

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

The definitions commencing on page 4 of this circular apply *mutatis mutandis* to this front cover.

Action required

- If you are in any doubt as to what action you should take arising from this circular, please consult your CSDP, broker, banker, attorney, accountant or other professional adviser immediately.
- If you have disposed of all of your Nedbank Group shares, please forward this circular to the purchaser of such shares or to the CSDP, broker, banker, accountant, attorney or other agent through whom the disposal was effected.
- Nedbank Group shareholders are referred to page 1 of this circular, which sets out the action required by them.



NEDBANK GROUP LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1966/010630/06)
JSE share code: NED ISIN: ZAE000004875
("Nedbank Group" or "the Company")

CIRCULAR TO NEDBANK GROUP SHAREHOLDERS

regarding:

- **the creation of new preference shares for general funding purposes;**
- **the consequential amendments to the MOI for the purpose of creating the new preference shares;**
- **the specific repurchase of treasury shares held by a subsidiary of Nedbank Group;**
- **the election of directors of Nedbank Group;**

and incorporating:

- **a notice convening a general meeting of shareholders; and**
 - **a form of proxy (for use by certificated Nedbank Group shareholders and dematerialised Nedbank Group shareholders with own-name registration only).**
-

**Investment bank, corporate adviser
and sponsor to Nedbank Group**



Joint sponsor

Merrill Lynch 

A subsidiary of
Bank of America Corporation

Sponsor in Namibia



Old Mutual Investment Services (Namibia) (Pty) Ltd
Sponsor, Member of the Namibian Stock Exchange

Date of issue: 9 July 2014

CORPORATE INFORMATION AND ADVISERS

Group company secretary and registered office

TSB Jali
Block A, First Floor
Nedbank 135 Rivonia Campus
135 Rivonia Road
Sandown, Sandton, 2196
(PO Box 1144, Johannesburg, 2000)

Sponsor in Namibia

Old Mutual Investment Services (Namibia)
(Proprietary) Limited
(Registration number 2004/081)
Tenth Floor, Mutual Tower
223 Independence Avenue
Windhoek
Namibia
(PO Box 25549, Windhoek, Namibia)

Transfer secretaries in South Africa

Computershare Investor Services (Proprietary) Limited
(Registration number 2004/003647/06)
Ground Floor
70 Marshall Street
Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)

Investment bank, corporate advisor and sponsor to Nedbank Group

Nedbank Capital, a division of Nedbank Limited
(Registration number 1951/000009/06)
3rd Floor, Corporate Place
Nedbank 135 Rivonia Campus
135 Rivonia Road
Sandown, Sandton, 2196
(PO Box 1144, Johannesburg, 2000)

Joint sponsor

Merrill Lynch, a subsidiary of Bank of America Corporation
(Registration number 1995/001805/07)
138 West Street
Sandton, 2196

Transfer secretaries in Namibia

Transfer Secretaries (Proprietary) Limited
4 Robert Mugabe Avenue
(entrance in Burg Street, opposite Chateaux Street)
Windhoek
Namibia
(PO Box 2401, Windhoek, Namibia)

ACTION REQUIRED BY NEDBANK GROUP SHAREHOLDERS

The definitions commencing on page 4 of this circular apply *mutatis mutandis* to this 'Action required by Nedbank Group shareholders' section.

Please take careful note of the following provisions regarding the action required by Nedbank Group shareholders:

1. If you are in any doubt as to what action to take, please consult your CSDP, broker, attorney, banker or other professional adviser immediately.
2. If you have disposed of all of your Nedbank Group shares, please forward this circular to the purchaser of such shares or to the CSDP, broker, banker, attorney or other agent through whom the disposal was effected.
3. This circular contains information relating to the creation of new preference shares and the consequential amendments to the MOI, the specific repurchase and the election of directors.
4. You should read through this circular carefully and decide how you wish to vote on the resolutions to be proposed at the general meeting.
5. The general meeting, convened in terms of the notice incorporated in this circular, will be held in the Auditorium, Retail Place West, Nedbank 135 Rivonia Campus, 135 Rivonia Road, Sandown, Sandton, at 08:00 SA time on Thursday, 7 August 2014.

6. GENERAL MEETING

6.1 If you hold dematerialised shares

6.1.1 **Own-name registration**

You are entitled to attend, or be represented by proxy or proxies, and may vote at the general meeting.

If you are unable to attend the general meeting, but wish to be represented thereat, you must complete and return the attached form of proxy, in accordance with the instructions contained therein, which should be received by the transfer secretaries in South Africa, Computershare, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) or by the transfer secretaries in Namibia, Transfer Secretaries, 4 Robert Mugabe Avenue (entrance in Burg Street, opposite Chateaux Street), Windhoek, Namibia (PO Box 2401, Windhoek, Namibia) by 08:00 SA time and 08:00 Namibian time respectively, on Wednesday, 6 August 2014.

6.1.2 **Other than own-name registration**

In accordance with the mandate between you and your CSDP or broker you must advise your CSDP or broker timeously if you wish to attend, or be represented at, the general meeting. If your CSDP or broker has not contacted you, you are advised to contact your CSDP or broker and provide it with your voting instructions. If your CSDP or broker does not obtain instructions from you, it will be obliged to act in terms of your mandate furnished to it.

You must not complete the attached form of proxy.

Your CSDP or broker will be required to issue the necessary letter of representation to you to enable you to attend, or to be represented at the general meeting.

6.2 If you hold certificated shares

You are entitled to attend, or be represented by proxy or proxies, and may vote at the general meeting.

If you are unable to attend the general meeting, but wish to be represented thereat, you must complete and return the attached form of proxy, in accordance with the instructions contained therein, which should be received by the transfer secretaries in South Africa, Computershare, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) or by the transfer secretaries in Namibia, Transfer Secretaries, 4 Robert Mugabe Avenue (entrance in Burg Street, opposite Chateaux Street), Windhoek, Namibia (PO Box 2401, Windhoek, Namibia), by 08:00 SA time and 08:00 Namibian time respectively, on Wednesday, 6 August 2014.

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SALIENT DATES AND TIMES

The definitions commencing on page 4 of this circular apply *mutatis mutandis* to this 'Salient dates and times' section.

2014

Record date to determine which shareholders are eligible to receive this circular	Friday, 27 June
Circular posted to Nedbank Group shareholders on	Wednesday, 9 July
Last day to trade in order to participate and vote at the general meeting	Friday, 25 July
Record date in order to participate and vote at the general meeting	Friday, 1 August
Forms of proxy should be received by 08:00 SA time and 08:00 Namibian time respectively on	Wednesday, 6 August
General meeting to commence at 08:00 SA time on	Thursday, 7 August
Results of general meeting to be released on SENS on	Thursday, 7 August
Results of general meeting published in the South African press on	Friday, 8 August
Cancellation and delisting of 14 715 049 Nedbank Group ordinary shares on or about	Friday, 22 August

Notes:

1. All dates and times shown in this circular are South African dates and times.
2. These dates and times are subject to amendment. Any such amendment will be published on SENS.
3. This circular is available in English only. Copies may be obtained from the transfer secretaries in South Africa and the transfer secretaries in Namibia whose addresses are set out in the 'Corporate information and advisers' section of this circular between Wednesday, 9 July 2014 and Thursday, 7 August 2014.

DEFINITIONS

In this circular, unless otherwise stated or the context otherwise indicates, the words in the first column below will have the meaning stated opposite them, respectively, in the second column below, reference to the singular will include the plural and *vice versa*, words denoting one gender will include the other genders, and an expression denoting natural persons will include juristic persons and associations of persons:

'Banks Act'	the Banks Act, 1990;
'board' or 'directors'	the board of directors of Nedbank Group whose names are reflected on page 6 of this circular;
'business day'	a day other than a Saturday, Sunday or official public holiday in South Africa;
'certificated shareholder(s)'	Nedbank Group shareholder(s) who hold certificated share(s);
'certificated share(s)'	Nedbank Group share(s) held in certificated form;
'circular'	this bound circular, dated 9 July 2014, including the notice of general meeting and form of proxy;
'Companies Act'	the Companies Act, 71 of 2008, as amended;
'consequential amendments to the MOI'	the proposed amendments to the MOI of Nedbank Group for the purposes of creating new preference shares;
'creation of new preference shares'	the creation of 1 000 000 new preference shares in Nedbank Group at a nominal value of R10 000 each for general funding purposes;
'CSDP'	a Central Securities Depository Participant registered in terms of the Securities Services Act and appointed by individual shareholder(s) for the purpose of and in regard to dematerialisation of his (their) Nedbank Group shares;
'dematerialised shareholder(s)'	holder(s) of dematerialised share(s);
'dematerialised share(s)'	share(s) that have been dematerialised through a CSDP or broker and replaced by electronic record(s) of ownership under the Strate system;
'document(s) of title'	share certificate(s), transfer deed(s) or form(s), balance receipt(s) or any other document(s) of title acceptable to Nedbank Group in respect of certificated shareholders;
'election of directors'	the election of Dr MA Matooane and Mr BA Dames as directors of Nedbank Group;
'financial effects'	the <i>pro forma</i> financial effects of the specific repurchase;
'general meeting'	the general meeting convened in terms of the notice of general meeting incorporated in this circular, which will be held in the Auditorium, Retail Place West, Nedbank 135 Rivonia Campus, 135 Rivonia Road, Sandown, Sandton at 08:00 SA time on Thursday, 7 August 2014;
'JSE'	JSE Limited (registration number 2005/022939/06), a public company registered and incorporated in South Africa and licensed under the Financial Markets Act to operate as an exchange;
'JSE Listings Requirements'	the JSE Listings Requirements, as amended from time to time;
'last practicable date'	the last practicable date prior to the finalisation of this circular, being Monday, 30 June 2014;
'MOI'	the memorandum of incorporation of Nedbank Group;
'NBG Capital Management'	NBG Capital Management Limited (registration number 1971/005007/06), a wholly-owned subsidiary of Nedbank Group;
'Nedbank'	Nedbank Limited (registration number 1951/000009/06), a public company incorporated and registered in South Africa;
'Nedbank Capital'	Nedbank Capital, a division of Nedbank Limited, and the investment bank, corporate advisor and sponsor to Nedbank Group;

