

ADDITIONAL SOUTH AFRICAN SECURITIES CONDITIONS
Additional terms and conditions for South African Securities

Table of Contents

	Page No
1. Introduction	2
2. Definitions and Interpretation.....	4
3. Form, Denomination, Redenomination, Transfer and Title	9
4. Payments and Deliveries - South African Securities.....	13
5. Exchange of Beneficial Interests for an Individual Certificate	17
6. South African Register	18
7. Redemption — South African Securities	19
8. Notices.....	20
9. Modifications to the Conditions.....	21
10. Meetings of Noteholders	22
11. Costs.....	29

1. Introduction

- (a) *Programme:* UBS AG (the "**Issuer**") which may also be acting through its London Branch ("**UBS AG, London Branch**") has established a programme (the "**Programme**") for the issuance of Notes as described in the information memorandum of the Issuer dated [●] 2013 (as supplemented or replaced, the "**Information Memorandum**").

For the purposes of listing Notes on the Main Board of the JSE, the Issuer has prepared a JSE Placement Document, which supplements the Information Memorandum, and which will apply to all South African Securities issued by the Issuer under the Programme which are to be listed on the Main Board of the JSE and cleared through the CSD on or after [●] (the "**JSE Placement Document**"). The JSE Placement Document, to which these Additional South African Securities Conditions are attached, was approved by the JSE with effect from [●].

- (b) *Agency Agreement:* The Issuer, the Calculation Agent, the South African Paying Agent and the South African Transfer Agent (each as defined in South African Securities Condition 2(a) (*Definitions and Interpretation*)) have concluded an agency agreement (the "**South African Agency Agreement**") in respect of Notes issued in accordance with these Additional South African Securities Conditions ("**South African Securities**") and, with respect to such South African Securities, references in the Conditions to the "*Agency Agreement*" are to such agreement.
- (c) *Final Terms:* South African Securities issued under the Programme are issued in Series and each Series may comprise one or more tranches ("**Tranches**" and each, a "**Tranche**") of South African Securities. Each Tranche of South African Securities will be the subject of final terms, including any applicable Supplemental Terms and Conditions specified therein (the "**Final Terms**"), the form of which is set out in the

Information Memorandum, in the section headed "*Form of Final Terms*") and which may be amended to include provisions required in terms of the JSE Listings Requirements.

- (d) *Conditions:* The terms and conditions (the "**Conditions**") applicable to each Tranche of South African Securities shall comprise the Base Conditions as supplemented, amended or replaced by these Additional South African Securities Conditions, subject to completion and/or amendment in the relevant Final Terms.

No Notes in the form of Intermediated Securities, Swiss Global Notes, Uncertificated Securities, Italian Certificates, Italian Bonds, Global Notes, Yen Notes, Permanent Global Notes, Temporary Global Notes, TEFRA C Notes or TEFRA D Notes, each as defined in the Information Memorandum, may be issued under the JSE Placement Document as South African Securities.

- (e) *The South African Securities:* All subsequent references in these Additional South African Securities Conditions to "**South African Securities**" are to the South African Securities which are the subject of the relevant Final Terms. With regard to Notes (which may also be referred to in the Information Memorandum as Certificates or Bonds) to be listed on the JSE, all references in the Information Memorandum to "Notes", "Certificates" or "Bonds" shall be regarded as references to "South African Securities".

- (f) *Summaries:* Certain provisions of these Additional South African Securities Conditions are summaries of the South African Agency Agreement and are subject to their detailed provisions. Noteholders and the holders of related interest coupons, if any, are bound by, and are deemed to have notice of, all the provisions of the South African Agency Agreement applicable to them. Copies of the South African Agency Agreement are available for inspection by Noteholders during normal business hours at the Specified Office of the Issuer and the South African Transfer Agent.

2. Definitions and Interpretation

- (a) *Definitions:* In these Additional South African Securities Conditions, unless inconsistent with the context or otherwise separately defined in the relevant Final Terms, the following expressions shall have the following meanings:

"Additional South African Securities Conditions" means the terms and conditions of the South African Securities set out in this schedule to the JSE Placement Document headed "*Additional South African Securities Conditions*", which supplement, amend or replace the Base Conditions in respect of the South African Securities, and in accordance with which the South African Securities to be listed on the Main Board of the JSE will be issued, subject to completion and/or amendment in the relevant Final Terms;

"Applicable Procedures" means the rules and operating procedures for the time being of the CSD, the CSD Participants and the JSE;

"Base Conditions" means the General Terms and Conditions of the Notes set out in the section of the Information Memorandum headed "*General Terms and Conditions of the Notes*", as completed or supplemented by Supplemental Terms and Conditions where so specified in the relevant Final Terms;

"Beneficial Interest" means, in relation to a Series of South African Securities held in the CSD, the beneficial interest as co-owner of an undivided share in all of the South African Securities in that Series, as contemplated in section 37(1) of the South African Financial Market's Act, the principal amount of which beneficial interest, in relation to any number of South African Securities in that Series, is determined by reference to the proportion that the principal amount of such number of South African Securities bears to the principal amount of all of the South African Securities in that Series, as contemplated in section 37(3) of the South African Financial Markets Act;

"Business Day" means a day (i) (other than a Saturday, Sunday or

statutory public holiday in South Africa) on which commercial banks settle payments in Rand in Johannesburg; and (ii) a day other than a Saturday or Sunday on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the Relevant Financial Centres specified in the Final Terms;

