affiliates may also engage in trading activities related, *inter alia*, to the purchase and sale of the Equity Structured Products and/or the Holder Underlying Securities. The Issuer may as a consequence of such activities have interests which may be adverse to those of a Holder. Such activities could present certain conflicts of interest, could influence the prices of the Holder Underlying Securities and could adversely affect the value of the Equity Structured Products.**

## **Terms and Conditions of the Equity Structured Product**

*The following terms and conditions are applicable to all Equity Structured Products issued by the Issuer hereunder, and should be read in conjunction with the specific terms and conditions of the Warrants set out in the Warrant Programme that are stipulated in Technical Condition 8 (The Programme) below and will be supplemented, replaced or modified by the applicable Pricing Supplement to be published in relation to each issue of Equity Structured Products. Any terms defined in the Programme shall bear a corresponding meaning in this Technical Supplement and the applicable Pricing Supplement. In the event of any inconsistency between the terms and conditions of the Programme and this Technical Supplement, this Technical Supplement shall prevail. In the event of any inconsistency between the applicable Pricing Supplement and either the Terms and Conditions of the Programme or this Technical Supplement, the applicable Pricing Supplement shall prevail. The Issuer may from time to time issue Equity Structured Products of the type described in this Technical Supplement or as described by a specific Pricing Supplement, upon the terms of this Technical Supplement and the applicable Pricing Supplement.*

### **1. DEFINITIONS**

This Technical Supplement shall be interpreted in accordance with the following definitions:

<b>“Basket”</b>	means a basket of securities which has been pre-approved by the Issuer, comprising securities listed on the JSE, including, but not limited to, ordinary shares in companies making up the FTSE/JSE Top 40 Companies Index and which basket has a minimum market value of not less than R 100 000 (One Hundred Thousand Rand);
<b>“Capital Contribution Amount”</b>	the price or amount as set out in the applicable Pricing Supplement at which each Equity Structured Product relating to the Holder Underlying Securities is subscribed for by the Holder, provided that the amount of Equity Structured Products subscribed for shall not be for less than the Minimum Subscription Amount and in any event not less than R 100 000 (One Hundred Thousand Rand);;
<b>“Confirmation”</b>	means a confirmation or schedule as specified in the applicable Master Agreement, and attached to the applicable Pricing Supplement;
<b>“Equity Structured Product”</b>	specialist securities issued under this Technical Supplement and as contemplated in the JSE Listing Requirements;
<b>“Expiration Date”</b>	means the Expiration Date as stipulated in the applicable Pricing Supplement;
<b>“Final Reference Price”</b>	the price as specified in the applicable Pricing Supplement;
<b>“Global Master Securities Lending Agreement” or “GMSLA”</b>	means the January 2010 global master securities lending agreement as published by the International Securities Lending Association together with the Confirmations thereto to be entered into between the Hedge Provider and the Trust;
<b>“Hedge Provider”</b>	means Investec Bank Limited;
<b>“Holder”</b>	in relation to an Equity Structured Product, means the Initial Holder and any person who has purchased the Equity Structured Product from the Initial Holder or a subsequent Holder, and whose name is reflected in the Register as owner of that Equity Structured Product, as described in Technical Condition 3.2 below;

