



ACCELERATE PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 2005/015057/06)

Issue of ZAR279,000,000 Senior Secured Floating Rate Notes due 24 July 2021

Under its ZAR5,000,000,000 Domestic Medium Term Note Programme

This Applicable Pricing Supplement [as amended and restated on \[●\] 2020 \(the Amended and Restated Applicable Pricing Supplement\)](#) must be read in conjunction with the Programme Memorandum, dated 9 September 2014, prepared by Accelerate Property Fund Limited (the **Issuer**) in connection with the Accelerate Property Fund Limited ZAR5,000,000,000 Domestic Medium Term Note Programme, as amended and/or supplemented from time to time (the **Programme Memorandum**).

Any capitalised terms not defined in this [Amended and Restated](#) Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed “*Terms and Conditions of the Notes*” or in the Enforcement Rights Agreement entered into between *inter alia*, the Issuer, TMF Corporate Services (South Africa) Proprietary Limited (formerly GMG Trust Company (SA) Proprietary Limited), FirstRand Bank Limited (acting through its Rand Merchant Bank division) and Investec Bank Limited on or about 21 November 2013 (the **Enforcement Rights Agreement**), as the case may be.

This document constitutes the [Amended and Restated](#) Applicable Pricing Supplement relating to the issue of Notes described herein. The Notes described herein are issued on and subject to the Terms and Conditions as amended and/or supplemented by the Terms and Conditions contained in this [Amended and Restated](#) Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this [Amended and Restated](#) Applicable Pricing Supplement and the Programme Memorandum, the provisions of this [Amended and Restated](#) Applicable Pricing Supplement shall prevail.

PARTIES

1. Issuer	Accelerate Property Fund Limited
2. Dealer	Rand Merchant Bank, a division of FirstRand Bank Limited
3. Manager	Rand Merchant Bank, a division of FirstRand Bank Limited
4. Debt Sponsor	Rand Merchant Bank, a division of FirstRand Bank Limited
5. Paying Agent	Rand Merchant Bank, a division of FirstRand Bank Limited
Specified Office	1 Merchant Place, cnr Fredman Drive and Rivonia Road, Sandton, 2196
6. Calculation Agent	Rand Merchant Bank, a division of FirstRand Bank Limited
Specified Office	1 Merchant Place, cnr Fredman Drive and

	Rivonia Road, Sandton, 2196
7. Transfer Agent	Rand Merchant Bank, a division of FirstRand Bank Limited
Specified Office	1 Merchant Place, cnr Fredman Drive and Rivonia Road, Sandton, 2196

PROVISIONS RELATING TO THE NOTES

8. Status of Notes	Senior Secured (<i>See Appendix "A" for Description of Security Arrangements</i>)
9. Form of Notes	Listed Notes
10. Series Number	8
11. Tranche Number	1
12. Aggregate Nominal Amount:	
(a) Series	ZAR279,000,000
(b) Tranche	ZAR279,000,000
13. Interest	Interest-bearing
14. Interest Payment Basis	Floating Rate
15. Automatic/Optional Conversion from one Interest / Redemption/Payment Basis to another	N/A
16. Form of Notes	The Notes in this Tranche are issued in uncertificated form and held by the CSD
17. Issue Date	24 July 2018
18. Nominal Amount per Note	ZAR1,000,000
19. Specified Denomination	ZAR1,000,000
20. Specified Currency	ZAR
21. Issue Price	100 percent
22. Interest Commencement Date	24 July 2018
23. Maturity Date	24 July 2021
24. Applicable Business Day Convention	Following Business Day
25. Final Redemption Amount	100 percent of Nominal Amount
26. Last Day to Register	By 17h00 on 13 January, 13 April, 13 July and 13 October of each year until the Maturity Date
27. Books Closed Period(s)	The Register will be closed from 14 January to 23 January, 14 April to 23 April, 14 July to 23 July and from 14 October to 23 October (all dates inclusive) in each year until the Maturity Date
28. Default Rate	N/A

FIXED RATE NOTES

N/A

FLOATING RATE NOTES

29. (a) Floating Interest Payment Date(s)	24 January, 24 April, 24 July and 24 October of each year until the Maturity Date with the first Floating Interest Payment Date being 24 October 2018, in all instances subject to the Applicable
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	Business Day Convention contained in item 24 above
(b) Interest Period(s)	From and including the applicable Floating Interest Payment Date and ending on but excluding the following Floating Interest Payment Date, the first Floating Interest Period commencing on 24 July 2018 and ending the day before the next Interest Payment Date
(c) Definition of Business Day (if different from that set out in Condition 1) (<i>Interpretation</i>)	N/A
(d) Minimum Rate of Interest	N/A
(e) Maximum Rate of Interest	N/A
(f) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision)	N/A
30. Manner in which the Rate of Interest is to be determined	Screen Rate Determination
31. Margin	185 basis points to be added to the Reference Rate <u>plus 10 basis points in respect of the Floating Interest Payment Dates falling after 30 September 2020 up to and including 30 September 2021, where after it will reset to 185 basis points</u>
32. If ISDA Determination:	
(a) Floating Rate	N/A
(b) Floating Rate Option	N/A
(c) Designated Maturity	N/A
(d) Reset Date(s)	N/A
(e) ISDA Definitions to apply	N/A
33. If Screen Rate Determination:	
(a) Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated)	3 Month ZAR-JIBAR
(b) Interest Rate Determination Date(s)	24 January, 24 April, 24 July and 24 October of each year until the Maturity Date with the first Interest Rate Determination Date being 19 July 2018
(c) Relevant Screen Page and Reference Code	Reuters page SAFETY code 01209 or any successor page
34. If Rate of Interest to be calculated otherwise than by ISDA Determination or Screen Rate Determination, insert basis for determining Rate of Interest/Margin/Fallback provisions	N/A
35. Calculation Agent responsible for calculating amount of principal and	Rand Merchant Bank, a division of FirstRand Bank Limited