'Nedbank Group' or 'the Company' or 'the group'	Nedbank Group Limited (registration number 1966/010630/06), a public company incorporated and registered in South Africa and listed on the JSE and Namibian Stock Exchange;
'Nedbank Group share(s)' or 'share(s)'	ordinary share(s) of R1,00 each in the issued share capital of Nedbank Group;
'new preference shares'	1 000 000 cumulative redeemable non-participating preference shares in Nedbank Group at a nominal value of R10 000 per preference share;
'Rand'	South African rand;
'SENS'	the Stock Exchange News Service of the JSE;
'shareholders'	registered holders of Nedbank Group shares;
'South Africa'	the Republic of South Africa;
'specific repurchase'	the specific repurchase by Nedbank Group of 14 715 049 treasury shares from NBG Capital Management at a price of R229,65 per Nedbank Group share, being the 30-day VWAP, with a total value of R3 379 311 003;
'Strate'	Strate Limited (registration number 1998/022242/06), a company incorporated and registered in South Africa and the electronic settlement system for transactions that take place on the JSE and off-market trades; and
'transfer secretaries in South Africa' or 'Computershare'	Computershare Investor Services (Proprietary) Limited (registration number 2004/003647/06), a private company registered and incorporated in South Africa and the transfer secretaries of Nedbank Group in South Africa;
'transfer secretaries in Namibia' or 'Transfer Secretaries'	Transfer Secretaries (Proprietary) Limited, a company registered and incorporated in Namibia and the transfer secretaries of Nedbank Group in Namibia;
'treasury shares'	Nedbank Group ordinary shares held by a subsidiary/(ies) of Nedbank Group; and
'VWAP'	the 30-day volume-weighted average price for Nedbank Group shares up to and including 13 June 2014, being the date on which the directors approved the specific repurchase.



NEDBANK GROUP LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1966/010630/06)
JSE share code: NED ISIN: ZAE000004875

Directors

Dr RJ Khoza* (*Chairman*)
MWT Brown# (*Chief Executive*)
TA Boardman**
BA Dames**
GW Dempster# (*Chief Operating Officer*)
DKT Adomakoh ** (*Ghanaian*)
MA Enus-Brey*
ID Gladman* (*British*)

Dr MA Matookane**
PM Makwana**
NP Mnxasana**
RK Morathi# (*Chief Financial Officer*)
JK Netshitenzhe**
JVF Roberts* (*British*)
GT Serobe*
MI Wyman** (*Lead*) (*British*)

* *Non-executive*

Executive

** *Independent non-executive*

CIRCULAR TO NEDBANK GROUP SHAREHOLDERS

1. INTRODUCTION

Nedbank Group shareholders are advised that the board proposes, subject to shareholder approval, the adoption of resolutions relating to the creation of new preference shares and the consequential amendments to the MOI, the specific repurchase and the election of directors.

2. PURPOSE OF THIS CIRCULAR

The purpose of this circular is to provide Nedbank Group shareholders with relevant information relating to the creation of new preference shares and the consequential amendments to the MOI, the specific repurchase and the election of directors, to enable shareholders to make an informed decision as to whether or not they should vote in favour of the resolutions set out in the notice of general meeting which forms part of this circular.

3. DETAILS AND RATIONALE

3.1 Creation of new preference shares

Nedbank Group wishes to provide flexibility in the nature of financing instruments and sources of funding that it has for the purposes of funding its business activities in general. The creation of new preference shares provides the Nedbank Group with the ability to source funds from either the institutional or retail investor market in a long-term dividend-yielding instrument that is attractive to investors and a source of stable additional funding for the group.

Full details of the terms of the new preference shares are set out in Annexure 1 of this circular.

3.2 Consequential amendments to the MOI

In order to facilitate the creation of new preference shares as set out in paragraph 3.1 above, amendments must be made to the MOI, and an additional section setting out the preferences, rights, limitations, privileges and other terms of the new preference shares is required to be included in the MOI and to be approved by shareholders. The full details of the additional section to the MOI is set out in Annexure 1 to this circular.

3.3 Specific repurchase

3.3.1 Details of the specific repurchase

The specific repurchase will be effected through the repurchase by the Company from NBG Capital Management of 14 715 049 Nedbank Group shares at a price of R229,65 per Nedbank Group share, being the 30-day VWAP up to and including 13 June 2014, with a total value of R3 379 311 003.

The specific repurchase represents 2,76% of the Nedbank Group shares in issue at the date of this circular. The Nedbank Group ordinary shares to be repurchased in terms of the specific repurchase are reflected as treasury shares in the annual financial statements of Nedbank Group. Application will be made to the JSE for the delisting of the treasury shares once the specific repurchase has been effected.

After the specific repurchase, NBG Capital Management will hold no shares in Nedbank Group.

The subsidiaries of Nedbank Group (and their associates), including NBG Capital Management, will be excluded from voting on the special resolution of shareholders required to authorise the specific repurchase.

3.3.2 Rationale of the specific repurchase

Nedbank Group repurchased a number of its shares during 2005 and 2006 and housed these shares in its wholly owned subsidiary, NBG Capital Management.

Subsequent to the above and in line with Nedbank Group's commitment to rationalise the group structure, the specific repurchase will reduce administration, financial and taxation expenses associated with financial year end reporting, taxation submissions and overall administration of NBG Capital Management. Once the specific repurchase has been implemented, NBG Capital Management will be liquidated.

Furthermore, the financial impact of the specific repurchase has been investigated and the board can confirm that no negative accounting, regulatory and taxation implications will arise from the implementation of the specific repurchase.

3.3.3 Source of funds

All accounting entries relating to the specific repurchase will be effected on the same day and no external borrowings will be utilised. The specific repurchase has no cash flow implications other than the expenses relating thereto, which will be paid out of existing cash resources.

3.4 Election of directors

The board of Nedbank Group has appointed Dr MA Matooane and Mr BA Dames as directors of the Company with effect from 15 May 2014 and 30 June 2014 respectively. In terms of the MOI of Nedbank Group, Dr MA Matooane and Mr BA Dames will retire as directors of the Company on 7 August 2014 and make themselves available for election at the general meeting.

Biographical details of Dr Matooane and Mr BA Dames are set out on pages 10 and 11 of this circular.

4. FINANCIAL EFFECTS OF THE SPECIFIC REPURCHASE

Based on Nedbank Group's audited results for the year ended 31 December 2013, the specific repurchase will have no effect on Nedbank Group's earnings per share, headline earnings per share, net asset value per share and net tangible asset value per share as these metrics have already been calculated on a net of treasury share basis and as such the financial effects have not been disclosed. The only financial effect, which is approximately 0.0005% of Nedbank Group's market capitalisation, will be the once-off impact of the expenses of the specific repurchase which will be paid out of existing cash resources. The financial effects are the responsibility of Nedbank Group's directors.

5. DIRECTORS AND MANAGEMENT

5.1 Details of directors and management

The names, qualifications, ages, business addresses and functions of the directors of Nedbank Group, directors of its major subsidiaries and management are set out below.

Name, age and qualifications	Business address	Functions
Dr Reuel Jethro Khoza (64) BA (Hons) Psychology (University of Limpopo), MA Marketing Management (Lancaster, UK), EngD (Warwick, UK), IPBM-IMD (Lausanne, Switzerland), PMD (Harvard Business School, USA), LLD(hc) (Rhodes), CD (SA)	135 Rivonia Road Sandton, 2196	Chairman
Michael William Thomas Brown (48) BCom, DipAcc, CA(SA), AMP (Harvard Business School, USA)	135 Rivonia Road Sandton, 2196	Chief Executive
Thomas Andrew Boardman (64) BCom, CA(SA)	c/o 135 Rivonia Road Sandton, 2196	Independent non- executive director
Brian Anthony Dames (49) BSc (Hons), MBA	c/o 135 Rivonia Road Sandton, 2196	Independent non- executive director
Graham Wayne Dempster (59) BCom, CTA, CA(SA), AMP (Harvard Business School, USA)	135 Rivonia Road Sandton, 2196	Chief Operating Officer
David Kwame Tandoh Adomakoh (48) BSc (Econs) (Hons) (London School of Economics), Diplôme de Langue et de Civilisation (La Sorbonne, Université de Paris)	Kagiso Tiso House 100 West Street Wierda Valley Sandton, 2196	Independent non- executive director
Mustaq Ahmed Enus-Brey (60) BCompt (Hons), CA(SA)	Boundary Terraces 1 Mariendahl Lane Newlands, 7700	Non-executive director
Ian David Gladman (49) BA (Hons) History (Christ's College, Cambridge)	Fifth Floor Millennium Bridge House 2 Lambeth Hill London, EC4V4GG United Kingdom	Non-executive director
Paul Mpho Makwana (44) BAdmin (Hons)	The Business Centre Design Quarter William Nicol Drive Cnr Leslie Avenue Fourways, 2128	Independent non- executive director
Mantsika Matooane (39) MBA (Henley Business School, UK/SA), PhD Computer Science (University of Cambridge, UK), BSc Mathematics and Computer Science	46th Floor Carlton Centre Johannesburg, 2001	Independent non- executive director
Nomavuso Patience Mnxasana (57) BCompt (Hons), CA(SA)	c/o 135 Rivonia Road Sandton, 2196	Independent non- executive director
Raisibe Kgomaraga Morathi (45) BCompt (Hons), CA(SA), HDip Tax, AMP (INSEAD)	135 Rivonia Road Sandton, 2196	Chief Financial Officer
Joel Khathutshelo Netshitenzhe (57) MSc (University of London, UK)	First Floor, Cypress Place North Woodmead Business Park 142 Western Service Road Woodmead, 2191	Independent non- executive director