"Calculation Agent" means UBS AG, London Branch, unless the Issuer elects to appoint another entity as Calculation Agent in relation to one or more Tranches of South African Securities, in which event such entity (and a description of the arrangements pursuant to which such entity has been so appointed by the Issuer) will be specified in the relevant Final Terms;

"CSD" means Strate Limited (registration number 1998/022242/06), licensed as a central securities depository in terms of section 32 of the South African Financial Markets Act, and any reference to "CSD" shall, whenever the context permits, be deemed to include any successor depository operating in terms of the South African Financial Markets Act, and any additional or alternate depository approved by the Issuer;

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

"CSD Participant" means a person accepted by the CSD as a participant, as contemplated in section 34 of the South African Financial Markets Act, and who is approved by the CSD, in terms of the rules of CSD;

"Extraordinary Resolution" bears the meaning assigned to the term Extraordinary Resolution in Condition 10(t) of the Additional South African Securities Conditions;

"Individual Certificate" means (i) a single certificate in definitive

registered form without interest coupons representing those South African Securities for which a Beneficial Interest has been exchanged in accordance with Condition 5 (*Exchange of Beneficial Interests for an Individual Certificate*) of the Additional South African Securities Conditions or (ii) the single certificate in definitive registered form without interest coupons representing any other South African Securities, as the context requires;

"Issue Date" means, in relation to a Tranche of South African Securities, the date specified as such in the relevant Final Terms;

"Issuer" means UBS AG, a public company with limited liability established under the laws of Switzerland with registration number: CH-270.3.004.646-4;

"JSE" means the JSE Limited (registration number 2005/022939/06) incorporated with limited liability under and licensed as an exchange under the terms of the South African Financial Markets Act, and any reference to *"JSE"* shall, whenever the context permits, be deemed to include any successor exchange operating under the terms of the South African Financial Markets Act;

"JSE Scheduled Trading Day" means any day on which the JSE is scheduled to be open for trading for its regular trading session;

"Last Day to Trade" means, in relation to a Series of South African Securities, 17h00 Johannesburg time on the day that is 5 JSE Scheduled Trading Days before the Record Date;

"Noteholders" or **"Holders"** means the holders of South African Securities recorded as such in the South African Register;

"R" or **"Rand"** or **"ZAR"** or **"South African Rand"** or **"cent"** means the lawful currency of South Africa;

"Record Date" means the date on which the Register must be in final form, being the Friday immediately prior to each Interest Payment Date or Redemption Date, as the case may be, or if such Friday is not a

Business Day, the last Business Day of the week preceding the Interest Payment Date or Redemption Date, as the case may be;

"Redemption Date" means each date on which any South African Securities are to be redeemed, partially or totally, as the case may be, in terms of the Conditions;

"Series" has the meaning given in the Base Conditions;

"South Africa" means the Republic of South Africa;

"South African Banks Act" means the Banks Act, 1990;

"South African Companies Act" means the Companies Act, 2008;

"South African Paying Agent" means FirstRand Bank Limited, acting through its division, First National Bank, unless the Issuer elects to appoint another entity as South African Transfer Agent in relation to one or more Tranches of South African Securities, in which event such entity (and a description of the arrangements pursuant to which such entity has been so appointed by the Issuer) will be specified in the relevant Final Terms;

"South African Register" means the register of Noteholders of South African Securities maintained by the South African Transfer Agent under the terms of Condition 6 (*South African Register*) of the Additional South African Securities Conditions;

"South African Financial Markets Act" means the Financial Markets Act, 2012;

"South African Transfer Agent" means UBS South Africa (Pty) Ltd unless the Issuer elects to appoint another entity as South African Transfer Agent in relation to one or more Tranches of South African Securities, in which event such entity (and a description of the arrangements pursuant to which such entity has been so appointed by the Issuer) will be specified in the relevant Final Terms;

"Specified Office" means, in relation to each of the Issuer, the

Calculation Agent, the South African Paying Agent and the South African Transfer Agent, the address of the office specified in respect of such entity at the end of the JSE Placement Document, or such other address as is notified by such entity (or, where applicable, a successor to such entity) to the Noteholders (in the manner set out in Condition 8 (*Notices*) of the Additional South African Securities Conditions), as the case may be.

- (b) *Interpretation:* In these Additional South African Securities Conditions:
- (i) Words and expressions used in the relevant Final Terms shall have the same meanings where used in the Base Conditions and these Additional South African Securities Conditions unless the context requires or unless otherwise stated.
 - (ii) Any reference to legislation or a statute shall be to such legislation or statute as amended, varied or repealed and re-enacted or replaced from time to time.
 - (iii) If there is any conflict or inconsistency between provisions set out in the Base Conditions and these Additional South African Securities Conditions, then the provisions in these Additional South African Securities Conditions will prevail. If there is any conflict or inconsistency between provisions set out in the relevant Final Terms and the provisions set out in these Additional South African Securities Conditions, then the provisions in the relevant Final Terms will prevail.
 - (iv) In respect of South African Securities, all references in the Base Conditions and these Additional South African Securities Conditions to the "*Agency Agreement*" shall be deemed to be to the "*South African Agency Agreement*", all references in these Additional South African Securities Conditions to the "*Register*" shall be deemed to be to the "*South African Register*", all references in the Base Conditions and these Additional South African Securities Conditions to the "*Fiscal Agent*" shall be deemed to be to the "*South African Transfer Agent*", and all references in the Base

Conditions and these Additional South African Securities Conditions to the "*Paying Agent*" shall be deemed to be to the "*South African Paying Agent*".