interest

ZERO COUPON NOTES	N/A
PARTLY PAID NOTES	N/A
INSTALMENT NOTES	N/A
MIXED RATE NOTES	N/A
INDEX-LINKED NOTES	N/A
DUAL CURRENCY NOTES	N/A
EXCHANGEABLE NOTES	N/A
OTHER NOTES	N/A
PROVISIONS REGARDING REDEMPTION/MATURITY	
36. Redemption at the option of the Issuer:	No
37. Redemption at the Option of the Noteholders:	No
38. Redemption in the event of a breach of the Loan to Value at the election of Noteholders pursuant to Condition 8.5 (<i>Redemption in the event of a breach of the Loan to Value Ratio</i>):	No, however, see " <i>Redemption in the event of a breach of the Financial Covenants</i> " in Condition 2 Appendix "B" (<i>Additional Terms and Conditions</i>)
39. Redemption in the event of a failure to maintain JSE listing or Rating at the election of Noteholders pursuant to Condition 8.6 (<i>Redemption in the event of a failure to maintain JSE listing or Rating</i>)	Yes
40. Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default (if required)	Yes
If no:	
(a) Amount payable; or	N/A
(b) Method of calculation of amount payable	N/A
GENERAL	
41. Financial Exchange	Interest Rate Market of the JSE
42. Additional selling restrictions	N/A
43. ISIN No.	ZAG000152752
44. Stock Code	APF08
45. Stabilising manager	N/A
46. Provisions relating to stabilisation	N/A
47. Method of distribution	Auction
48. Secured Credit Rating assigned to the Notes	AA _(ZA) as at July 2018, which rating will be monitored by the rating agency
49. Applicable Rating Agency	Global Credit Ratings Co. Proprietary Limited

50. Governing law (if the laws of South Africa are not applicable) N/A
51. Other provisions See Appendix "A" for "Description of Security Arrangements", Appendix "B" for "Additional Terms and Conditions", Appendix "C" for "Debt Guarantee" and Appendix "D" for "Documents Incorporated by Reference."

DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS AS AT THE ISSUE DATE

52. Paragraph 3(5)(a)
The "ultimate borrower" (as defined in the Commercial Paper Regulations) is the Issuer.
53. Paragraph 3(5)(b)
The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.
54. Paragraph 3(5)(c)
The auditor of the Issuer is Ernst & Young Incorporated.
55. Paragraph 3(5)(d)
As at the date of this issue:
(i) the Issuer has issued ZAR1,637,000,000 of Commercial Paper (as defined in the Commercial Paper Regulations) (which amount includes Notes issued under the Programme Memorandum but excludes this issue of Notes and the series APF09 which settles on the same day); and
(ii) the Issuer estimates that it will not issue any Commercial Paper (excluding the issue of this Note and APF09) during the current financial year, ending 31 March 2019.
56. Paragraph 3(5)(e)
All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in the Notes is contained in the Programme Memorandum and the Amended and Restated Applicable Pricing Supplement.
57. Paragraph 3(5)(f)
There has been no material adverse change in the Issuer's financial position since the date of its last audited financial statements.
58. Paragraph 3(5)(g)
The Notes issued will be listed.
59. Paragraph 3(5)(h)
The funds to be raised through the issue of the Notes are to be used by the Issuer for its general corporate purposes.
60. Paragraph 3(5)(i)
The obligations of the Issuer in respect of the Notes are secured.
61. Paragraph 3(5)(j)
Ernst & Young Incorporated, the statutory auditors of the Issuer, have confirmed that nothing has come to their attention to indicate that this issue of Notes issued under the Programme does not comply in all respects with the relevant provisions of the Commercial Paper Regulations.

Responsibility:

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from the Programme Memorandum or this Amended and Restated Applicable Pricing Supplement which would make any statement false or misleading, that all reasonable enquiries to ascertain such

facts have been made and that the Programme Memorandum together with this [Amended and Restated](#) Applicable Pricing Supplement contain all information required by law and the Debt Listings Requirements of the JSE. The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, this [Amended and Restated](#) Applicable Pricing Supplement and all documents incorporated by reference (see the section of the Programme Memorandum headed “*Documents Incorporated by Reference*”).

The JSE takes no responsibility for the contents of the Programme Memorandum, the annual financial statements, the annual reports and this [Amended and Restated](#) Applicable Pricing Supplement of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the Programme Memorandum, the annual financial statements, the annual reports and this [Amended and Restated](#) Applicable Pricing Supplement of the Issuer and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE’s approval of the registration of the Programme Memorandum and listing of the Notes is not to be taken in any way as an indication of the merits of the Issuer or of the Notes and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

In terms of the JSE Debt Listings Requirements, Noteholders are advised that there was no material change in the issuer’s financial or trading position since the end of 31 March 2018.