Name, age and qualifications	Business address	Functions
Julian Victor Frow Roberts (57) Fellow of Institute of Chartered Accountants, member of Association of Corporate Treasurers, Accountancy and Business Law (University of Stirling, Scotland)	Fifth Floor Millennium Bridge House 2 Lambeth Hill London, EC4V4GG United Kingdom	Non-executive director
Gloria Tomatoe Serobe (54) BCom (Unitra), MBA (Rutgers, USA)	29 Central Street Houghton, 2198	Non-executive director
Malcolm Ian Wyman (67) CA(SA), AMP (Harvard Business School, USA)	c/o 135 Rivonia Road Sandton, 2196	Senior independent non-executive director

The directors of Nedbank Limited, a major subsidiary of Nedbank Group, are the same as set out above.

The names, qualifications, ages, business addresses and functions of the management of Nedbank Group are set out below.

Trevor Adams (51) BCom (Hons), CA(SA) Risk Management in Banking (INSEAD)	135 Rivonia Road Sandton, 2196	Group Managing Executive: Balance Sheet Management
John Bestbier (59) BBusSci Actuarial, CA(SA)	135 Rivonia Road Sandton, 2196	Group Executive: Strategic Planning
Thabani Jali (55) BA (Fort Hare), LLB (Natal University), LLM (Tulane University, USA)	135 Rivonia Road Sandton, 2196	Group Executive: Enterprise Governance and Compliance, Group Company Secretary
Brian Kennedy (54) MSc (Eng)(Elec), MBA, AMP (Harvard Business School, USA)	135 Rivonia Road Sandton, 2196	Managing Executive: Nedbank Capital
Dave Macready (55) BCom(Hons), CA(SA), SEP (Harvard Business School, USA)	135 Rivonia Road Sandton, 2196	Managing Executive: Nedbank Wealth
Mfundo Nkuhlu (47) BA(Hons), Strategic Management in Banking (INSEAD), AMP (Harvard Business School, USA)	135 Rivonia Road Sandton, 2196	Managing Executive: Nedbank Corporate
Sandile Shabalala (47) BAdmin, National Higher Diploma: Management Practice, CAIB (SA), MBL, Strategic Management in Banking (INSEAD), AMP (Harvard Business School, USA)	135 Rivonia Road Sandton, 2196	Managing Executive: Business Banking
Thulani Sibeko (43) BSc (Acc), Graduate Certificate	135 Rivonia Road Sandton, 2196	Group Executive: Group Marketing, Communication and Corporate Affairs
Fred Swanepoel (51) BCom (Hons), MBA, SEPSA, AMP (Harvard Business School, USA)	135 Rivonia Road Sandton, 2106	Chief Information Officer
Abe Thebyane (53) BAdmin, Postgraduate Diploma in Management (Human Resources), MBA	135 Rivonia Road Sandton, 2196	Group Executive: Group Human Resources
Ciko Thomas (45) BSc, MBA	135 Rivonia Road Sandton, 2196	Managing Executive: Consumer Banking, Nedbank Retail
Philip Wessels (56) BCom, CTA, CA(SA), Diploma in Advanced Banking Law, Institute of Stockbrokers	135 Rivonia Road Sandton, 2196	Chief Risk Officer

5.2 Abridged *curricula vitae* of directors and management of Nedbank Group

Directors

Dr Reuel Jethro Khoza (Chairman)

Reuel was appointed the Non-executive Chairman of the group in May 2006. He is also Chairman of Aka Capital (Pty) Ltd, and a non-executive director of Nampak Ltd, Protea Group Ltd and Old Mutual plc. He is president of the Institute of Directors and, in this capacity, served on the King II and King III Committees on corporate governance. He is a founding director of the Black Management Forum and the former Chairman of Eskom Holdings Ltd. Reuel is also the Chancellor of the University of Limpopo.

Committees: Group Directors' Affairs Committee (Chairman)

Michael William Thomas Brown (Chief Executive)

Mike was an executive director of BoE Ltd and, after the merger between Nedbank Ltd, BoE Ltd, Nedbank Investment Bank Ltd and Cape of Good Hope Bank Ltd, was appointed Head of Property Finance at Nedbank Ltd. He was appointed as Chief Financial Officer of Nedbank Group in June 2004 and then as Chief Executive in 2010.

Committees: Large-exposure Approval Committee, Group Credit Committee

Thomas Andrew Boardman

Tom was Chief Executive of Nedbank Group Ltd from December 2003 to February 2010. He was previously Chief Executive and an executive director of BoE Ltd, one of SA's leading private and investment banking companies that was acquired by Nedbank in 2002. He was the founding shareholder and Managing Director of retail housewares chain Boardmans, which he sold to Pick n Pay Stores Ltd in 1986. Prior to this he was Managing Director of Sam Newman Ltd and worked for Anglo American Corporation Ltd for three years. He served his articles at Deloitte.

He is a non-executive director of Nedbank Group, Woolworths Holdings Ltd, Royal Bafokeng Holdings (Pty) Ltd and African Rainbow Minerals Ltd. Tom has also been appointed as a non-executive director of Kinnevik, a listed Swedish investment company.

He is a director of The Peace Parks Foundation and the Chairman of The David Rattray Foundation, and serves as a trustee on a number of other charitable foundations.

Committees: Group Information Technology Committee (Chairman), Group Audit Committee, Group Credit Committee (Chairman), Large-exposure Approval Committee, Group Finance and Oversight Committee, Group Directors' Affairs Committee.

Brian Anthony Dames

Brian has served as the Chief Executive of Eskom, the largest power utility in Africa and one of the largest utilities in the world, since July 2010 and has extensive experience with global (and specifically with African and South African) energy and resource issues. Brian has demonstrated leadership in successful large-scale corporate turnaround management programmes, funding programmes, infrastructure build and deployment programmes, as well as in corporate governance and sustainability reporting.

Brian currently serves as a member of the Sustainable Energy For All Executive Committee (UN and World Bank Initiative) and serves as a non-executive director of the Industrial Development Corporation of South Africa Limited.

Graham Wayne Dempster

Graham joined the group in 1980 in the Corporate Finance Division of UAL Merchant Bank Ltd. He was appointed General Manager in 1987 and Joint Head of the (UAL) Special Finance Division in 1989. In 1992 he was transferred to Nedbank Ltd, and in 1998 he was appointed Head of the International Division. He assumed responsibility for the Corporate Banking Division in 1999 and was appointed Managing Director of Nedbank Corporate in 2003. Graham was appointed Chief Operating Officer of Nedbank Group in August 2009.

Committees: Group Credit Committee

David Kwame Tandoh Adomakoh

David is Chairman of Tiso Investment Holdings (Pty) Ltd and a co-founder of Tiso Group and served as its Group Managing Director. He is a former director of Chase Manhattan Ltd, London; Head of the Chase Manhattan Bank, Southern Africa; Executive Director of Robert Fleming SA; and Head of Africa Corporate Finance at JP Morgan. He currently serves as a non-executive director of Kagiso Tiso Holdings (Pty) Ltd, and Chairman of its Investment Committee. He also serves as a non-executive director of Idwala Industrial Holdings, African Explosives Ltd, Aveng (Africa) Ltd and Trident Steel.

His experience spans 25 years in executive management and investment banking, and includes principal investing, corporate and project finance advisory work, debt capital raising, and financial derivatives in a number of countries predominantly in Africa and Europe. He has also served on the boards of a number of SA, Nigerian and Ghanaian companies. He is a founding trustee of the Tiso Foundation, and a World Fellow of the Duke of Edinburgh's International Award.

Committees: Group Transformation, Social and Ethics Committee

Mustaq Ahmed Enus-Brey

Mustaq was appointed as a Nedbank Group director in August 2005. He is also a director of Brimstone Investment Corporation Ltd and Oceana Group Ltd, and Chairman of Life Healthcare Ltd.

Committees: Group Risk and Capital Management Committee (Chairman), Group Directors' Affairs Committee, Group Credit Committee, Group Finance and Oversight Committee, Large-exposure Approval Committee

Ian David Gladman

Ian is currently the Group Strategy Director of Old Mutual plc. Previous positions held by him include Head of Corporate Finance (SA) and Joint Head: Financial Institutions Group, EMEA, at UBS Investment Bank.

Committees: Group Credit Committee, Group Risk and Capital Management Committee, Group Finance and Oversight Committee, Large-exposure Approval Committee

Paul Mpho Makwana

Mpho is the immediate past Chairman of Eskom Holdings Ltd, Independent director of Adcock Ingram Ltd, and Chairman of ArcelorMittal SA Ltd.