- (v) In respect of South African Securities, all references in the Base Conditions to Intermediated Securities, Swiss Global Notes, Uncertificated Securities, Italian Certificates, Italian Bonds, Global Notes, Yen Notes, Permanent Global Notes, Temporary Global Notes, TEFRA C Notes and TEFRA D Notes shall be disregarded.
- (vi) To the extent that any terms defined in the Base Conditions are also defined herein, the definition in these Additional South African Securities Conditions shall prevail.
- (vii) Capitalised terms used but not defined herein shall have the meanings given to them in the Base Conditions.

3. Form, Denomination, Redenomination, Transfer and Title

This Condition 3 replaces section 1 (*Currency. Denomination. Form. Clearing System*) of the Base Conditions in respect of the South African Securities:

- (a) *Registered Notes*: Each Tranche of South African Securities will be issued in registered form denominated in South African Rand.
- (b) *Uncertificated South African Securities*: Each Tranche of South African Securities which is listed on the Main Board of the JSE will, subject to applicable laws and Applicable Procedures, be issued in uncertificated form under the terms of section 33 of the South African Financial Markets Act.

Uncertificated South African Securities will not be represented by any certificate or written instrument. A Tranche of South African Securities issued in uncertificated form will be held by the CSD (see sub-paragraph (d) below headed "*South African Securities held in the CSD*"), and the CSD's Nominee will be named in the South African Register as the

registered Holder of those South African Securities.

- (c) *Certificated South African Securities*: South African Securities issued in certificated form will be represented by an Individual Certificate in definitive registered form. Each Individual Note Certificate will be registered in the South African Register in the name of the individual Holder(s) of the South African Securities represented by that Individual Certificate.
- (d) *South African Securities held in the CSD*: The CSD's Nominee will be reflected in the South African Register as the registered Holder of each Tranche of South African Securities (other than those South African Securities in that Tranche which are represented by Individual Certificates). Accordingly, except where the contrary is provided in the Conditions of the South African Securities, all amounts to be paid and all rights to be exercised in respect of the South African Securities in that Tranche held in uncertificated form will be paid to and may be exercised only by the CSD's Nominee for the Holders of Beneficial Interests in that Tranche of South African Securities.

While any South African Securities in a Tranche are held in the CSD, any certificate or other document issued by the CSD or the relevant CSD Participant, as the case may be, as to the principal amount of such South African Securities standing to the account of such person shall be *prima facie* proof of such Beneficial Interest.

- (e) *Title to certificated South African Securities*: Title to South African Securities represented by an Individual Certificate will pass upon registration of transfer in the Register in accordance with sub paragraph (i) (*Transfer of South African Securities represented by Individual Certificates*) of these Additional South African Securities Conditions.

The Issuer, the South African Paying Agent and the South African Transfer Agent shall (except as otherwise required by law) recognise the Holder of any South African Security, as the absolute owner of the South African Securities registered in that Holder's name for all purposes (notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof).

- (f) *Title to Beneficial Interests in uncertificated South African Securities:* Title to Beneficial Interests held by CSD Participants directly through the CSD will pass on transfer thereof by electronic book entry in the central securities accounts maintained by the CSD for such CSD Participants, in accordance with the Applicable Procedures (as contemplated in subparagraph (h) (*Transfer of Beneficial Interests*) of the Additional South African Securities Conditions below). Title to Beneficial Interests held by clients of CSD Participants indirectly through such CSD Participants will pass on transfer thereof by electronic book entry in the securities accounts maintained by such CSD Participants for such clients, in accordance with the Applicable Procedures (as contemplated in subparagraph (h) (*Transfer of Beneficial Interests*)) of the Additional South African Securities Conditions below).

The holder of a Beneficial Interest will only be entitled to exchange such Beneficial Interest for South African Securities represented by an Individual Certificate in accordance with Condition 5 (*Exchange of Beneficial Interests for an Individual Certificate*) of the Additional South African Securities Conditions below.

Each Tranche of South African Securities held by the CSD will be held subject to the South African Financial Markets Act and the Applicable Procedures.

- (g) *Redenomination:* Redenomination may not be specified in the Final Terms in respect of South African Securities.
- (h) *Transfer of Beneficial Interests:* Transfers of Beneficial Interests to and from clients of CSD Participants occur by way of electronic book entry in the securities accounts maintained by the CSD Participants for their clients, in accordance with the Applicable Procedures. Transfers of Beneficial Interests among CSD Participants occur through electronic book entry in the central securities accounts maintained by the CSD for the CSD Participants, in accordance with the Applicable Procedures. Transfers of Beneficial Interests in South African Securities will not be recorded in the South African Register, and the CSD's Nominee will continue to be reflected in the South African Register as the registered

Holder of such South African Securities notwithstanding such transfers.

- (i) *Transfer of South African Securities represented by Individual Certificates:* South African Securities represented by an Individual Certificate will be transferred upon registration of transfer in the Register.

In order for any transfer of South African Securities to be recorded in the Register, and for such transfer to be recognised by the Issuer (i) the transfer of such South African Securities must be embodied in a valid form of transfer in the usual form or in such other form approved by the South African Transfer Agent ("**Transfer Form**"), (ii) the Transfer Form must be signed by the registered Noteholder and the transferee, or any authorised representative of that registered Noteholder and/or transferee, and (iii) the Transfer Form must be delivered to the South African Transfer Agent at its Specified Office together with the relevant Individual Certificate for cancellation.