As at the date of this [Amended and Restated](#) Applicable Pricing Supplement, the Issuer confirms that the authorised Programme Amount of ZAR5,000,000,000 has not been exceeded.

Application ~~is hereby~~[was](#) made to list this issue of Notes on 24 July 2018.

SIGNED at _____ on this _____ day of _____ ~~2018~~2020

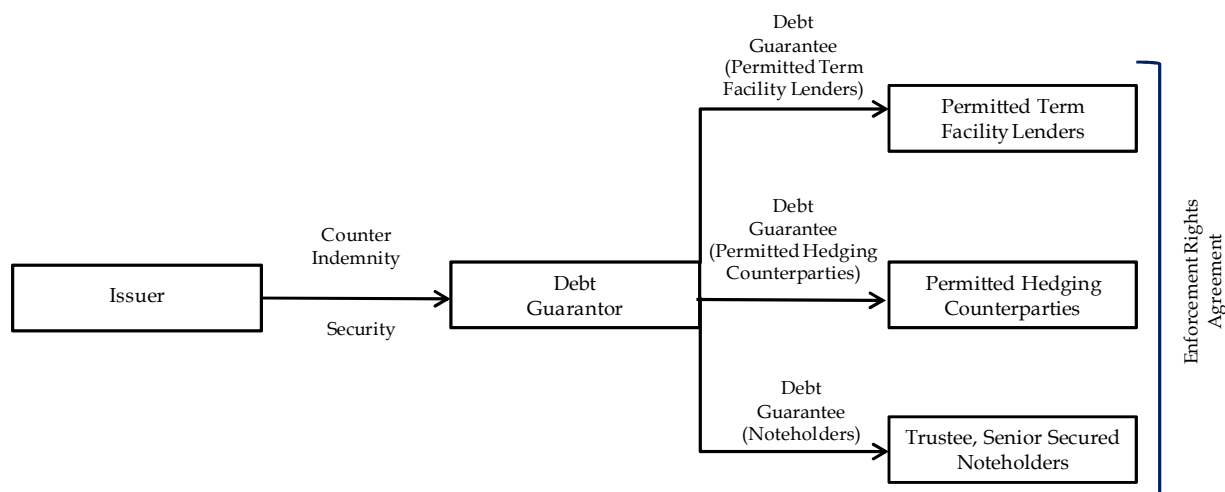
For and on behalf of
ACCELERATE PROPERTY FUND LIMITED

Name:
Capacity: Director
Who warrants his/her authority hereto

Name:
Capacity: Director
Who warrants his/her authority hereto

DESCRIPTION OF SECURITY ARRANGEMENTS

The below is a brief description of the security arrangements in respect of the Senior Secured Notes contemplated in this Amended and Restated Applicable Pricing Supplement (the **Senior Secured Notes**) and does not purport to form part of the Terms and Conditions.

Security Structure Diagram**1 Interpretation**

Terms used but not defined herein have the meanings set forth in the Terms and Conditions. In addition, for purposes of this Appendix "A" (*Description of Security Arrangements*), the following defined terms shall bear the following meanings:

- 1.1 **Cession in Security** means the cession in security concluded or to be concluded between the Issuer and the Debt Guarantor pursuant to which the Issuer cedes *in securitatem debiti* its rights in and to the Lease Agreements, Lease Payments, Insurance Policies and Insurance Proceeds (all as defined therein) in favour of the Debt Guarantor as security for the obligations of the Issuer under the Counter Indemnity Agreement;
- 1.2 **Counter Indemnity** means the counter indemnity agreement concluded or to be concluded between the Issuer and the Debt Guarantor pursuant to which the Issuer indemnifies the Debt Guarantor against any loss, costs or liability which the Debt Guarantor may incur as a result of or in connection with, *inter alia*, the Debt Guarantee;
- 1.3 **Debt Guarantee** means the written guarantee granted by the Debt Guarantor in favour of the Trustee, for the benefit of the Senior Secured Noteholders pursuant to which the Debt Guarantor irrevocably guarantees the obligations of the Issuer under the Senior Secured Notes;
- 1.4 **Debt Guarantor** means Accelerate Security SPV (RF) Proprietary Limited, a private company incorporated under the laws of South Africa with registration number 2011/100034/07 and wholly owned by an owner trust with its main business being that of a property security company;
- 1.5 **Debt Guarantor Security** means all the security interests conferred upon the Debt Guarantor pursuant to the Cession in Security and the Mortgage Bonds;
- 1.6 **Mortgage Bonds** means the first ranking continuing covering mortgage bonds registered or to

be registered by the Issuer in favour of the Debt Guarantor over each of the Secured Properties. On the redemption or repayment of the Senior Secured Notes, or the disposal of a Secured Property in accordance with the Terms and Conditions of the Senior Secured Notes, the Mortgage Bonds (or any of them) will be cancelled;

1.7 **Senior Secured Noteholders** means the registered holders of the Senior Secured Notes as recorded in the Register and **Senior Secured Noteholder** means, as the context requires, any of them; and

1.8 **Trustee** means the Trustee for the time being of the Accelerate Senior Secured Notes Trust, being as at the Issue Date, Maitland Group South Africa Limited.