<b>“Holder Underlying Securities”</b>	that parcel of Underlying Securities which is set out in the applicable Pricing Supplement and which has either been (i) purchased with the relevant Holder’s Capital Contribution Amount or (ii) transferred to the Trust by the Holder, is thereafter beneficially owned by the relevant Holder and is administered and controlled by the Trust until the Expiration Date on behalf of the relevant Holder;
<b>“Initial Holder”</b>	in relation to an Equity Structured Product, the initial person who either (i) makes payment of the Capital Contribution Amount; or (ii) transfers registered ownership in the Basket to the Trust, and whose name pursuant thereto first appears in the Register as owner of that Equity Structured Product after the subscription, as described in Technical Condition 3.2 below;
<b>“ISDA “</b>	the 2002 ISDA Master Agreement, as published by the International Swaps and Derivatives Association, Inc, together with the Schedule and Confirmations thereto, to be entered into between the Hedge Provider and the Trust;
<b>“Issuer”</b>	Investec Bank Limited;
<b>“Master Agreements”</b>	the ISDA, GMSLA, Pledge and Tripartite Agreement, to be entered into between the Hedge Provider and the Trust;
<b>“Minimum Subscription Amount”</b>	the amount as specified in the applicable Pricing Supplement;
<b>“Loaned Securities”</b>	the Holder Underlying Securities, being the subject of a Securities Loan;
<b>“Pledge”</b>	the pledge and cession on terms hereto, in favour of the Hedge Provider for purposes of providing continuing and covering security over any Holder Underlying Securities not forming the subject of a Securities Loan, as evidenced by the written pledge and cession agreement, and each schedule thereto, to be entered into between the Hedge Provider and the Trust;
<b>“Pledge Account”</b>	means an account held at the Sponsor and opened in the name of the Trustees in respect of each issue of an Equity Structured Product in which Holder Underlying Securities, not being Loaned Securities, will be held, and which account shall be noted by the Sponsor as pledged and ceded in accordance with the Pledge;
<b>“Premium”</b>	means a premium payable only in respect of the Put;
<b>“Pricing Supplement”</b>	a supplement to this Technical Supplement, providing <i>inter alia</i> the relevant settlement provisions in respect of a particular Equity Structured Product;
<b>“Put”</b>	in respect of each parcel of Holder Underlying Securities, means a put as defined in the 2002 ISDA Equity Derivatives Definitions, concluded under the ISDA, and as evidenced by the Confirmation;
<b>“Put Strike Price”</b>	the price as specified in the applicable Pricing Supplement;
<b>“Securities Loan”</b>	a securities loan in respect of each parcel of Holder Underlying Securities concluded under the terms of a Global Master Securities Lending Agreement;
<b>“Security Transfer Tax”</b>	such tax as contemplated in the Security Transfer Tax Act, 2007 (as



amended);

- “Settlement Date”** the date specified in the applicable Pricing Supplement, being the date upon which the settlement of the payment and delivery obligations of Hedge Provider and the Holder, as the case may be, in terms of the Put shall be facilitated by the Issuer following the Expiration Date;
- “Tripartite Agreement”** The memorandum of agreement to be entered into between the Hedge Provider, Investec Securities Limited and the Trust, authorising Investec Securities Limited to note the Pledge in its records, in respect of the Holder Underlying Securities held in an account(s) in the name the Trust, and to accept the instructions of the Hedge Provider in respect of the Holder Underlying Securities forming the subject matter of the Pledge;
- “Trust”** means the bewind Equity Structured Product Trust established and registered, or to be established and registered, under the Trust Property Control Act, 1988 for purposes of acquiring on behalf of the Holder and administering the Holder Underlying Securities and which trust shall be duly authorised in terms of the Trust Deed to perform all functions, and execute all agreements and transactions as specified in Technical Condition 3.3;
- “Trust Deed”** means the deed of trust of the Trust;
- “Trustees”** the trustees from time to time of the Trust;
- “Underlying Securities”** the aggregate securities purchased and administered by the Trust on behalf of all Holders from time to time.

## 2. INTRODUCTION

- 2.1. Equity Structured Products are specialist securities as contemplated in the JSE Listing Requirements and shall be listed on the specialist securities section of the JSE.
- 2.2. The Issuer shall issue Equity Structured Products to investors and the investors shall make payment of the capital contribution for the Equity Structured Products by delivering to the Trust, at a bank account in the name of the Trust and specified in writing and held with the Issuer, an amount equal to the Capital Contribution Amount.
- 2.3. An investor in an Equity Structured Product shall upon making payment of the Capital Contribution Amount become an Initial Holder of an Equity Structured Product under the Terms of this Technical Supplement, and shall therefore become a beneficiary of the Trust and shall bind itself to the terms of the Trust Deed.
- 2.4. The Issuer undertakes to ensure the establishment of a Trust on the terms and conditions described below.

All the rights and obligations of the Holder in its capacity as beneficiary of the Trust shall be set out in the Trust Deed.