Committees: Group Remuneration Committee (Chairman), Group Transformation, Social and Ethics Committee, Group IT Committee, Group Audit Committee, Group Directors' Affairs Committee

Mantsika Matoane

Mantsika is currently the Group Executive (Enterprise Information Management Services) of Transnet SOC Ltd as well as a non-executive director of the JSE. She has previously held the position of economic adviser to the Premier of the North West province.

Committees: Group IT Committee

Nomavuso Patience Mnxasana

Nomavuso is a director at Winhold Ltd, JSE Ltd, Transnet SOC and Land and Agricultural Development Bank of SA Ltd (Land Bank). She was a senior partner and member of the executive committee of SizweNtsaluba before serving as Group Audit and Risk Executive at Imperial Holdings Ltd.

Committees: Group Audit Committee, Group Remuneration Committee, Group Risk and Capital Management Committee

Raisibe Kgomaraga Morathi (Chief Financial Officer)

Raisibe has held senior positions in banking and insurance over the past 19 years. Prior to joining Nedbank Group she was an executive director of one of the listed insurance companies. She previously held several executive positions at the Industrial development Corporation of SA Ltd, the last position being Chief Operating Officer.

Committees: Large-exposure Approval Committee, Group Credit Committee

Joel Khathutshelo Netshitenzhe

Joel is an executive director of the Mapungubwe Institute for Strategic Reflection (MISTRA) and a member of the National Planning Commission. He has been a member of the National Executive Committee of the African National Congress since 1991, and serves on the African National Congress's Economic Transformation and Political Education subcommittees.

He served as Head of Policy Coordination and Advisory Services in The Presidency from 2001 until December 2009.

He was previously Chief Executive of the Government Communication and Information System and also served as Head of Communication in the President's Office. He is a non-executive director on the Board of Life Healthcare Group Holdings Ltd.

Committees: Group Risk and Capital Management Committee, Group Information Technology Committee

Julian Victor Frow Roberts

Julian was appointed Group Chief Executive of Old Mutual plc in September 2008. Prior to this he was Chief Executive of the Old Mutual Group's Skandia business. Julian originally joined Old Mutual plc as Group Finance director in August 2000. Before joining Old Mutual plc, he was Group Finance director of Sun Life & Provincial Holdings plc (now part of AXA) and, prior to that, Chief Financial Officer of Aon UK Holdings Ltd.

Committees: Group Directors' Affairs Committee, Group Remuneration Committee

Gloria Tomatoe Serobe

Gloria is the Chief Executive of Wipcapital Ltd and also founder and Executive director of WIPHOLD Ltd. She was previously the Executive director of Finance at Transnet SOC Ltd.

Gloria serves on several boards, including that of Sasol Mining and Ixia Coal. She is the Chairman of the Board of the Independent Ports Regulator. She is also a non-executive director of Old Mutual Emerging Markets Ltd.

Committees: Group Transformation, Social and Ethics Committee (Chairman), Group Credit Committee, Large-exposure Approval Committee, Group Directors' Affairs Committee

Malcolm Ian Wyman

Malcolm is a non-executive director of Imperial Tobacco plc, senior independent non-executive director of Serco Group plc, and a non-executive director of Tsogo Sun Holdings Ltd. He was previously an executive director and Chief Financial Officer of SABMiller plc until August 2011.

Committees: Group Audit Committee (Chairman), Group Risk and Capital Management Committee, Group Directors' Affairs Committee, Group Remuneration Committee, Group Finance and Oversight Committee (Chairman)

Management

Trevor Adams

Trevor was appointed to the Group Executive Committee in 2009 and leads the group's Balance Sheet Management Cluster, which comprises the integrated central functions of risk management (eg credit portfolio management, asset and liability management, concentration risk, risk strategy, risk appetite and stress testing), funding and liquidity management, capital management and margin management), and strategic portfolio management (eg strategic portfolio tilt, funds transfer pricing, economic profit optimisation and risk-adjusted performance management) as well as the group's regulatory reporting under the Banks Act. Trevor also led the group's successful Basel II implementation, and recently Basel III as well, and the significant enhancement of risk, capital and balance sheet management across the group. Prior to joining the group in 1996 he was a partner at Deloitte, where he also specialised in banking and risk management, and so, altogether, has over 21 years' banking-related experience.

John Bestbier

John was appointed to the Group Executive on 1 January 2010 as Group Executive: Strategic Planning, having previously been with the group for 14 years. John is an investment banker with extensive experience in the financial services industry, having led a number of large corporate finance transactions for clients and for the

group. In 1995 he served as a main board committee member of the JSE Securities Exchange and was closely involved in the reforms adopted by the exchange.

He joined the group in 1995 as a director of its investment banking subsidiary UAL. During his tenure with the group he served on subsidiary boards and in various areas including short- and long-term insurance, asset management and stockbroking.

Thabani Jali

Thabani joined Nedbank Group in October 2011 as the Group Executive responsible for governance and compliance. He is also responsible for ethics, sustainability and Nedbank Group Editorial and Language Services. In addition to this role, he was also appointed Group Company Secretary on 1 July 2012. He is a member of the Specialist Committee on Company Law. Prior to joining the group, Thabani gained over 20 years' experience in the legal profession as an attorney, a mediator, an arbitrator and later a judge. Thabani was formerly executive chairman of PricewaterhouseCoopers (Southern Africa), a deputy Judge President of the High Court of SA (Natal Provincial division) and a Judge of the Competition Appeal Court. He was also a partner in a commercial law firm and served as Chairman of the Competition Commission Enquiry into Bank Charges and the National Payment System from 2006 to 2008.

Brian Kennedy

Brian has over 24 years of investment banking experience, 18 of which have been at Nedbank. He led Capital Markets within Nedbank following the merger with BoE, and in November 2003 was appointed to the Group Executive Committee of Nedbank Group and mandated to develop the investment banking franchise, Nedbank Capital. Brian has extensive experience in the debt and equity capital markets and has been actively involved in the design and execution of innovative solutions for top SA corporates and parastatals. He has been instrumental in developing and driving the strategy, culture and new business initiatives within Nedbank Capital. Brian started his career in engineering before joining FirstCorp Merchant Bank Ltd in 1988. Prior to his appointment as Managing Executive of Nedbank Capital, Brian was an Executive Director and Managing Director of BoE Merchant Bank and Chairman of BoE Securities.

Dave Macready

Dave joined Nedcor Investment Bank as a member of the Executive Committee in 1997 after being a partner at Deloitte & Touche for more than 10 years in both London and SA. He was responsible for Syfrets Private Bank and NIB International and was appointed Managing Director of Asset Management three years later. In 2004 Dave took on the role of Managing Executive for Bancassurance and Wealth. In 2009 the name was changed to Nedbank Wealth and Dave was appointed to the Executive Committee.

Mfundo Nkuhlu

Mfundo joined Nedbank Group in 2004. He has led and managed Nedbank Africa and Corporate Banking, and since 2009 has been the Managing Executive of Nedbank Corporate. He joined the Group Executive Committee in 2008. Previously he was the executive responsible for strategy, revenue and economic analysis at the SA Revenue Service. Prior to that he was with the Department of Trade and Industry as Chief Director for Africa and the New Partnership for Africa's Development (NEPAD) programme.

Sandile Shabalala

Sandile has over 25 years' banking experience, including 18 years at Nedbank Group. Prior to joining Nedbank Group he worked for Barclays Bank, NBS Bank Ltd and Telkom SA. He has experience in retail, small business, corporate and business banking in both sales and credit banking functions. Prior to his appointment in October 2009 to the Group Executive Committee as Managing Executive: Business Banking, Sandile had been leading and managing the Northern Business Unit in Business Banking as Divisional Executive.

Thulani Sibeko

Thulani joined Nedbank Group in May 2011 and leads the group's Marketing, Communication, Transformation, Corporate Social Investment and Public Affairs areas. Thulani started his marketing career at Gillette SA in 1993 and has held different marketing roles at Polaroid, Procter & Gamble, Vodacom Group Ltd and The Hollard Insurance Company Ltd. During his marketing career, he managed brands such as Gillette, Oral B, Braun, Polaroid, Olay, Pantene, Head & Shoulders, Vicks, Vodacom and Hollard. In addition to working in SA, Thulani has held regional assignments in the USA, the UK and Switzerland.

Fred Swanepoel

Fred has more than 24 years' experience in finance, banking and information technology. In 1996 Fred joined Nedbank to run regional operations, Western Cape. In 2000 he brought his operational experience into the group's technology arena and was appointed Nedbank Group's Chief Information Officer in November 2008. Prior to this he held several high-level positions in the technology environment, including Divisional Director for Finance, Risk and Compliance, Projects and Programme Management, and Head of Group Software Services. He has significantly repositioned Group Technology to deliver a simplified and agile technology landscape. Fred's goal is to 'leverage technology to make Nedbank Africa's most admired bank'.

Abe Thebyane

Abe joined Nedbank Group and was appointed to the Group Executive Committee in February 2011 as Head of Group Human Resources. Abe has 30 years' experience in human resources, which he acquired through the various senior and executive positions he held in large corporations in SA. Prior to joining Nedbank Group, Abe was Executive Head: Human Resources at Anglo American Platinum Ltd for six years and before that he was Executive Director: Human Resources at Iscor Ltd.

Ciko Thomas

Ciko joined the group in January 2010 as Group Executive: Group Marketing, Communications and Corporate Affairs. Ciko has wide-ranging marketing and business experience in financial services and in the consumer goods and motor industries. He joined Nedbank from Barloworld, where he was the Group Marketing Director of the Automotive Division. Ciko was previously General Manager of Retail Banking Marketing at Absa Group. He has also held various management positions at SA Breweries, Unilever and M-Net. In November 2010 Ciko was appointed as Managing Executive for Consumer Banking in the Retail Cluster.