2 Description of Security Arrangements

2.1 The Senior Secured Notes constitute direct, senior, unconditional and secured indebtedness, but rank *pari passu* amongst themselves and *pari passu* with any indebtedness incurred to the Permitted Term Facility Lenders and the Permitted Hedging Counterparties.

2.2 The obligations of the Issuer under the Senior Secured Notes will be directly guaranteed and indirectly secured as set out below.

3 Direct Guarantee

The Debt Guarantor has irrevocably guaranteed, by way of first ranking guarantee, ranking *pari passu* with the Debt Guarantee (Permitted Hedging Counterparties) and the Debt Guarantee (Permitted Term Facility Lenders), all of the Issuer's obligations to the Trustee and the Senior Secured Noteholders under the Senior Secured Notes.

4 Counter Indemnity and Security

4.1 In terms of the Counter Indemnity, the Issuer has indemnified the Debt Guarantor against any loss, costs or liability which the Debt Guarantor may incur as a result of or in connection with the Debt Guarantor Guarantees (as defined in the Counter Indemnity).

4.2 The obligations of the Issuer under the Counter Indemnity are secured by:

4.2.1 the Cession in Security; and

4.2.2 the Mortgage Bonds (if any).

5 Risks relating to the Security Structure

5.1 As set out above, the Security will not be granted directly in favour of the Senior Secured Noteholders. Instead, the Security will be granted in favour of the Debt Guarantor.

5.2 As a result, neither the Trustee (acting for the benefit of the Senior Secured Noteholders) nor the Senior Secured Noteholders will have the right to realise the Security directly. Instead, the Trustee (acting on the instructions of the Senior Secured Noteholders) must in accordance with Enforcement Rights Agreement, request that the Enforcement Agent take Enforcement Action. Notably, the Enforcement Agent may only act (or refrain from acting) on the instructions of Finance Providers whose Voting Entitlements are together not less than 50,1% (fifty comma one

percent). This indirect claim in respect of the Security may result in a delay in realisation or could involve the Finance Providers voting against the realisation of the Security.

ADDITIONAL TERMS AND CONDITIONS

The following are additional terms and conditions (the **Additional Terms and Conditions**) which apply to the Senior Secured Notes contemplated in this Amended and Restated Applicable Pricing Supplement (the **Senior Secured Notes**) and which will be incorporated by reference into each Senior Secured Note.

In addition to the below, (i) all references to notice to the Noteholders and rights and/or discretions to be exercised by the Noteholders shall for the purposes of the Senior Secured Notes, be deemed to be references to notice to the Trustee and the Senior Secured Noteholders and rights and/or discretions to be exercised by the Trustee in accordance with the instructions of the relevant majority of Senior Secured Noteholders or such other person as prescribed in relation to any particular matter under the Notes Trust Deed, as the case may be, and (ii) all references in the Programme Memorandum to Senior Notes shall be deemed to be references to the Senior Secured Notes.

1 Guarantees

1.1 The occurrence of one or more of the following events set out in this paragraph 1 (*Guarantees*) shall constitute an Event of Default as set out in Condition 14.1.10 (*Other*):

1.1.1 the Debt Guarantee (*Noteholders*) is not in full force and effect and such failure has continued for more than 30 (thirty) days following service on the Debt Guarantor of a written notice requiring that failure to be remedied; or

1.1.2 it is or becomes unlawful for the Debt Guarantor, to perform any of its obligations under the Debt Guarantee (*Noteholders*); or

1.1.3 the Debt Guarantor repudiates the Debt Guarantee (*Noteholders*) or evidences an intention to repudiate the Debt Guarantee (*Noteholders*).

2 Redemption in the event of a breach of the Financial Covenants

2.1 The Issuer shall for so long as any Senior Secured Note remains Outstanding and during each Measurement Period, ensure that:

2.1.1 the Loan to Value Ratio for each Measurement Period specified in column 1 below does not exceed the ratio set out in column 2 below opposite that Measurement Period:

<u>Column 1</u> <u>Measurement Period</u>	<u>Column 2</u> <u>Loan to Value Ratio</u>
<u>Measurement Period ending on or before 30 September 2020</u>	<u>55% (fifty-five percent)</u>
<u>Measurement Period ending on or before 31 March 2021</u>	<u>55% (fifty-five percent)</u>
<u>Measurement Period ending on or before 30 September 2021</u>	<u>55% (fifty-five percent)</u>

<u>Measurement Period ending on each Measurement Date falling after 1 October 2021</u>	<u>50% (fifty percent)</u>
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2.1.2 the Secured Properties Loan to Value Ratio for each Measurement Period specified in column 1 below does not exceed the ratio set out in column 2 below opposite that Measurement Period:

<u>Column 1</u> <u>Measurement Period</u>	<u>Column 2</u> <u>Secured Properties Loan to Value Ratio</u>
<u>Measurement Period ending on or before 30 September 2020</u>	<u>55% (fifty-five percent)</u>
<u>Measurement Period ending on or before 31 March 2021</u>	<u>55% (fifty-five percent)</u>
<u>Measurement Period ending on or before 30 September 2021</u>	<u>50% (fifty percent)</u>
<u>Measurement Period ending on each Measurement Date falling after 1 October 2021</u>	<u>45% (forty-five percent)</u>