The transfer of South African Securities recorded in the Register may be transferred in whole or in part (in amounts of not less than ZAR1 000 000).

Subject to the preceding provisions of this Condition, the South African Transfer Agent will, within 3 Business Days of receipt by it of the Transfer Form (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), record the transfer of South African Securities in the Register, and authenticate and deliver to the transferee at the South African Transfer Agent's Specified Office or, at the risk of the transferee, send by mail to such address as the transferee may request, a new Individual Certificate, if applicable, in respect of such South African Securities reflecting the same outstanding nominal amount as the South African Securities transferred. Where a Noteholder has transferred part only of his holding of South African Securities represented by an Individual Certificate, the South African Transfer Agent will authenticate and deliver to such Noteholder at the South African Transfer Agent's Specified Office or, at the risk of such Noteholder, send by mail to such address as such Noteholder may request, a new

Individual Certificate in respect of the balance of the South African Securities held by such Noteholder.

The transferor of any South African Securities will be deemed to remain the owner thereof until the transferee is registered in the Register as the holder thereof.

Before any transfer of any South African Securities is registered, all relevant transfer taxes (if any) must have been paid by the transferor and/or the transferee and such evidence must be furnished as the South African Transfer Agent reasonably requires as to the identity and title of the transferor and the transferee.

No transfer of any South African Securities will be registered while the Register is closed as contemplated in Condition 6 (*South African Register*) of the Additional South African Securities Conditions.

If a transfer of any South African Securities is registered, the Transfer Form and cancelled Individual Certificate, if any, will be retained by the South African Transfer Agent.

4. **Payments and Deliveries - South African Securities**

This Condition 5 replaces section 5 (*Payments*) of the Base Conditions in respect of the South African Securities.

For the purposes of this Condition 4, references to payment or repayment (as the case may be) of principal and/or interest and other similar expressions will, where the context so admits, be deemed also to refer to delivery of the underlying asset(s) with respect to any physical delivery amount(s).

- (a) *General:* Only Noteholders of South African Securities named in the South African Register at 17h00 (Johannesburg time) on the relevant Record Date shall be entitled to payments of amounts (whether in respect of principal, interest or otherwise) due and payable, in respect of the South African Securities.

Any payments of all amounts (whether in respect of principal, interest or otherwise) due and payable in respect of any South African Securities shall be made by the South African Paying Agent, on behalf of the Issuer, on the terms and conditions of the South African Agency Agreement and this Condition 4 of the Additional South African Securities Conditions. The Issuer shall not be responsible for the loss in transmission of any funds paid by, or deliveries made by, the South African Paying Agent to the Noteholders of listed South African Securities. Any amount paid or delivered by the Issuer to the South African Paying Agent (into such separate bank account of the Issuer held with the South African Paying Agent for the South African Securities as is agreed in writing between the Issuer and the South African Paying Agent from time to time) in accordance with the South African Agency Agreement, shall be satisfaction *pro tanto*, to the extent of such amount, of the Issuer's obligations to the Noteholders under the South African Securities, the Conditions and the South African Agency Agreement.

Payments and deliveries will be subject in all cases to any fiscal or other laws and regulations applicable thereto in South Africa, but without prejudice to the provisions of section 6 (*Taxation*) of the Base Conditions. Any reference in the Conditions to any amounts in respect of any South African Securities shall be deemed also to refer to any Additional Amounts which may be payable thereunder.

- (b) *Method of payment:* The South African Paying Agent will, on behalf of the Issuer, pay all amounts (whether in respect of principal, interest or otherwise) due and payable in respect of any South African Securities:
- (i) in the case of South African Securities issued in uncertificated form, in immediately available and freely transferable funds, in ZAR by electronic funds transfer to the bank account of the CSD's Nominee, as the registered Holder of such South African Securities, which in turn will transfer such funds, via the CSD Participants, to the holders of Beneficial Interests in such South African Securities; and

- (ii) in the case of South African Securities represented by an Individual Certificate, in immediately available and freely transferable funds, in ZAR by electronic funds transfer, to the bank account of the person named as the registered Holder of such South African Securities in the South African Register or, in the case of joint registered Noteholders, the bank account of the first one of them named in the South African Register in respect of such South African Securities.
- (c) *Beneficial Interests:* Following payment to the CSD's Nominee of amounts due and payable in respect of South African Securities issued in uncertificated form pursuant to Condition 4(b)(i) of the Additional South African Securities Conditions above, the relevant funds will be transferred by the CSD's Nominee, via the CSD Participants, to the holders of Beneficial Interests in such South African Securities.

Each of the persons reflected in the records of the CSD or the relevant CSD Participant, as the case may be, as the holders of Beneficial Interests in South African Securities, will look solely to the CSD or the relevant CSD Participant, as the case may be, for such person's share of each payment or delivery so made by the South African Paying Agent, on behalf of the Issuer, to or for the order of the CSD's Nominee, as the registered Holder of such South African Securities, and in relation to all other rights arising under the South African Securities, subject to and in accordance with the Applicable Procedures.

Neither the South African Paying Agent nor the Issuer will have any responsibility or liability for any aspect of the records relating to, or payments or deliveries made on account of, Beneficial Interests or for maintaining, supervising or reviewing any records relating to Beneficial Interests.