Philip Wessels

Philip has held the position of Chief Risk Officer on the Nedbank Group Executive Committee for the past 10 years. Under his leadership, and with the commitment and support of management and staff within the group, Nedbank Group's risk management processes and governance principles have become highly regarded in the financial services industry. In 2011 Philip received the Risk Manager of the Year Award from the Institute of Risk Managers of SA. Prior to his appointment as Chief Risk Officer in 2004, Philip was a Divisional Director in Nedbank Business Banking and Nedbank Corporate. In addition, he was an Executive Director of BoE Ltd, Managing Director of BoE Securities, Chief Executive of BoE International (London) and Managing Director of BoE Bank, Business Banking and Boland Bank between 1995 and 2003. Philip was also a partner at Deloitte & Touche between 1989 and 1995.

5.3 Directors' interests in shares

As at the last practicable date, the directors' and their associates' interests in Nedbank Group shares were as follows:

Director	Direct beneficial	Indirect beneficial	Percentage holding* (%)
TA Boardman	4 012	18 593	0,004
MWT Brown	55 049	334 552	0,075
BA Dames	–	–	–
DKT Adomakoh	–	–	0,030
GW Dempster	17 822	137 515	–
MA Enus-Brey	–	2 113	–
ID Gladman	–	–	–
RJ Khoza	7 800	6 974	0,002
PM Makwana	–	–	–
MA Matooane	176	–	–

Director	Direct beneficial	Indirect beneficial	Percentage holding* (%)
NP Mnxasana	–	11 620	0,002
RK Morathi	20 023	182 674	0,039
JK Netshitenzhe	–	–	–
JVF Roberts	–	–	–
GT Serobe	–	–	–
MI Wyman	–	–	–
Total	104 882	694 041	0,150

* Based on 513 972 856 shares in issue as at the last practicable date.

There have been no changes to the directors' interests from the last practicable date to the date of this circular.

6. SHARE CAPITAL OF NEDBANK GROUP

The share capital of Nedbank Group before and after the specific repurchase is as follows:

Before the specific repurchase

	R
<i>Authorised share capital</i>	
600 000 000 ordinary par value shares of 100 cents each	600 000 000
<i>Issued share capital</i>	
513 972 856 ordinary par value shares of 100 cents each	513 972 856
<i>After the specific repurchase</i>	
<i>Authorised share capital</i>	
600 000 000 ordinary par value shares of 100 cents each	600 000 000
<i>Issued share capital</i>	
499 257 807 ordinary par value shares of 100 cents each	499 257 807

After the specific repurchase, the Company will hold 34 393 885 Nedbank Group shares as treasury shares.

7. MAJOR SHAREHOLDERS OF NEDBANK GROUP

As at the last practicable date, the following Nedbank Group shareholders beneficially held in excess of 5% of the issued Nedbank Group shares:

Shareholder	Number of shares	Percentage holding*
Old Mutual Investment Group SA	265 736 036	51,70
Coronation Asset Management (Proprietary) Limited	34 784 196	6,77
Public Investment Commissioner	31 317 167	6,09
Total	331 837 399	64,56

* Based on 513 972 856 shares in issue as at the last practicable date.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The directors of Nedbank Group, whose names are given on page 6 of this circular:

- 8.1 have considered all statements of fact and opinion in this circular;
- 8.2 collectively and individually, accept full responsibility for the accuracy of the information given;

- 8.3 certify that, to the best of their knowledge and belief, there are no other facts the omission of which would make any statement false or misleading;
- 8.4 have made all reasonable enquiries in this regard; and
- 8.5 certify that, to the best of their knowledge and belief, the circular contains all information required by law and the JSE Listings Requirements.

9. GENERAL MEETING AND SHAREHOLDER APPROVAL

9.1 Notice of general meeting

A notice convening a general meeting of Nedbank Group shareholders is attached to this circular. The general meeting, convened in terms of the notice incorporated in this circular, will be held in the Auditorium, Retail Place West, Nedbank 135 Rivonia Campus, 135 Rivonia Road, Sandown, Sandton, at 08:00 SA time on Thursday, 7 August 2014 to consider and, if deemed fit, pass, with or without modification the requisite ordinary and special resolutions.

9.2 If you hold dematerialised shares

Own-name registration

You are entitled to attend, or be represented by proxy, and may vote at the general meeting.

If you are unable to attend the general meeting, but wish to be represented thereat, you must complete and return the attached form of proxy, in accordance with the instructions contained therein, which should be received by the transfer secretaries in South Africa, Computershare, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) or the transfer secretaries in Namibia, Transfer Secretaries, 4 Robert Mugabe Avenue (entrance in Burg Street, opposite Chateaux Street), Windhoek, Namibia (PO Box 2401, Windhoek, Namibia), by no later than 08:00 SA time and 08:00 Namibian time respectively, on Wednesday, 6 August 2014.

Other than own-name registration

If your CSDP or broker has not contacted you, you are advised to contact your CSDP or broker and provide them with your voting instructions. If your CSDP or broker does not obtain instructions from you, they will be obliged to act in terms of your mandate furnished to them.

You must not complete the attached form of proxy. In accordance with the mandate between you and your CSDP or broker you must advise your CSDP or broker timeously if you wish to attend, or be represented at, the general meeting.

Your CSDP or broker will be required to issue the necessary letter of representation to you to enable you to attend, or to be represented at the general meeting.

9.3 If you hold certificated shares

You are entitled to attend, or be represented by proxy, and may vote at the general meeting.

If you are unable to attend the general meeting, but wish to be represented thereat, you must complete and return the attached form of proxy, in accordance with the instructions contained therein, which should be received by the transfer secretaries in South Africa, Computershare, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) or the transfer secretaries in Namibia, Transfer Secretaries, 4 Robert Mugabe Avenue (entrance in Burg Street, opposite Chateaux Street), Windhoek, Namibia (PO Box 2401, Windhoek, Namibia), by no later than 08:00 SA time and 08:00 Namibian time respectively, on Wednesday, 6 August 2014.

9.4 Shareholder approval

The creation of new preference shares, the consequential amendments to the MOI and the specific repurchase are subject to shareholder approval as set out in the notice of general meeting attached to this circular.

9.5 Voting rights

All issued Nedbank Group shares rank *pari passu* with each other.

At the general meeting, every Nedbank Group shareholder present or represented by proxy shall have one vote on a show of hands, and on poll, one vote for every Nedbank Group share held.

10. CONSENTS

Nedbank Capital, Merrill Lynch, Old Mutual Investment Services (Namibia) (Proprietary) Limited, Computershare and Transfer Secretaries have provided their written consents to act in the capacity stated and to their names being used in this circular and have not withdrawn their consents prior to the publication of this circular.

11. EXPENSES OF THE SPECIFIC REPURCHASE

The expenses relating to the specific repurchase are estimated at approximately R568 519 (excluding VAT) and comprise:

Description	R
Nedbank Capital (investment bank and sponsor)	400 000
Printing	150 000
JSE documentation fees	18 519
Total	568 519

12. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection during normal business hours at the registered office from the date of this circular up to and including the date of the general meeting:

- 12.1 a signed copy of this circular;
- 12.2 the MOI, including the terms of the new preference shares;
- 12.3 historical annual financial statements of Nedbank Group for the three years ended 31 December 2013, 2012 and 2011; and
- 12.4 the written consents of Nedbank Capital, Merrill Lynch, Old Mutual Investment Services (Namibia) (Proprietary) Limited, Computershare and Transfer Secretaries as set out in paragraph 10 above.

This circular signed at Sandton on behalf of all the directors in terms of powers of attorney granted on 3 July 2014.

By order of the Board

TSB Jali
Group Company Secretary

Johannesburg
9 July 2014

AMENDMENT TO THE MOI AND TERMS OF THE NEW PREFERENCE SHARES

The MOI of Nedbank Group is proposed to be amended to include a new paragraph 47 which sets out the terms of the new preference shares, as follows:

47. PREFERENCES, RIGHTS, LIMITATIONS AND OTHER TERMS ASSOCIATED WITH CUMULATIVE REDEEMABLE PREFERENCE SHARES

The preferences, rights, limitations and other terms set out in this clause 47 shall be associated with the 1 000 000 cumulative redeemable preference shares of the Issuer referred to in clause 47.1.43.