- 2.5. Following the payment by an investor of the Capital Contribution Amount, the Trust shall procure to purchase the Holder Underlying Securities.
- 2.6. The Holder Underlying Securities purchased by the Trust shall be owned by the Holder and registered in the name of the Trust as nominee for the Holder and shall not be pooled with the assets of any other beneficiaries of the Trust.
- 2.7. The Trust shall, as part of its administrative mandate from the Holder, enter into a Put, Pledge, Securities Loan and Tripartite Agreement in respect each parcel of Holder Underlying Securities as outlined in Technical Condition 3 below.
- 2.8. The Holder agrees to settle with the Hedge Provider the amount due as provided for in Technical Condition 4 below.
- 2.9. The Initial Holder and any subsequent Holder shall be entitled to sell the Equity Structured Product subject to its terms and conditions, prior to the Expiration Date. All the rights and obligations of the transferring Holder/s in terms of the Equity Structured Product and the Underlying Securities including the rights and obligations under the Technical Supplement, Pricing Supplement, Tripartite Agreement, Trust Deed, Master Agreements, Put, Pledge and Securities Loan shall automatically transfer to the transferee Holder upon sale of the Equity Structured Product. Notwithstanding the retention or payment of all income in respect of the Loaned Securities or the shares that are the subject of the Pledge, as the case may be, the Holder acknowledges and agrees that it has been compensated for any distributions which the Holder would have been entitled to receive during the period of a Securities Loan or the Pledge, as the case may be, by virtue of the fact that the Hedge Provider has adjusted the terms of the Securities Loan and/or Put accordingly to take into account the benefit received by the Hedge Provider in terms hereof.

### 3. **ISSUE AND PURCHASE**

- 3.1. The Issuer shall, in its sole and absolute discretion, be entitled to issue any number of Equity Structured Products of any type or description, the terms, characteristics and settlement provisions of which shall be fully described in the applicable Pricing Supplement.
- 3.2. Upon the subscription or the purchase, as the case may be, of the Equity Structured Product, the Issuer and the Initial Holder and where applicable any Holder, hereby agree that:
  - 3.2.1. the Issuer shall ensure the registration of the Trust;
  - 3.2.2. the Initial Holder shall pay the Capital Contribution Amount to the Trust bank account specified in writing and held with the Issuer;
  - 3.2.3. the Issuer shall, on behalf of the Initial Holder, receive the Capital Contribution Amount as a capital contribution by the Initial Holder to the Trust, whereupon the Initial Holder and each Holder thereafter

shall: (i) be bound by the terms of the Trust Deed, (ii) become, in terms of the Trust Deed, an income and capital beneficiary of the Trust, (iii) become the owner of the Holder Underlying Securities purchased with the Initial Holder's Capital Contribution Amount, and (iv) be bound to remain a beneficiary of the Trust for so long as it is an Initial Holder or Holder, as the case may be;

- 3.2.4. with respect to the Holder Underlying Securities, the Holder shall forego all rights to receive any dividends or distributions, annual reports, notices of meetings, and to attend, speak and/or vote at any meetings;
  - 3.2.5. the voting rights attaching to the Holder Underlying Securities shall, subject to Technical Condition 3.3.10 below, be exercisable by the Trustees on behalf of the Holder;
  - 3.2.6. in respect of a Securities Loan pertaining to the Holder Underlying Securities, no securities lending fees shall be payable to the Holder and the Hedge Provider, in its capacity as borrower in terms of the Securities Loan shall not be obliged to pay any dividends or to manufacture any dividends to the Holder;
  - 3.2.7. the Holder shall pay over and hereby authorises the Trustee to pay over, on the Holder's behalf, to the Hedge Provider, within 1 (one) Business Day after receipt thereof by the Holder and/or the Trustee, any and all dividends, distributions and/or income actually received by the Holder and/or the Trustee, as the case may be, that shall accrue to the Holder Underlying Securities;
  - 3.2.8. the Holder hereby authorises the Trustee to settle on the Holder's behalf, any Premium due pursuant to the Put in accordance with the terms of this Technical Supplement;
- 3.3 The Issuer hereby undertakes that it shall procure that the Trust Deed shall empower and require the Trustee:
- 3.3.1 to enter into an agreement with the Issuer in terms of which the Issuer will be appointed as an intermediary service provider to the Trust, for purposes of this Technical Supplement;
  - 3.3.2 to utilise the Capital Contribution Amount to purchase the Holder Underlying Securities;
  - 3.3.3 to register the Holder Underlying Securities in the name of the Trust as nominee for the Holder;
  - 3.3.4 to prevent pooling of the Holder Underlying Securities of each beneficiary;
  - 3.3.5 to negotiate and execute the Master Agreements with the Hedge Provider;