Payments of amounts due and payable or deliveries in respect of Beneficial Interests in South African Securities will be recorded by the CSD's Nominee, as the registered Holder of such South African Securities, distinguishing between interest, principal and any other amount, and such record of payments or deliveries by the CSD's

Nominee, as the registered Holder of such South African Securities, will be *prima facie* proof of such payments or deliveries.

- (d) *Payment Date:* If the date for payment of any amount due and payable in respect of a Tranche of South African Securities is not a Business Day, then such date for payment shall be the following Business Day or such other date for payment determined in accordance with the applicable Business Day Convention specified in the Final Terms. If the date for payment is adjusted in accordance with an applicable Business Day Convention, the Holders of such South African Securities will not be entitled to further interest or other payments in respect of any delayed payment.
- (e) *Cancellation of South African Securities:* No payment of any amount due and payable in respect of any such South African Securities which are to be redeemed pursuant to the Conditions shall be made unless, on or before the Last Day to Trade prior to any Redemption Date, the South African Transfer Agent has received written notice at its Specified Offices from the Issuer for the redemption and cancellation of such South African Securities.
- (f) *Surrender of Individual Certificates:* On or before the Last Day to Trade prior to any Redemption Date (including the Maturity Date), the Holder of an Individual Certificate, in respect of a Note to be redeemed (in part or in whole, as the case may be) shall deliver to the South African Transfer Agent the Individual Certificates to be redeemed. This will enable the South African Transfer Agent to endorse the partial redemption thereon or, in the case of final redemption, to cancel the relevant Individual Certificates.

Should the Holder of an Individual Certificate refuse or fail to surrender the Individual Certificate for endorsement or cancellation on or before any Redemption Date, the amount payable to him in respect of such redemption, including any accrued interest, shall be retained by the Issuer for such Holder, at the latter's risk, until the Holder surrenders the necessary Individual Certificate, and interest shall cease to accrue to such Holder from the relevant Redemption Date in respect of the amount

redeemed.

All documents and Individual Certificates which are required to be presented and/or surrendered to the South African Transfer Agent in accordance with the Conditions must be so presented and/or surrendered at the Specified Office of the South African Transfer Agent.

- (g) *References to Principal and Interest:* References to "principal" shall be deemed to include, as applicable, the Final Redemption Amount of the South African Securities, the Early Redemption Amount of the South African Securities, the Optional Redemption Amount of the South African Securities, and any premium and other amounts which may become payable under or in respect of the South African Securities. References to "interest" shall be deemed to include, as applicable, any Additional Amounts which become payable under section 6 of the Base Conditions.

5. **Exchange of Beneficial Interests for an Individual Certificate**

The holder of a Beneficial Interest in a Note may, subject to section 44 of the South African Financial Markets Act, by written notice to the CSD Participant (or, if such holder is a CSD Participant, the CSD), request that such Beneficial Interest be exchanged for South African Securities in definitive form represented by an Individual Certificate (the "**Exchange Notice**"). The Exchange Notice shall specify the name, address and bank account details of the holder of the Beneficial Interest.

The CSD Participant shall, within 7 (seven) Business Days of receipt of the Exchange Notice, through the CSD, notify the South African Transfer Agent that it is required to exchange such Beneficial Interest for South African Securities represented by an Individual Certificate. The South African Transfer Agent will, as soon as is practicable but within 14 (fourteen) Business Days of receipt of such notice from the CSD, procure that an Individual Certificate is prepared, authenticated and made available for collection, on a Business Day falling within the aforementioned 14 (fourteen) Business Day period, by the CSD Participant at the Specified Office of the South African Transfer Agent.

If the CSD ceases to operate, the holder of a Beneficial Interest in a Note will be deemed to have delivered an Exchange Notice directly to the South African Transfer Agent on the date that the CSD ceases to so operate.

The South African Transfer Agent will, subject to this Condition 5 of the Additional South African Securities, prepare and authenticate the Individual Certificate, and make the Individual Certificate available for collection by the CSD Participant at the South African Transfer Agent's Specified Office.

An Individual Certificate issued pursuant to this Condition 5 of the Additional South African Securities shall, in relation to a Beneficial Interest in any number of South African Securities issued in uncertificated form of a particular principal amount standing to the account of the holder thereof, represent that number of South African Securities of that principal amount, and shall otherwise be in such form as may be agreed between the Issuer and the South African Transfer Agent.

6. South African Register

The South African Register will be kept at the Specified Office of the South African Transfer Agent. The South African Register will, in relation to a Tranche of South African Securities, contain the name, address and bank account details of each Noteholder in that Tranche. The CSD's Nominee will be reflected in the South African Register as the registered Holder of each Tranche of South African Securities (other than those South African Securities in that Tranche which are represented by Individual Certificates) which is listed on the Main Board of the JSE. The South African Register will set out the principal amount of the South African Securities in that Tranche issued to the Noteholder or the principal amount of the South African Securities in that Tranche transferred to the Noteholder, as the case may be, the Issue Date, the date of transfer of such South African Securities (if applicable) and the date upon which the Noteholder became registered as such. The South African Register will show the serial numbers of the Individual Certificates issued and the

reference numbers of South African Securities issued in uncertificated form. The South African Register will be open for inspection during the normal business hours of the South African Transfer Agent to the Issuer (or any person authorised by the Issuer) and any Noteholder (or any person of proven identity authorised in writing by any Noteholder).