47.1 Definitions

In this clause 47, unless the context dictates otherwise, the words and expressions set forth below shall bear the following meanings and cognate expressions shall have corresponding meanings:

- 47.1.1 **Accumulated Preference Dividends** bears the meaning specified in clause 47.5.4.1 (Accumulated Preference Dividends);
- 47.1.2 **Additional Amounts** bears the meaning specified in clause 47.7.1;
- 47.1.3 **Additional Preference Dividend** bears the meaning specified in clause 47.5.3;
- 47.1.4 **Administration Agent** means the Issuer, unless the Issuer elects to appoint, in relation to a particular Tranche or Class of Preference Shares, another entity as Administration Agent, in which event that other entity shall act as a Administration Agent in respect of that particular Tranche or Class of Preference Shares;
- 47.1.5 **Applicable Law** means any law (including statutory, common or customary law), statute, constitution, decree, treaty, regulation, judgment, directive, by-law, order, other legislative measure, requirement, request or guideline (whether or not having the force of law but, if not having the force of law, is generally complied with by the person to whom it is addressed or applied) of any government, supranational, local government, statutory or regulatory or self-regulatory or similar body or authority or court;
- 47.1.6 **Applicable Procedures** the rules and operating procedures from time to time of the Administration Agent;
- 47.1.7 **Applicable Redemption Amount** means in relation to a Tranche of Preference Shares, the Final Redemption Amount, the Early Redemption Amount or such other amount in the nature of a redemption amount, as appropriate, as may be specified in, or determined in accordance with the provisions of, the applicable Authorising Resolution relating to that Tranche;
- 47.1.8 **Applicable Redemption Date** in relation to a Tranche of Preference Shares, the Final Redemption Date or the relevant Early Redemption Date, as applicable;
- 47.1.9 **Authorisation** means any authorisation, consent, approval, resolution, licence, exemption, filing, notarisation, registration, agreement, certificate, permit and/or authority or any exemption from any of the aforesaid, by, with or from any authority;
- 47.1.10 **Authorising Resolution** means in respect of each Tranche of Preference Shares, a resolution of the Board:
 - 47.1.10.1 determining a distinguishing title for the Preference Shares in that Tranche of Preference Shares;
 - 47.1.10.2 determining the Commercial Terms of that Tranche of Preference Shares; and
 - 47.1.10.3 authorising the issue of that Tranche of Preference Shares;
- 47.1.11 **Banks Act** means the Banks Act, 1990;
- 47.1.12 **Board** means the board of directors of the Issuer from time to time;

- 47.1.13 **Business Day** means any day (other than a Saturday, Sunday or an official public holiday in South Africa within the meaning of the Public Holidays Act, 1994);
- 47.1.14 **Class** means a Tranche of Preference Shares together with any further Tranche or Tranches of Preference Shares which are:
- 47.1.14.1 expressed in the Authorising Resolution to form part of the same Class as another Tranche of Preference Shares, and
- 47.1.14.2 identical in all respects (including as to listing) except for their respective Issue Dates, Final Redemption Dates and/or Issue Prices;
- 47.1.15 **Certificated Shares** means Preference Shares represented by a paper share certificate or other physical document(s) of title, which shares have not been surrendered for Dematerialisation;
- 47.1.16 **Class of Preference Shareholder** means the holders of a Class of Preference Shares or, where appropriate, the holders of different Classes of Preference Shares;
- 47.1.17 **Commercial Terms** means in respect of each Tranche of Preference Shares:
- 47.1.17.1 the Issue Date;
- 47.1.17.2 the Issue Price;
- 47.1.17.3 the Dividend Rate;
- 47.1.17.4 the Scheduled Dividend Date;
- 47.1.17.5 the Final Redemption Date;
- 47.1.17.6 details of the Administration Agent;
- 47.1.17.7 applicability of Additional Preference Dividends; and
- 47.1.17.8 applicability of Penalty Preference Dividends;
- 47.1.18 **Deliver** means deliver in the manner in which the Company is entitled to give notice or deliver documents in accordance with clause 43 (Notices) and the Companies Act;
- 47.1.19 **Dematerialised** Shares means Preference Shares which have been dematerialised;
- 47.1.20 **Dematerialisation** the process by which certificated shares are converted to or held in an electronic form as uncertificated shares and recorded in the subregister of Preference Shareholders maintained by the Administration Agent;
- 47.1.21 **Dividend Date** means, for the purposes of the calculation of the Scheduled Preference Dividends in respect of each Preference Share, the last day of each calendar month occurring after the Subscription Date of such Preference Share;
- 47.1.22 **Dividend Payment Date** means each Scheduled Dividend Date, each Additional Dividend Date, each Penalty Dividend Date and each Final Dividend Date;
- 47.1.23 **Dividend Period** means, in respect of each Preference Share and for the purposes of the calculation of the Scheduled Preference Dividends in respect of such Preference Share, each period commencing on a Dividend Date and ending on the next Dividend Date (both days inclusive); provided that:
- 47.1.23.1 the first Dividend Period shall be the period from the Subscription Date of such Preference Share until the first Dividend Date occurring thereafter (both days inclusive); and
- 47.1.23.2 the final Dividend Period shall be the period from the Dividend Date immediately preceding the Final Dividend Date until the Final Dividend Date (both days inclusive);
- 47.1.24 **Dividend Rate** means in relation to a Tranche of Preference Shares, the dividend rate as may be determined by the Issuer in the applicable Authorising Resolution;
- 47.1.25 **Dividends Tax** means the Dividends Tax as contemplated in, Part VIII of Chapter II of the Income Tax Act;
- 47.1.26 **Early Redemption Date** means, in relation to a Preference Share:
- 47.1.26.1 a Voluntary Redemption Date; or

- 47.1.26.2 the date on which the Issuer is obliged to redeem that Preference Share in accordance with clause 47.9.7 (*Consequences of Redemption Events*);
- 47.1.27 **Early Redemption Notice** bears the meaning specified in clause 47.9.7 (*Consequences of Redemption Events*);
- 47.1.28 **Final Dividend Date** means, in relation to any Preference Share, the date on which it is redeemed by the Issuer;
- 47.1.29 **Final Redemption Amount** means in relation to a Tranche of Preference Shares, the amount payable in respect of each Preference Share in the Tranche upon final redemption thereof, as may be determined by the Issuer in the applicable Authorising Resolution;
- 47.1.30 **Final Redemption Date** means in relation to a Tranche of Preference Shares, the date as may be determined by the Issuer in the applicable Authorising Resolution;
- 47.1.31 **Issue Date** means, in respect of each Preference Share, the date on which the Issuer issues that Preference Share to the Subscribers;
- 47.1.32 **Issuer** means the Company;
- 47.1.33 **Issue Price** means, in relation to a Preference Share, the price at which such Preference Share is issued, as may be determined by the Issuer in the applicable Authorising Resolution;
- 47.1.34 **Other Shares** means any shares of any class of the Issuer (other than the Preference Shares);
- 47.1.35 **Outstanding Preference Shares Obligations** means, at any time and without double counting, an amount equal to the aggregate of:
- 47.1.35.1 the Issue Price of each Unredeemed Preference Share at that time;
- 47.1.35.2 any outstanding Scheduled Preference Dividends at that time;
- 47.1.35.3 any outstanding Additional Preference Dividends at that time;
- 47.1.35.4 any Penalty Preference Dividends at that time;
- 47.1.35.5 any Additional Amounts; and
- 47.1.35.6 any other amount due and payable and unpaid by the Issuer in accordance with the Preference Share Terms at that time;
- 47.1.36 **Payment Day** means any day which is a Business Day and upon which a payment is due by the Issuer in respect of a Tranche of Preference Shares;
- 47.1.37 **Person** means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;
- 47.1.38 **Penalty Preference Dividends** has the meaning specified in clause 47.5.2 (*Penalty Preference Dividends*);
- 47.1.39 **Penalty Rate** means the Dividend Rate plus 2% (two percent);
- 47.1.40 **Preference Dividends** means the Additional Preference Dividends, the Penalty Preference Dividends, the Scheduled Preference Dividends and Accumulated Preference Dividends;
- 47.1.41 **Preference Shareholder** means a registered holder of Preference Shares as recorded in the Preference Share Register and **Preference Shareholders** means, as the context requires, all of them;
- 47.1.42 **Preference Share Register** means the register of Preference Shareholders of the Issuer;
- 47.1.43 **Preference Shares** means cumulative redeemable non-participating preference shares of the Issuer issued or to be issued by the Issuer, the terms of which are set out in these Preference Share Terms and the applicable Authorising Resolution, and Preference Share means, as the context requires, any one of them;
- 47.1.44 **Preference Share Terms** means the preferences, rights, limitations, privileges and other terms of the Preference Shares as set out in this clause 47;
- 47.1.45 **R or Rand** means the lawful currency of South Africa;

- 47.1.46 **Redemption Amount** means, in respect of each Preference Share, an amount equal to its Issue Price;
- 47.1.47 **Redemption Date** means, in relation to a Preference Share, the Early Redemption Date or the Final Redemption Date (as applicable);
- 47.1.48 **Redemption Event** means any one or more of the events, circumstances or occurrences specified as such in clause 47.9.6 (Redemption Events);
- 47.1.49 **Representative** means a Person duly authorised to act on behalf of a Preference Shareholder, who may be regarded by the Issuer, the Administration Agent (all acting in good faith) as being duly authorised based upon the tacit or express representation thereof by such Representative, in the absence of express notice to the contrary from such Preference Shareholder;
- 47.1.50 **Scheduled Dividend Date** means in relation to a Tranche of Preference Shares, the date as may be determined by the Issuer in the applicable Authorising Resolution;
- 47.1.51 **Scheduled Preference Dividend** bears the meaning specified in clause 47.5.1.1;
- 47.1.52 **South Africa** means the Republic of South Africa;
- 47.1.53 **Subscription Date** means, in respect of each Preference Share, the date on which the Issue Price is paid by the holder of such Preference Shares in accordance with these Preference Share Terms and the Applicable Procedures;
- 47.1.54 **Special Resolution** means a resolution adopted with the support of at least a 75% (seventy five percent) majority of the voting rights exercised on that resolution;
- 47.1.55 **Specified Office** means the registered address of the Issuer or the Administration Agent, as the case may be, as specified in the Authorising Resolution or such other address as the Issuer or the relevant agent, as the case may be, may specify by notice to the Preference Shareholders which change of address shall in each case be notified to the Preference Shareholders in accordance with clause 43 (*Notices*);
- 47.1.56 **Tax** means all and any taxes and levies of whatever nature, including income tax, capital gains tax, dividend tax, VAT, value extraction tax, stamp duties, STT, levies, assessments, imposts, deductions, charges and withholdings whatsoever in terms of any tax legislation, and includes all penalties, fines, additional tax or interest payable as a consequence of any failure or delay in paying any Taxes;
- 47.1.57 **Tranche** means in relation to any particular Class of Preference Shares, all Preference Shares which are identical in all respects and in respect of which the same terms and conditions apply;
- 47.1.58 **Transfer Form** means the written form for the transfer of a Preference Share, in the form approved by the Administration Agent and signed by the transferor and transferee;
- 47.1.59 **Unredeemed Preference Shares** means, at any time, any Preference Shares which have not been redeemed by the Issuer at that time in accordance with the Preference Share Terms and the Authorising Resolution;
- 47.1.60 **Voluntary Redemption Date** bears the meaning specified in clause 47.9.2.1.1.2; and
- 47.1.61 **Voluntary Redemption Notice** bears the meaning specified in clause 47.9.2.1.1.