- 3.3.6 in relation to each parcel of Holder Underlying Securities, on behalf of the Holder:
- (i) to purchase a Put from the Hedge Provider,
  - (ii) to execute a Pledge in favour of the Hedge Provider, in terms of which the Hedge Provider shall be entitled to borrow the Holder Underlying Securities from time to time, as required by the Hedge Provider in its sole discretion, and the Holder Underlying Securities shall be temporarily released from the Pledge on each occasion where Underlying Securities are required to be delivered by the Trust pursuant to a Securities Loan; and
  - (iii) to enter into a Securities Loan with the Hedge Provider ; and
  - (iv) to authorise the Trustee to execute all documents, to do all things and to take all such actions as are necessary to enable the Trustee to enter into the agreements contemplated in paragraphs (i), (ii) and (iii) above;
- 3.3.7 upon expiry of the Equity Structured Product, to procure the return of the Loaned Securities to the Pledge Account, within 5 (five) Business Days of the Expiration Date;
- 3.3.8 to sell and instruct the Hedge Provider to sell so many of the Holder Underlying Securities as may be required to settle the Premium (if any) due by the Holder to the Hedge Provider;
- 3.3.9 once the Premium (if any) due by the Holder has been settled in full (as set out in Technical Condition 4 below), to deliver the Holder Underlying Securities to the Holder, in its capacity as beneficiary and, where applicable, to update the register relating to such Holder Underlying Securities; and
- 3.3.10 to be indemnified from and against any loss, liability, cost, claim, action, demand or expense which the Trust, Trustee(s) or any of their agents may incur or which may be made against the Trust, Trustee(s) or any of their agents in relation to the exercise by the Trust, the Trustee(s) or any of their agents of the voting rights attaching to the Holder Underlying Securities.

#### **4 SETTLEMENT OF EQUITY STRUCTURED PRODUCT**

- 4.1 Settlement of the Equity Structured Products shall occur in accordance with the provisions of this Technical Supplement and the applicable Pricing Supplement.

- 4.2 Holders of Equity Structured Products should be aware and hereby acknowledge that the Capital Contribution Amount and/or the market value of the Holder Underlying Securities may not correspond with the price at which the Equity Structured Products trade on the JSE, and that the price of the Equity Structured Products and/or the market value of the Holder Underlying Securities on the JSE may be higher or lower than the Capital Contribution Amount. Holders hereby acknowledge that the Issuer gives no assurances in this regard.
- 4.3 The Issuer shall notify the Holders no less than 10 (ten) Business Days prior to the Expiration Date of the upcoming expiry in terms of the Put, Pledge and Securities Loan.
- 4.4 On the Settlement Date:
- 4.4.1 the Issuer shall facilitate payment of all distributions due to the Holder on behalf of the Trust;
- 4.4.2 if the Put Strike Price of the Put exceeds the Final Reference Price, the Holder shall authorise the Trustee to sell the Holder Underlying Securities to the Hedge Provider, and shall be entitled to payment of the Put Strike Price, against which the Trust is hereby authorised to deliver the Holder Underlying Securities to the Hedge Provider in accordance with the terms of the Put; or
- 4.4.3 if the Final Reference Price exceeds the Put Strike Price the Put shall expire worthless. However the Premium owed to the Hedge Provider will remain due to the Hedge Provider, and the Trust shall instruct the Hedge Provider to sell so many of the Holder Underlying Securities as may be required to settle the Premium due to the Hedge Provider. Once the Premium in respect of the Put has been settled in full to the Hedge Provider, the Trustee is hereby authorised to, in accordance with the Put, deliver the balance of the Holder Underlying Securities to the Holder. The Issuer will facilitate the transfer of the Holder Underlying Securities to the Holder on behalf of the Trust.
- 4.5 The Holder of an Equity Structured Product hereby authorises the Issuer or the Trustee, as the case may be, to obtain from the Holder's CSDP all the relevant details (name, address, account details and the like) of the relevant person(s) into whose name the Holder Underlying Securities are to be registered and hereby undertakes to provide the Issuer and/or the Trustee, as the case may be, with all such assistance necessary to obtain the required information from the relevant CSDP.
- 4.6 A Holder of an Equity Structured Product should be aware that the delivery of the Holder Underlying Securities to the Holder on the Settlement Date in terms of the Equity Structured Product may have Securities Transfer Tax implications for the Holder. Investors are advised to obtain independent advice in respect of all the relevant tax implications of investing in an Equity Structured Product. The Holder shall be fully responsible for any Securities Transfer Tax or any other taxes in relation to the Equity Structured Product and/or the delivery of the Holder

Underlying Securities. The Holder hereby agrees to indemnify the Trust, the Hedge Provider and/or the Issuer from and against any loss, liability, cost, claim, action, demand or expense which the Trust, the Hedge Provider and/or the Issuer may incur or which may be made against the Trust, the Hedge Provider and/or the Issuer in relation to Securities Transfer Tax under the transactions contemplated herein. The Issuer of the Equity Structured Product makes no representations regarding and accepts no responsibility or liability in respect of the tax, legal, accounting or regulatory treatment of such Equity Structured Product.