None of the Issuer, the South African Paying Agent and the South African Transfer Agent will be bound to enter any trust into the South African Register or to take any notice of or to accede to the execution of any trust (express, implied or constructive) to which any Note may be subject.

To be recorded in the Register on the Record Date, the trade must take place by 17h00 (Johannesburg time) on the Last Day to Trade. The South African Securities will trade "ex-entitlement" on the first Business Day after the Last Day to Trade.

The South African Transfer Agent will amend the South African Register in respect of any change of name, address or bank account number of any of the Noteholders of which it is notified; provided that the South African Register will only be amended to reflect a transfer of South African Securities if such transfer is carried out in accordance with Condition 3(i) (*Transfer of South African Securities*) of the Additional South African Securities above.

7. Redemption — South African Securities

This Condition 7 applies to South African Securities in addition to section 4 (*Redemption*) of the Base Conditions, which shall apply to the redemption of certificated and uncertificated South African Securities.

Redemption of South African Securities: In addition to section 4 (Redemption) of the Base Conditions, uncertificated South African Securities shall be redeemed in accordance with the Applicable Procedures.

8. Notices

This Condition 8 replaces Section 12 (*Notices*) of the Base Conditions in respect of South African Securities.

- (a) *Notice to Noteholders:* All notices to the Noteholders shall be in writing and shall be sent by registered mail to the respective postal addresses of Noteholders appearing in the South African Register or delivered by hand to the respective addresses of Noteholders appearing in the South African Register.

A notice given to Noteholders in terms of Condition 8(a) above of the Additional South African Securities Conditions shall be deemed to have been received by the Noteholders on the tenth day after mailing or on the day of delivery by hand as contemplated in Condition 8(a) above of the Additional South African Securities Conditions.

Notwithstanding the provisions of Condition 8(a) above of the Additional South African Securities Conditions, for so long as all of the South African Securities in a Tranche of South African Securities are held in their entirety in the CSD, there may be substituted for the notice contemplated in Condition 8(a) above of the Additional South African Securities Conditions the delivery of the relevant notice to the CSD's Nominee (as the registered Holder of such South African Securities) and the JSE, for communication by them to the holders of Beneficial Interests in such South African Securities in accordance with the Applicable Procedures. Each such notice will be deemed to have been received by the holders of Beneficial Interests and the CSD's Nominee on the day of such delivery in accordance with the Applicable Procedures.

Where any provision of the Conditions requires notice to be given to the Noteholders of any matter other than a meeting of Noteholders, such notice will be given *mutatis mutandis* as set out in this Condition 8(a) of the Additional South African Securities Conditions, subject to compliance with any other time periods prescribed in the provision concerned.

Any notices to Noteholders (the CSD Nominee and the JSE), including of

meetings, events of default and any amendments to the Terms and Conditions, shall be published on the stock exchange news service ("SENS").

- (b) *Notice by Noteholders:* All notices to be given by a Noteholder represented by an Individual Certificate to the Issuer or the Agents, as the case may be, shall be in writing and given by delivering the notice, by hand or by registered post, together with a certified copy of that Individual Certificate, to the Specified Office of the Issuer or the Agents, as the case may be. Each such notice shall be deemed to have been received on the date of delivery (if such notice is delivered by hand) or the tenth Business Day after the date on which such notice is sent by registered mail (if such notice is sent by registered mail).

All notices to be given by any holder of a Beneficial Interest to the Issuer or the Agents, as the case may be, shall be given by such holder through such holder's CSD Participant in accordance with the Applicable Procedures.

9. **Modifications to the Conditions**

This Condition 9 replaces sub-paragraph (2) (Modification) of section 15, 16 and 17 (*Meetings of Holders; Modification*) of the Base Conditions and the provisions of the Agency Agreement (as defined in this Information Memorandum) in respect of South African Securities.

- (a) Subject to Condition 9(b) of the Additional South African Securities Conditions the Issuer may effect, without the consent of any Noteholder, any amendment to the Conditions which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the applicable law. Any such amendment will be binding on Noteholders and such amendment will be notified to Noteholders in accordance with Condition 8 (*Notices*) of the Additional South African Securities Conditions as soon as practicable thereafter and to the JSE.
- (b) In respect of an amendment that is not of a formal, minor or technical

nature, such amendment may be made only with the prior authorisation of an Extraordinary Resolution of (i) all of the Noteholders or (ii) the Noteholders of the particular Series of South African Securities, as the case may be, or with the prior written consent of Noteholders holding not less than 75% of the outstanding Nominal Amount of all the South African Securities or the Notes of the particular Series of South African Securities, as the case may be. The Issuer will call a meeting of all of the Noteholders or a meeting of the Noteholders of that Series, as the case may be. Such meeting or meetings will be regulated by the provisions set out in Condition 10 (*Meetings of Noteholders*) of the Additional South African Securities Conditions. No proposed amendment will be made to the Conditions until such amendment has been approved by Extraordinary Resolution at such meeting or meetings and in compliance with the JSE Listings Requirements.

10. **Meetings of Noteholders**

This Condition 10 replaces sub-paragraph (1) (*Meetings*) of section 15, 16 and 17 (*Meetings of Holders; Modification*) of the Base Conditions and the provisions of the Agency Agreement (as defined in the Base Conditions) in respect of South African Securities. Terms used in this Condition 10, and not defined elsewhere, bear the meanings assigned thereto in Condition 10(t).