47.2 Interpretation

- 47.2.1 In these Preference Share Terms:
 - 47.2.1.1 if an expression is stated in clause 47.1 (*Definitions*) to have the meaning given in the applicable Authorising Resolution, but the applicable Authorising Resolution gives no such meaning or specifies that such expression is 'not applicable' then such expression is not applicable to the relevant Tranche of Preference Shares;
 - 47.2.1.2 any reference to any statute, regulation or other legislation will be a reference to that statute, regulation or other legislation as at the Issue Date and as amended, re-enacted or replaced and substituted from time to time;
 - 47.2.1.3 any reference to 'Currency' or 'currency' means the lawful currency from time to time of a country.

- 47.2.2 Unless inconsistent with the context or save where the contrary is expressly specified in the Preference Share Terms:
- 47.2.2.1 words denoting the singular only will include the plural also and *vice versa*, words denoting one gender only will include the other genders and words denoting persons only will include firms and corporations and *vice versa*;
 - 47.2.2.2 the use of the word 'including' followed by a specific example/s will not be construed as limiting the meaning of the general wording preceding it and the *eiusdem generis* rule will not be applied in the interpretation of such general wording or such specific example/s. Such references to 'including' and 'in particular' will not be construed restrictively but will mean 'including, without prejudice to the generality of the foregoing' and 'in particular, but without prejudice to the generality of the foregoing' respectively;
 - 47.2.2.3 any reference to days (other than a reference to Business Days), months or years will be a reference to calendar days, months or years, as the case may be;
 - 47.2.2.4 subject to clause 47.10.6, where any number of days is to be calculated from a particular day, such number shall be calculated as inclusive of the first day and exclusive of the last day. If the last day of such number so calculated falls on a day which is not a Business Day, the last day shall be deemed to be the immediately preceding day which is a Business Day; and
 - 47.2.2.5 if any provision in a definition in the Preference Share Terms is a substantive provision conferring a right or imposing an obligation on any party then, notwithstanding that it is only in a definition, effect shall be given to that provision as if it were a substantive provision in the body of the Preference Share Terms.
- 47.2.3 Headings and sub-headings in the Preference Share Terms are inserted for convenience only.
- 47.2.3.1 Where any term is defined within a particular clause, that term shall bear the meaning ascribed to it in that clause wherever it is used in the Preference Share Terms.
 - 47.2.3.2 The rule of construction that, in the event of ambiguity, a contract shall be interpreted against the party responsible for the drafting thereof shall not be applied in the interpretation of the Preference Share Terms.

47.3 Issue of Preference Shares

Each Tranche of Preference Shares will, subject to clause 47.20 (*Preference Shares and the Companies Act*):

- 47.3.1 be redeemable and be issued with an Applicable Redemption Date which falls more than three years after the Issue Date, as may be determined by the Issuer in the applicable Authorising Resolution;
- 47.3.2 be issued as fully paid up shares in the Issuer;
- 47.3.3 be issued in accordance with the Companies Act and the Issuer's Memorandum of Incorporation;
- 47.3.4 be issued at such Issue Price as may be determined by the Issuer in the applicable Authorising Resolution;
- 47.3.5 accrue dividends at a Dividend Rate as may be determined by the Issuer in the applicable Authorising Resolution;
- 47.3.6 be cumulative; and
- 47.3.7 have the ranking set out in clause 47.4 (*Ranking*).

47.4 Ranking

- 47.4.1 The Preference Shares rank:
 - 47.4.1.1 equally among themselves with respect to:
 - 47.4.1.1.1 the payment of dividends by the Issuer; and
 - 47.4.1.1.2 the distribution of the assets of the Issuer in the event of the liquidation, dissolution or winding up of the Issuer, whether voluntary or involuntary, or any other distribution of the assets of the Issuer whether for the purpose of winding up its affairs or otherwise;

- 47.4.1.2 in priority to the rights of all Other Shares with respect to:
 - 47.4.1.2.1 the payment of dividends by the Issuer; and
 - 47.4.1.2.2 the distribution of the assets of the Issuer in the event of the liquidation, dissolution or winding up of the Issuer, whether voluntary or involuntary, or any other distribution of the assets of the Issuer whether for the purpose of winding up its affairs or otherwise.
- 47.4.2 The Preference Shares do not confer on the Preference Shareholders the right to participate in the profits or assets of the Issuer except as set out in the Preference Share Terms and the applicable Authorising Resolutions.

47.5 Dividend Rights of the Preference Shares

The Preference Shareholders will be entitled to receive the cumulative preferential cash dividends to be determined and paid in accordance with the provisions of this clause 47.5.

47.5.1 Scheduled Preference Dividends

- 47.5.1.1 Each Preference Share shall have associated with it the right of the Preference Shareholder to receive, during the period from (and including) the Issue Date to (but excluding) the Redemption Date, a cumulative preferential cash dividend (each, a **Scheduled Preference Dividend**) which will accrue in respect of such Preference Share for each Dividend Period in accordance with the following formula:

$$SPD = [(IP + APD) \times ND \times DR] \div 365$$

where:

- SPD = the Scheduled Preference Dividend payable on each Preference Share to be calculated, expressed in Rand;
- IP = the Issue Price of that Preference Share;
- APD = the aggregate amount of the Scheduled Preference Dividend that has accrued in respect of that Preference Share in accordance with this clause 47.5.1.1 during all preceding Dividend Periods and which has not been paid in accordance with clause 47.5.1.2;
- ND = subject to clause 47.5.1.2, the number of days in that Dividend Period; and
- DR = the Dividend Rate.

- 47.5.1.2 On each Scheduled Dividend Date, the Company shall be obliged to pay, in respect of each Preference Share, the Scheduled Preference Dividend that has accrued in accordance with clause 47.5.1.1 as at such Scheduled Dividend Date.
- 47.5.1.3 On the Final Dividend Date, the Company shall be obliged to pay, in respect of each Preference Share being redeemed, the Scheduled Preference Dividend that has accrued in accordance with clause 47.5.1.1 and which has not otherwise been paid in accordance with clause 47.5.1.2.
- 47.5.1.4 Each Scheduled Preference Dividend shall for the purposes of calculation:
 - 47.5.1.4.1 accrue on a daily basis during the period of calculation;
 - 47.5.1.4.2 be compounded monthly in arrears;
 - 47.5.1.4.3 be calculated on the actual number of days elapsed and on the basis of a 365 (three hundred and sixty-five) day year irrespective of whether the applicable year is a leap year; and
 - 47.5.1.4.4 be determined inclusive of the first day and exclusive of the last day of the period for which it is determined and if such period would otherwise end on a day which is not a Business Day that period shall instead end on the immediately preceding day which is a Business Day.

47.5.2 **Penalty Preference Dividends**

47.5.2.1 If the Issuer fails to pay a Scheduled Preference Dividend in respect of a Preference Share on the relevant Scheduled Dividend Date, the Issuer shall, in addition to the unpaid Scheduled Preference Dividends, declare and pay a cumulative preferential cash dividend (the **Penalty Preference Dividend**) calculated on the unpaid Scheduled Preference Dividends in respect of each such Preference Share at the Penalty Dividend Rate to the holder of such Preference Share calculated at the Penalty Rate calculated with effect from the due date thereof to the earlier of the date of payment by the Issuer of such unpaid Scheduled Preference Dividends or the Applicable Redemption Date (if applicable).

47.5.2.2 Each Penalty Preference Dividend shall for the purposes of calculation:

47.5.2.2.1 accrue on a daily basis during the period of calculation;

47.5.2.2.2 be compounded monthly in arrears;

47.5.2.2.3 be calculated on the actual number of days elapsed and on the basis of a 365 (three hundred and sixty-five) day year irrespective of whether the applicable year is a leap year; and

47.5.2.2.4 be determined inclusive of the first day and exclusive of the last day of the period for which it is determined and if such period would otherwise end on a day which is not a Business Day that period shall instead end on the immediately preceding day which is a Business Day.

47.5.3 **Additional Preference Dividends**

If the rate of Dividends Tax increases from 15% (fifteen percent), the Issuer shall pay to each Preference Shareholder on each Scheduled Dividend Date, a cumulative preferential cash dividend (the **Additional Preference Dividend**), such that the Preference Shareholder will receive on an after-tax basis, an amount equal to the Scheduled Preference Dividend that would have been payable were it not for the increase in the rate of Dividends Tax.

47.5.4 **Accumulated Preference Dividends**

47.5.4.1 The Preference Dividends are cumulative and, to the extent that all or any part of a Preference Dividend has accrued or has become payable in accordance with these Preference Share Terms, the Issuer shall be liable to pay, and the Preference Shareholders shall be entitled to be paid, by no later than the Redemption Date, all Preference Dividends that have accrued or become payable in relation to the Preference Shares in accordance with these Preference Share Terms and which have not been paid on the applicable Dividend Payment Dates (**Accumulated Preference Dividends**).