- Should the Issuer pay distributions to its equity holders during any Measurement Period, the Secured Properties Loan to Value Ratio covenant as contemplated in this Condition 2.1.2 shall default to the lower of 50% (fifty percent); or the covenant in place for the applicable Measurement Period

2.1.3 the Interest Cover Ratio for each Measurement Period specified in column 1 below shall be greater than the ratio set out in column 2 below opposite that that Measurement Period:

<u>Column 1</u> <u>Measurement Period</u>	<u>Column 2</u> <u>Interest Cover Ratio</u>
<u>Measurement Period ending on or before 30 September 2020</u>	<u>1.8 (one point eight) times</u>
<u>Measurement Period ending on or before 31 March 2021</u>	<u>1.8 (one point eight) times</u>
<u>Measurement Period ending on or before 30 September 2021</u>	<u>1.8 (one point eight) times</u>
<u>Measurement Period ending on each Measurement Date falling after 1 October 2021</u>	<u>2.0 (two point zero) times</u>

~~2.1.4 2.1.2~~ the Secured Properties ~~Loan to Value~~Interest Cover Ratio ~~does not exceed 45% (forty five percent);~~ for each Measurement Period specified in column 1 below shall be greater than the ratio set out in column 2 below opposite that Measurement Period:

~~2.1.3—the Interest Cover Ratio shall be greater than 2.0 times; and~~

~~2.1.4—the Secured Properties Interest Cover Ratio shall be greater than 2.0 times.~~

<u>Column 1</u> <u>Measurement Period</u>	<u>Column 2</u> <u>Secured Properties Interest Cover Ratio</u>
<u>Measurement Period ending on or before 30 September 2020</u>	<u>1.8 (one point eight) times</u>
<u>Measurement Period ending on or before 31 March 2021</u>	<u>1.8 (one point eight) times</u>
<u>Measurement Period ending on or before 30 September 2021</u>	<u>1.8 (one point eight) times</u>
<u>Measurement Period ending on each Measurement Date falling after 1 October 2021</u>	<u>2.0 (two point zero) times</u>

2.2 The Issuer shall within 90 (ninety) days after each Measurement Date, test the Financial Covenants as at each Measurement Date by reference to the audited consolidated financial statements of the Issuer on that date, or, if not available, then the unaudited consolidated financial statements of the Issuer on that date.

2.3 In the event of any dispute in respect of any calculation relating to the Financial Covenants or any other calculations required in respect of any Financial Covenant, such dispute shall be determined by independent auditors, appointed by the Noteholder Trustee (which auditors must be one of PricewaterhouseCoopers Inc., Ernst & Young, Deloitte & Touche Inc. or KPMG Inc.), acting as experts and not as arbitrators (taking into account these Additional Terms and Conditions), whose determination will, in the absence of manifest error, be final and binding on the Issuer and the Noteholders.

2.4 The cost of such independent auditors resolving such dispute shall be paid by the party whose calculation is shown to be incorrect by the Auditors, provided that if the calculations of both the disputing parties and the Issuer are shown to be incorrect by the independent Auditors, the costs of such independent auditors shall be apportioned amongst the disputing parties and the Issuer by the independent Auditors and the disputing parties and the Issuer shall be liable for such costs in such proportion.

2.5 A compliance certificate in respect of (i) compliance with the Financial Covenants as at each Measurement Date and (ii) setting out in sufficient detail a description of the Secured Properties

as at each Measurement Date, signed by 2 (two) directors of the Issuer, one of which shall be the Financial Director, will be available for inspection by the Noteholders, during normal office hours, at the registered office of the Issuer as set out at the end of the Programme Memorandum, within 90 (ninety days) of each Measurement Date.

2.6 The Issuer shall upon written request from the Noteholder Trustee, provide the Noteholder Trustee with a list of Secured Properties as at the date of the written request from the Noteholder Trustee, within 10 (ten) Business Days of receipt of the written request from the Noteholder Trustee.

2.7 A **Breach Event** shall occur if at any time while the Senior Secured Notes remain Outstanding, the Loan to Value Ratio, the Secured Properties Loan to Value Ratio, the Interest Cover Ratio or the Secured Properties Interest Cover Ratio does not satisfy the required thresholds contemplated in Condition 2.1 above and the Issuer fails to remedy such breach within a period of 30 (thirty) days of the occurrence of such breach, to the extent possible (the **Remedy Period**).

2.8 Promptly upon expiry of the Remedy Period, the Issuer shall give a notice to the Noteholders (**Breach Notice**) in accordance with Condition 16 (*Notices*) of such Breach Event and outline the procedure for exercising the option contained in Condition 2.9 below.

2.9 If a Breach Event occurs at any time while the Senior Secured Notes remain Outstanding and following receipt of a Breach Notice, then, provided the Noteholders have:

2.9.1 in terms of Condition 16 (*Notices*) issued a notice to convene a meeting of Noteholders within 15 (fifteen) days of the Breach Event; and

2.9.2 resolved in terms of Condition 18 (*Meetings of Noteholders*) by way of Extraordinary Resolution to redeem the Senior Secured Notes,

the Issuer shall redeem all the Senior Secured Notes held by the Noteholders at the Early Redemption Amount calculated in accordance with Condition 8.7 (*Early Redemption Amounts*), together with accrued interest (if any) within 15 (fifteen) days of having received a written notice from the Noteholders to redeem such Senior Secured Notes.