- (a) *Issue of forms of proxy:* The Holder of a South African Security may obtain an uncompleted and unexecuted Form of Proxy from the South African Transfer Agent.
- (b) *References to deposit/release of of the South African Securities Notes:* References to the deposit, or release, of the South African Securities Notes shall be construed in accordance with the Applicable Procedures.
- (c) *Validity of forms of proxy:* A Form of Proxy shall be valid only if it is deposited at the Specified Office of the South African Transfer Agent, or at some other place approved by the South African Transfer Agent, at least 48 hours before the time fixed for the relevant Meeting or the

Chairperson decides otherwise before the Meeting proceeds to business.

- (d) *Record Date:* The Issuer may fix a record date for the purposes of any Meeting of Holders of South African Securities or any resumption thereof following its adjournment for want of a quorum provided that such record date is not more than 10 days prior to the time fixed for such Meeting or (as the case may be) its resumption. The person in whose name a South African Security is registered in the South African Register on the record date at the close of business in the city in which the South African Transfer Agent has its Specified Office shall be deemed to be the Noteholder of such South African Security for the purposes of such Meeting and notwithstanding any subsequent transfer of such South African Security or entries in the South African Register.
- (e) *Convening of meetings:* The Issuer may convene a Meeting at any time, and shall be obliged to do so upon the request in writing of Noteholders holding not less than one tenth in aggregate principal amount of the outstanding South African Securities of the Applicable Series.
- (f) *Notices:* Unless the holders of at least 90% of outstanding South African Securities of the Applicable Series agree in writing to a shorter period, at least 21 calendar days notice (exclusive of the day on which the notice is given and of the day on which the relevant Meeting is to be held) specifying the date, time and place of the Meeting shall be given to the holders of outstanding South African Securities of the Applicable Series and the South African Transfer Agent (with a copy to the Issuer). The notice shall set out the full text of any resolutions to be proposed and shall state that the South African Securities may be deposited with, or to the order of, the South African Transfer Agent, for the purposes of appointing Proxies not later than 48 hours before the time fixed for the Meeting.
- (g) *Chairperson:* An individual (who may, but need not, be a Noteholder) nominated in writing by the Issuer may take the chair at any Meeting but, if no such nomination is made or if the individual nominated is not present within 15 minutes after the time fixed for the Meeting, then those present shall elect one of themselves to take the chair, failing which the Issuer may appoint a Chairperson. The Chairperson of an adjourned

Meeting need not be the same person as was the Chairperson of the original Meeting.

- (h) *Quorum:* The quorum at any Meeting shall be at least two Voters representing or holding not less than the Relevant Fraction of the aggregate principal amount of the outstanding South African Securities of the Applicable Series; provided; however, that, so long as at least the Relevant Fraction of the aggregate principal amount of the outstanding South African Securities of the Applicable Series is issued in uncertificated form, a single Proxy representing the Noteholder thereof shall be deemed to be two Voters for the purpose of forming a quorum.
- (i) *Adjournment for want of a quorum:* If within 15 minutes after the time fixed for any Meeting a quorum is not present, then:
 - (i) in the case of a Meeting requested by Noteholders, it shall be dissolved; or
 - (ii) in the case of any other Meeting, it shall be adjourned for such period (which shall be not less than 14 days and not more than 42 days) and to such time and place as the Chairperson determines; provided, however, that:
 - (A) the Meeting shall be dissolved if the Issuer so decides; and
 - (B) no Meeting may be adjourned more than once for want of a quorum.
- (j) *Adjourned meeting:* The Chairperson may, with the consent of (and shall if directed by) any Noteholders, adjourn such Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place.
- (k) *Notice following adjournment:* Condition 8 (*Notices*) of the Additional South African Securities Conditions shall apply to any Meeting which is to be resumed after adjournment for want of a quorum save that:

- (i) 10 days notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and
- (ii) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

It shall not be necessary to give notice of the resumption of a Meeting which has been adjourned for any other reason.

(l) *Participation:* The following may attend and speak at a Meeting:

- (i) Voters;
- (ii) holders of Beneficial Interests;
- (iii) representatives of the Issuer and the South African Transfer Agent;
- (iv) the financial advisers of the Issuer;
- (v) the legal counsel to the Issuer and the South African Transfer Agent;
- (vi) the Debt Sponsor;
- (vii) any other person approved by the Meeting.

(m) *Show of hands:* Every question submitted to a Meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the Chairperson's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution. Where there is only one Voter, this paragraph shall not apply and the resolution will immediately be decided by means of a poll.

(n) *Poll:* A demand for a poll shall be valid if it is made by the Chairperson, the Issuer or one or more Voters representing or holding not less than one fiftieth of the aggregate principal amount of the outstanding South

African Securities. The poll may be taken immediately or after such adjournment as the Chairperson directs, but any poll demanded on the election of the Chairperson or on any question of adjournment shall be taken at the Meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business as the Chairperson directs.

- (o) *Votes:* Every Voter shall have:
- (i) on a show of hands, one vote; and
 - (ii) on a poll, the number of votes obtained by dividing the aggregate principal amount of the outstanding South African Security(ies) represented or held by him by the unit of South African Rand.

In the case of a voting tie, the Chairperson shall have a casting vote.