## 5 **TERMINATION**

5.1 The Holder hereby agrees that in the event where the Holder sells the Equity Structured Product in the open-market, the Issuer shall have the right, like any other participant in the open-market, to purchase an Equity Structured Product from any Holder prior to the Expiration Date at the prevailing market price of such Equity Structured Product.

## 6 **LIMITATION OF LIABILITY**

The Holder hereby agrees that the Issuer shall not incur any liability towards the Holder and the Holder shall not bring any suit or claim against the Issuer other than for a breach of any undertakings in Technical Condition 3.2, 3.3 above and Technical Condition 8 below that have not been fulfilled by the Issuer. The Issuer does not guarantee or underwrite in any way the obligations of the Trust to the Holder pursuant to the terms of the Trust Deed or otherwise.

## 7 **FURTHER ISSUES**

In addition to the Warrants issuable under the Programme, the Issuer shall, in its absolute discretion, be entitled to issue under the Programme an Equity Structured Product of any type or description and upon any terms, the characteristics and settlement provisions of which shall be fully described in this Technical Supplement and the applicable Pricing Supplement.

## 8 **THE PROGRAMME**

8.1 The parties hereby agree that the following Sections and Conditions of the Programme shall be apply *mutatis mutandi* to the Equity Structured Product:

- (i) the "Important Notice" at the front of the Programme;
- (ii) the paragraphs headed "What is a Warrant", "What is a Put Warrant", "Characteristics of Warrants" "Adjustments to the Put Strike Price and Barrier Level", "Dividends and Voting Rights in respect of Underlying Shares", "Taxation", "Delivery of Warrants", "Contents of Programme" and "Role of Company" in Section 2;
- (iii) with the exception of the "Maximum Exercise" and the "Minimum Exercise" paragraphs, Section 3;
- (iv) Conditions 1 (*General*), 2 (*Type, Title and Transfer*), 3 (*Status of the Warrants*), 6 (*Illegality*), 7 (*Purchases*), 8 (*The Issuer, the Calculation Agent, the Issuer's CSDP, the Sponsor and Determinations*), 9 (*Notices*), 10 (*Taxation and Expenses*), 11 (*Further Issues and Amendments*), 12 (*Governing Law and Jurisdiction*), and 15 (*Documents incorporated by reference*) of Section 4;
- (v) Section 5;
- (vi) Section 6;
- (vii) Section 7; and
- (viii) Section 8.

provided that all references to:

a "**Warrant**" or "**Warrant Programme**" shall be interpreted to mean a reference to an "**Equity Structured Product**" or an "**Equity Structured Product Programme**" respectively;

an "**Underlying Parcel**" shall be interpreted to mean a reference to the "**Holder Underlying Securities**"

a "**Holder**" shall be interpreted to mean a reference to a "**Holder**" of an "**Equity Structured Product**";

a "**Share(s)**" shall be interpreted to mean a reference to the "**Holder Underlying Securities**";

8.2 Holders shall note that Conditions 4 (*Exercise of Warrants*), 5 (*Settlement Following Exercise*), 13 (*Adjustments*) and 14 (*Substitute Index and Adjustment*) of Section 4 of the Programme shall not apply to the Equity Structured Products (or the Holder Underlying Securities) and that these matters shall be governed by the provisions of the Trust Deed and/or Put and/or Securities Loan and/or Pledge.

8.3 The parties hereby agree that the Calculation Agent appointed under the Programme will perform the role of Calculation Agent for calculations required pursuant to the applicable Pricing Supplement and that the Trust Deed shall provide that the same party shall be appointed (as required) as calculation agent in respect of the Master Agreements, Put and Pledge documents to be entered into by the Trustee.

9 DOCUMENTATION

**A Holder shall be entitled to inspect the Trust Deed, and the Master Agreements, copies of which are available only in the English language and may be obtained from the offices of the Issuer**

Investec Bank Limited

\_\_\_\_\_  
Authorised Signatory

Name: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Authorised Signatory

Name: \_\_\_\_\_

Date: \_\_\_\_\_