2.10 the option in Condition 2.9 above shall be exercisable by the Noteholders by the delivery of a written notice (a **Breach of Financial Covenant Redemption Notice**) to the Issuer at its registered office within 30 (thirty) days after the occurrence of the Breach Event, unless prior to the delivery by that Noteholder of its Breach of Financial Covenant Redemption Notice the Issuer gives notice to redeem the Notes.

2.11 **Negative Undertakings**

2.11.1 Subject to Condition 2.11.2, the Issuer shall not dispose of any Immovable Property owned by it and which constitutes a Secured Property, unless the Issuer has delivered a certificate to the Noteholder Trustee at least 10 (ten) Business Days prior to the registration of transfer of the relevant Secured Property confirming that, immediately after the disposal of the relevant Secured Property, the Issuer will comply with the Financial Covenants (taking into account the disposal of the relevant Secured Property and calculated by reference to the latest audited consolidated annual financial statements of the Issuer on that date, or, the unaudited interim consolidated financial statements of the Issuer on that date, as the case may be) and specifying

in a separate annexure to the certificate, the Secured Properties over which Mortgage Bonds have been registered (the **Disposal Compliance Certificate**).

2.11.2 If the Issuer wishes to dispose of any (or any portion) of the following Immovable Properties which form part of the Secured Properties:

2.11.2.1 Fourways Mall Shopping Center: Erven 1698, 1699, 1700, 1701, 1714 and 1715 Fourways Extension 14 Township, Registration Division IQ, Gauteng Province;

2.11.2.2 Cedar Square: Erven 862, 863 and 864 Witkoppen Extension 58 Township and Erven 918 and 919 Witkoppen Extension 8 Township, Gauteng Province;

2.11.2.3 Fourways View: Erf 867 and 868 Witkoppen Extension 27 Township, Registration Division IQ, Gauteng Province;

2.11.2.4 Fourways Game: Erven 1071 and 1072 Witkoppen Extension 12 Township, Registration Division IQ, Gauteng Province ; and

2.11.2.5 BMW Fourways Building: Erf 2209 Witkoppen Extension 57 Township, Gauteng Province,

then, in addition to delivery of the Disposal Compliance Certificate to the Noteholder Trustee in terms of Condition 2.11.1 above, the consent of the Noteholder Trustee (acting on the instructions of Noteholders holding not less than 90% of the Notes then Outstanding) is required for such disposal.

2.11.3 The intended:

2.11.3.1 transfer of an undivided share of the:

2.11.3.1.1 Immovable Properties listed in Conditions 2.11.2.1; 2.11.2.3; and/or 2.11.2.4; and/or

2.11.3.1.2 Erf 1008 Witkoppen Extension 26 Township, Registration Division IQ, Gauteng Province (known as the Sasol Delta Building); and/or

2.11.3.1.3 Remaining Extent of Erf 779 Witkoppen Extension 26 Township, Registration Division IQ, Gauteng Province (known as Exact Mobile);
(the properties referred to as the **Fourways Development Properties**),

to Fourways Precinct Proprietary Limited (**Fourways Precinct**) and/or any party to whom Fourways Precinct assigns (the **Acquirer**) the development rights which it holds over, and the right to acquire an undivided ownership interest in, the Fourways Development Properties; and

2.11.3.2 the repurchase of a portion of such undivided share by the Issuer;

such that the Issuer and the Acquirer thereafter will each hold an undivided 50% share in the Fourways Development Properties (the **Issuer's Interest in Fourways**), will not require the

consent of the Noteholder Trustee (or any Noteholders), provided that the Issuer registers a mortgage bond over the Issuer's Interest in Fourways, simultaneously with the release of the mortgage bonds over the Fourways Development Properties. The Noteholder Trustee shall instruct the Debt Guarantor to do all such things as are necessary to release and cancel any Mortgage Bond over the relevant Fourways Development Properties, provided that the Issuer has taken all steps necessary to ensure that a new Mortgage Bond is registered over the Issuer's Interest in Fourways in favour of the Debt Guarantor simultaneously with the release of the Mortgage Bonds.

2.11.4 Subject to compliance with this Condition 2.11, the Noteholder Trustee shall instruct the Debt Guarantor to do all such things as are necessary to release and cancel any Mortgage Bond over any Immovable Property which the Issuer is permitted to dispose of in terms of this Condition 2.11.

2.12 For the purposes of these Additional Terms and Conditions:

2.12.1 **Accounting Principles** means the generally accepted accounting principles in South Africa, including IFRS;

2.12.2 **Annual Valuations Report** means an annual valuations report in respect of all of the Immovable Properties owned by the Issuer, consisting of:

2.12.2.1 annual valuations of the directors of the Issuer of at least two thirds (by number) of all Immovable Properties owned by the Issuer; and

2.12.2.2 an Independent Valuation of at least one third (by number) of all Immovable Properties owned by the Issuer;

2.12.3 **Borrowings** means, on each Measurement Date, the aggregate Financial Indebtedness of the Issuer;

2.12.4 **Capital Expenditure** means any expenditure or obligation in respect of expenditure which, in accordance with Accounting Principles, is treated as capital expenditure (and including the capital element of any expenditure or obligation incurred in connection with a Finance Lease) in respect of the Secured Properties;