- (p) *Validity of proxies:* Any vote by a Proxy in accordance with the Form of Proxy shall be valid even if such Form of Proxy or any instruction pursuant to which it was given has been amended or revoked, provided that the South African Transfer Agent or the Issuer at its Specified Office has not been notified in writing of such amendment or revocation by the time which is 24 hours before the time fixed for the relevant Meeting. Unless revoked, any appointment of a Proxy under a form of proxy in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment; provided, however, that no such appointment of a Proxy in relation to a Meeting originally convened which has been adjourned for want of a quorum shall remain in force in relation to such Meeting when it is resumed. Any person appointed to vote at such a Meeting must be re-appointed under the Form of Proxy to vote at the Meeting when it is resumed.
- (q) *Powers:* A Meeting shall have the power (exercisable by Extraordinary Resolution), without prejudice to any other powers conferred on it or any other person:
- (i) to approve any changes to South African Securities with the consent of the Issuer;

- (ii) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of the South African Securities or any act or omission which might otherwise constitute an Event of Default under the South African Securities.
- (r) *Extraordinary Resolution binds all Holders*: An Extraordinary Resolution shall be binding upon all Noteholders whether or not present at such Meeting and whether or not voting and each of the Noteholders shall be bound to give effect to it accordingly. Notice of the result of every vote on an Extraordinary Resolution shall be given to the Noteholders and the South African Paying Agent (with a copy to the Issuer) within 14 days of the conclusion of the Meeting in accordance with Condition 8 (*Notices*) of the Additional South African Securities Conditions. Non-publication shall not invalidate any such resolution.
- (s) *Minutes*: Minutes shall be made of all resolutions and proceedings at each Meeting. The Chairperson shall sign the minutes, which shall be *prima facie* evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such Meeting in respect of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed thereat, or proceedings held, to have been duly passed and held.
- (t) *Written resolution and written consent*: A Written Resolution shall take effect as if it were an Extraordinary Resolution.

For the purposes of the above Condition 10, the following expressions have the following meanings:

"Applicable Series" means the Series of Notes to which the proposed amendments are relevant;

"Chairperson" means, in relation to any Meeting, the individual who takes the chair in accordance with Condition 10(g) (*Chairperson*);

"Extraordinary Resolution" means a resolution passed at a Meeting duly convened and held in accordance with this Condition 10 by a majority of not less than 75% per cent of the outstanding value of an

Applicable Series of South African Securities or 75% of the Holders of all outstanding South African Securities who are eligible to participate at the relevant Meeting and present in person or by proxy and voting, by a show of hands or, if a poll is demanded, then by poll;

"Form of Proxy" means, in relation to any Meeting, a document in the English language available from the South African Transfer Agent signed by a Holder of South African Securities, or in the case of a corporation, executed under its seal or signed on its behalf by a duly authorised officer and delivered to the South African Transfer Agent not later than 48 hours before the time fixed for such Meeting, appointing a named individual or individuals to vote in respect of the South African Securities held by that Noteholder;

"Meeting" means a meeting of Noteholders (whether originally convened or resumed following an adjournment);

"Proxy" means, in relation to any Meeting, a person appointed to vote under a Form of Proxy by a Holder of a South African Security, other than:

- (i) any such person whose appointment has been revoked and in relation to whom the South African Transfer Agent has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such Meeting; and
- (ii) any such person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the Meeting when it is resumed;

"Relevant Fraction" means, for all business, not less than half; provided, however, that in the case of a Meeting which has been resumed after adjournment for want of a quorum it means, for voting on all business, not less than one quarter;

"Voter" means in relation to any Meeting: the bearer of a Form of Proxy, the Holder of an Individual Certificate who produces such Individual Certificate or, subject to Condition 10(d) (*Record Date*) of the Additional

South African Securities Conditions above, a Holder of a South African Security, in each case in relation to the Applicable Series of South African Securities, provided however that (subject to Condition 10(d) (*Record Date*) above of the Additional South African Securities Conditions), any Holder of South African Securities which has appointed a Proxy under a Form of Proxy shall not be a "Voter" except to the extent such appointment has been revoked and the South African Transfer Agent has been notified in writing of such revocation at least 48 hours before the time fixed for such Meeting. All instructions by any holder of a Beneficial Interest in regard to the exercise of votes relating to its holding of South African Securities, shall be given by such holder through such holder's CSD Participant in accordance with the Applicable Procedures;

"Written Resolution" means a resolution in writing signed by or on behalf of all Holders of South African Securities who for the time being are entitled to receive notice of a Meeting in accordance with the provisions of this Condition 10 (*Notices*) of the Additional South African Securities Conditions, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such Holders of South African Securities;

"24 hours" means a period of 24 hours including all or part of a day on which banks are open for business in Johannesburg and London and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid;

"48 hours" means 2 consecutive periods of 24 hours.

11. **Costs**

The costs and expenses of the printing, issue and delivery of each Individual Certificate pursuant to Condition 7 (*Exchange of Beneficial Interest for an Individual Certificate*) above of the Additional South African Securities Conditions and all taxes or governmental charges that may be imposed in relation to such Individual Certificate shall be borne

by the Holder of the South African Securities represented by that Individual Certificate.

Separate costs and expenses relating to the provision of Individual Certificates and/or the transfer of South African Securities represented by Individual Certificates may be levied by other persons, such as CSD Participants, under the Applicable Procedures, and such costs and expenses shall not be borne by the Issuer.