2.12.5 **Finance Lease** means any lease or hire purchase contract which would, in accordance with the Accounting Principles, be treated as a finance or capital lease;

2.12.6 **Financial Covenant** means collectively the Loan to Value Ratio, the Secured Properties Loan to Value Ratio, the Interest Cover Ratio and the Secured Properties Interest Cover Ratio;

2.12.7 **Financial Half Year Date** means the financial half year end of the Issuer which, as at the Issue Date, is 30 September of each calendar year;

2.12.8 **Financial Indebtedness** means any indebtedness for or in respect of:

2.12.8.1 moneys borrowed and debit balances at banks or other financial institutions;

2.12.8.2 any acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);

- 2.12.8.3 any note purchase facility or the issue of bonds, Notes, debentures, loan stock or any similar instrument;
- 2.12.8.4 the amount of any liability in respect of Finance Leases;
- 2.12.8.5 receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis and meet any requirement for de-recognition under the Accounting Principles);
- 2.12.8.6 any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account);
- 2.12.8.7 any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of (a) an underlying liability of the Issuer which liability would fall within one of the other paragraphs of this definition, or (b) any liabilities of the Issuer relating to any post-retirement benefit scheme;
- 2.12.8.8 any amount raised by the issue of redeemable shares which are redeemable or are otherwise classified as borrowings under the Accounting Principles;
- 2.12.8.9 any amount of any liability under an advance or deferred purchase agreement if (a) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question, or (b) the agreement is in respect of the supply of assets or services and payment is due more than 90 (ninety) days after the date of supply;
- 2.12.8.10 any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the Accounting Principles; and
- 2.12.8.11 the amount of any liability in respect of any guarantee for any of the items referred to in Conditions 2.12.8.1 to 2.12.8.10 above;
- 2.12.9 **Financial Year End** means the financial year end of the Issuer which, as at the Signature Date, is 31 March of each calendar year;
- 2.12.10 **Immovable Property** means any land and any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of that land;
- 2.12.11 **Independent Valuation** means a valuation report of any Secured Property by the Valuer and **Independent Valuations** means, as the context requires, all of them:
- 2.12.12 **Interest Cover Ratio** means, on each Measurement Date, the ratio of (a) EBITDA to (b) Net Interest Charged in respect of the Measurement Period ending on that Measurement Date;
- 2.12.13 **Interest Payable** means in respect of the relevant Measurement Period ending on any Measurement Date, the aggregate of:

- 2.12.13.1 all interest accrued by the Issuer in terms of any Borrowings; plus
- 2.12.13.2 any amounts payable by the Issuer in terms of any Treasury Transaction (as such relates to the hedging by the Issuer of its interest rate risk); plus
- 2.12.13.3 all accrued interest, acceptance commission, premiums, discounts, prepayment fees, and any other continuing, regular or periodic costs and expenses in the nature of interest including finance lease costs and redeemable preference shares dividends whether paid, payable or capitalised by the Issuer during such period (but excluding any interest paid and/or payable in respect of any subordinated shareholder loans in the Issuer),
- all as reflected in, and/or ascertained from the Financial Statements for that Measurement Period;
- 2.12.14 **Interest Receivable** means, in respect of the relevant Measurement Period ending on any Measurement Date, all interest received by or accrued to the Issuer during such period, including any amounts received by the Issuer in terms of any Treasury Transaction (as such relates to the hedging by the Issuer of its interest rate risk) (other than interest which is not received or receivable in funds that are freely remittable to South Africa), all as reflected in, and/or ascertained from, the Financial Statements for that Measurement Period;
- 2.12.15 **Issuer Assets Valuation Amount** means, on each Measurement Date, the value of the Issuer's Immovable Property (as set out in the latest Annual Valuations Report or, where the value of any Immovable Property is not contained in such Annual Valuations Report, the Issuer's desktop valuation in respect thereof);
- 2.12.16 **Lease Agreement** means the signed lease of property agreements or heads of agreement in respect of all or a portion of the Secured Properties and **Lease Agreement** means, as the context required, all of them;
- 2.12.17 **Lease Payments** means the periodic and other payments payable by any lessee in respect of a Secured Property to or for the account of the Issuer under any applicable Lease Agreement or any other arrangements, including, without limitation, rentals, insurance premiums and operating expenses in respect of the applicable Lease Agreement;
- 2.12.18 **Loan** means a loan made or to be made under the loan facilities provided pursuant to the Common Terms Agreement entered into on or about 20 November 2013 between inter alia, the Issuer, FirstRand Bank Limited and Investec Bank Limited, and a reference to **Loans** shall be construed as a reference to the aggregate principal amount outstanding for the time being of all loans made under such loan facilities;
- 2.12.19 **Loan to Value Ratio** means, on each Measurement Date:
- 2.12.19.1 the Borrowings;
- 2.12.19.2 divided by the Issuer Assets Valuation Amount,
- expressed as a percentage, in each case on such date;
- 2.12.20 **Measurement Date** means each Financial Half Year Date and Financial Year End;

2.12.21 **Measurement Period** means each period of 6 (six) months ending on a Measurement Date;

2.12.22 **Net Interest Charged** means, in respect of any relevant Measurement Period ending on any Measurement Date, Interest Payable less any Interest Receivable;

2.12.23 **Secured Properties** means, as at any date, each of the Immovable Properties owned by the Issuer over which a Mortgage Bond is registered in favour of the Debt Guarantor for the Issuer's obligations to the Debt Guarantor in connection with, *inter alia*, the Senior Secured Notes and **Secured Property** shall mean any one of them;

2.12.24 **Secured Properties Interest Cover Ratio** means, on each Measurement Date, the ratio of (a) Secured Properties Net Income to (b) Secured Properties Interest Payable in respect of that Measurement Period;

2.12.25 **Secured Properties Interest Payable** means, in respect of the relevant Measurement Period ending on a Measurement Date, the aggregate of all interest accrued by the Issuer under or in connection with the Finance Documents and the Senior Secured Notes (plus or minus, as applicable, any amounts payable by the Issuer under any arrangements entered into by the Issuer to hedge these obligations);

2.12.26 **Secured Properties Loan to Value Ratio** means, on each Measurement Date:

2.12.26.1 the Total Loan plus the principal amount outstanding under the Senior Secured Notes;

2.12.26.2 divided by the Secured Property Valuation Amount,

expressed as a percentage, in each case on such date;

2.12.27 **Secured Properties Net Income** means, in respect of the relevant Measurement Period ending on a Measurement Date:

2.12.27.1 the aggregate amount of all Lease Payments; minus

2.12.27.2 all operating costs in respect of the Secured Properties; minus

2.12.27.3 any Capital Expenditure in respect of the Secured Properties; plus

2.12.27.4 a pro rata portion of interest received by the Issuer in respect of the Secured Properties, calculated as follows:

$$PP = \frac{SPVA}{TPV} \times AIR$$

Where:

PP = the pro rata portion of interest received by the Issuer in respect of the Secured Properties;

SPVA = Secured Properties Valuation Amount;

TPV = the Issuer Assets Valuation Amount;

AIR = the aggregate amount of interest received by the Issuer during the relevant Measurement Period;

2.12.28 **Secured Property Valuation Amount** means the value of the Secured Properties expressed in Rand (as set out in the latest Annual Valuations Report or, where the value of any Secured Property is not contained in such Annual Valuations Report, the Issuer's desktop valuation in respect thereof);

2.12.29 **Total Loan** means the aggregate of the Loans from time to time;

2.12.30 **Treasury Transaction** means any currency or interest purchase, cap or collar agreement, forward rate agreements, interest rates or currency future or option contracts, foreign exchange or currency purchase or sale agreement, interest rate swap, currency swap or combined interest rate and currency swap agreement or any derivative transaction and any other similar agreement entered into in connection with the protection against or benefit from fluctuation in any rate or price;

2.12.31 **Valuer** means:

2.12.31.1 Mills Fitchet;

2.12.31.2 David Hoffman Valuers CC; or

2.12.31.3 any other independent immovable property valuer appointed by the Issuer, which complies, in all respects, with the following requirements:

2.12.31.3.1 the Valuer and its relevant representative must be registered with the South African Council for the Property Valuers Profession; and

2.12.31.3.2 the Valuer or its relevant representative must have at least 5 (five) years' experience in the valuation of commercial properties in South Africa.

DEBT GUARANTEE

ADDITIONAL DOCUMENTS INCORPORATED BY REFERENCE

Capitalised terms used in this section headed “Additional Documents Incorporated by Reference” shall bear the same meanings as used in the Terms and Conditions and this [Amended and Restated Applicable Pricing Supplement](#), except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

1. In addition to the documents incorporated by reference into the Programme Memorandum (see section of the Programme Memorandum headed “*Documents Incorporated by Reference*”):
 - 1.1 the audited annual financial statements, and notes thereto, of the Debt Guarantor in respect of its financial years, as and when such audited financial statements become available; and
 - 1.2 the Debt Guarantee dated 25 September 2014 executed by the Debt Guarantor in favour of the Trustee for the benefit of the Senior Secured Noteholders,

shall be deemed to be incorporated in, and form part of, this [Amended and Restated Applicable Pricing Supplement](#).

2. The Debt Guarantor will, for as long as any of the Senior Secured Notes remains outstanding, provide at the registered office of the Issuer as set out at the end of the Programme Memorandum, without charge, to any person, upon request of such person, a copy of all of the documents referred to in paragraphs 1.1 and 1.2 above, which are incorporated herein by reference, unless such documents have been modified or superseded, in which case the modified or superseding documentation will be provided. Requests for such documents should be directed to the chief financial officer of the Issuer in writing at the Issuer’s registered office as set out at the end of the Programme Memorandum. In addition, the constitutive documents of the Debt Guarantor will be available at the registered office of the Issuer as set out at the end of the Programme Memorandum upon written request addressed to the company secretary of the Issuer.

Document comparison by Workshare 10.0 on Friday, 28 August 2020 14:39:17

Input:	
Document 1 ID	file:///C:/Users/ksenyats/Desktop/compare/Applicable Pricing Supplement (APF08)_Execution.DOCX
Description	Applicable Pricing Supplement (APF08)_Execution
Document 2 ID	file:///C:/Users/ksenyats/Downloads/Amended/Amended Applicable Pricing Supplement (APF08)_V1A.docx
Description	Amended Applicable Pricing Supplement (APF08)_V1A
Rendering set	Standard

Legend:	
Insertion	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
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Padding cell	

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Deletions	8
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	108