47.5.4.2 Failure to satisfy the requirements of section 46 of the Companies Act at any time when any Preference Dividend is due to be paid under the Preference Share Terms shall not relieve the Issuer of its obligation to pay such Preference Dividend at any time when it is lawfully able to do so.

47.5.5 **Payment of Preference Dividends**

47.5.5.1 Each Preference Dividend is due and payable and shall be paid in cash on its Dividend Payment Date in accordance with the provisions of clause 47.10 (*Payment Mechanics*).

47.5.5.2 The Issuer and the Board shall each comply with the requirements of section 46 of the Companies Act in respect of the payment of each Preference Dividend.

47.6 **Right of the Preference Shares on liquidation, dissolution or winding-up**

Each Preference Share shall have associated with it the right of the Preference Shareholder to receive, in the event of the liquidation, dissolution or winding-up of the Issuer, a preferent right in priority to the rights of all Other Shares, to a return of capital in an amount equal to the Outstanding Preference Shares Obligations in respect of such Preference Share calculated on the date on which payment of that return of capital is made by the Issuer to the holder of such Preference Share.

47.7 Additional Amounts

If there is any change in Applicable Law or the introduction of any new Applicable Law that results in a Preference Shareholder being required to pay an amount of South African income tax (calculated at the rate of normal tax payable by South African companies at the relevant time) on any Preference Dividend, the Issuer shall pay to each Preference Shareholder an amount equal to such income tax (the **Additional Amount**), such that the Preference Shareholder will receive after such income tax, an amount equal to that Preference Dividend taking into account the Dividends Tax which would have been payable, provided that:

- 47.7.1 the Preference Shareholder is required to deliver to the Issuer a copy of its tax assessment showing that an amount of income tax is payable on the Preference Dividend that would not otherwise be payable other than as a result of a change in Applicable Law or the introduction of any new Applicable Law;
- 47.7.2 the Preference Shareholder claims the Additional Amount and delivers the assessment referred in clause 47.7.1 within 60 days from the occurrence of the change in Applicable Law or the introduction of any new Applicable Law.

47.8 Transfer Tax

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

47.9 Redemption

47.9.1 Final Redemption

The Issuer shall be obliged to redeem all Unredeemed Preference Shares in each Class on the Final Redemption Date applicable to that Class.

47.9.2 Voluntary Redemption

47.9.2.1 The Issuer shall, at any time, be entitled (but not obliged), to voluntarily redeem the Unredeemed Preference Shares in any Class, provided that:

47.9.2.1.1 the Issuer shall advise the applicable Class of Preference Shareholders of its election to voluntarily redeem all or any of the Unredeemed Preference Shares in such Class by written notice (each, a **Voluntary Redemption Notice**), which it may give at any time, which Voluntary Redemption Notice shall set out:

47.9.2.1.1.1 the number of Preference Shares to be redeemed; and

47.9.2.1.1.2 the date on which such Preference Shares are to be redeemed (the **Voluntary Redemption Date**);

47.9.2.1.2 the Preference Shares held by each Preference Shareholder in a Class shall be redeemed in the proportion (rounded down) that the Preference Shares held by that Preference Shareholder in that Class bears to the total number of Unredeemed Preference Shares held by all the Preference Shareholders in that Class.

47.9.3 Redemption upon the occurrence of a Redemption Event

If a Preference Shareholder delivers an Early Redemption Notice in accordance with clause 47.9.7 (**Consequences of Redemption Events**), the Issuer shall be obliged to redeem all Unredeemed Preference Shares on the Early Redemption Date.

47.9.4 Procedure for Redemptions

47.9.4.1 Subject to the provisions of Applicable Law:

47.9.4.1.1 the Issuer shall, on the applicable Redemption Date, pay, in respect of each Preference Share being redeemed, all unpaid Preference Dividends; and

47.9.4.1.2 the Issuer shall, on the applicable Redemption Date, redeem the relevant Preference Shares for, and by paying, the aggregate Redemption Amount in respect of all of the Preference Shares being redeemed.

47.9.5 **Purchases**

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

47.9.6 **Redemption Events**

Each of the events set out in this clause 47.9.6 is a Redemption Event (whether or not caused by any reason whatsoever outside of the control of the Issuer or any other person).

47.9.6.1 **Non-Payment**

The failure by the Issuer to pay any Preference Dividend on its Dividend Payment Date for any reason whatsoever and such failure is not remedied within 3 (three) Business Days of receipt of written notice from a Preference Shareholder calling upon the Issuer to remedy such failure.

47.9.6.2 **Non-Redemption**

The failure by the Issuer for any reason whatsoever to redeem the Preference Shares on the relevant Redemption Date and such failure is not remedied within 5 (five) Business Days of receipt of written notice from a Preference Shareholder calling upon the Issuer to remedy such failure.

47.9.7 **Consequences of Redemption Events**

Upon the occurrence of a Redemption Event, a Preference Shareholder shall be entitled, on written notice (an **Early Redemption Notice**) to the Issuer, to require the Issuer to redeem all of the Unredeemed Preference Shares held by such Preference Shareholder on the expiry of such notice period.

47.10 **Payment Mechanics**

47.10.1 **General**

47.10.1.1 Only Preference Shareholders named in the Preference Share Register at 17:00 (South Africa time) on the date on which an amount accrues under the Preference Share Terms shall be entitled to payment of amounts due and payable in respect of Preference Shares.

47.10.1.2 All payments of all amounts (whether in respect of dividends or otherwise) due and payable in respect of any Preference Shares shall be made by the Issuer (where the Issuer itself acts as Administration Agent) or the Administration Agent on behalf of the Issuer (where the Issuer has appointed a third party to act as Administration Agent), as the case may be, on the terms and conditions of an agency agreement (if any) and this clause 47.10.

47.10.1.3 All references in this clause 47.10 to *Administration Agent* shall be construed as references to the Issuer (where the Issuer itself acts as Administration Agent) or the Administration Agent on behalf of the Issuer (where the Issuer has appointed a third party entity to act as Administration Agent), as the case may be.

47.10.1.4 Payments will be subject in all cases to any fiscal or other laws, directives and regulations applicable thereto in the place of payment, but without prejudice to the provisions of clause 47.8 (*Transfer Taxes*).

47.10.2 **Payment of all amounts due and payable in respect of Preference Shares**

47.10.2.1 The Issuer shall pay all amounts due and payable in respect of any registered Preference Shares in immediately available and freely transferable funds, in Rands, by electronic funds transfer to the bank account of the Administration Agent, which in turn will transfer such funds, to the registered Preference Shareholder of such Preference Shares.

47.10.2.2 Neither the Issuer nor the Administration Agent shall be responsible for the loss in transmission of any such funds, and payment of any amount into the bank accounts referred to in clause 47.10.2.1, in accordance with clause 47.10.2.1, shall be satisfaction *pro tanto*, to the extent of such amount, of the Issuer's obligations to the Preference Shareholders under the relevant Preference Shares and the Preference Share Terms.

47.10.3 **Surrender of Certificated Shares**

47.10.3.1 Payments of the Applicable Redemption Amount in respect of any Preference Share(s) which is/are represented by Certificated Shares shall be made to the Preference Shareholder(s) of such Preference Share(s) only if, prior to the date on which the relevant Tranche of Preference Shares are redeemed, such Certificated Shares shall have been surrendered to the Administration Agent at its Specified Office.

47.10.3.2 If the relevant Certificated Share is not surrendered to the Administration Agent at its Specified Office in accordance with this clause 47.10.3, the Applicable Redemption Amount payable to the Preference Shareholder of the Preference Share(s) represented by that Certificated Share shall be retained by the Administration Agent for such Preference Shareholder, at the latter's risk, until that Certificated Share shall have been surrendered to the Administration Agent at its Specified Office, and such Preference Shareholder will not be entitled to any dividends and/or other payments in respect of any delay in payment occasioned as a result of such failure to surrender such Certificated Share.

47.10.4 **Method of Payment**

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

47.10.4.2 Payments will be subject in all cases to any taxation or other laws, directives and regulations applicable thereto in the place of payment, but subject to the provisions of clause 47.8 (*Transfer Taxes*).

47.10.5 **Surrender of share certificates**

47.10.5.1 No payment in respect of the final redemption of a Preference Share shall be made until 10 (ten) days after the date on which the Certificated Shares to be redeemed have been surrendered to the Administration Agent.

47.10.5.2 Documents required to be presented and/or surrendered to the Administration Agent in accordance with these Preference Share Terms shall be so presented and/or surrendered at the office of the Administration Agent.

47.10.5.3 Holders of Uncertificated Preference Shares are not required to present and/or surrender any documents of title.

47.10.6 **Business Days**

47.10.6.1 Any payment which is due to be made on a day that is not a Business Day shall be made on the preceding Business Day, unless if as a result of such adjustment any redemption of a Preference Share will occur before 3 (three) years and 1 (one) day after its Issue Date in which event the relevant day for payment shall be the next succeeding Business Day.

47.10.6.2 During any extension of the due date for payment under the Preference Shares Terms the Scheduled Preference Dividends continue to accrue at the rate payable on the original due date.

47.10.7 **Currency of Account**

Rands is the currency of account and payment for any sum due from the Issuer under the Preference Shares Terms.

47.11 **Exchange of Dematerialised Share and Replacement of Certificated Shares**

47.11.1 **Exchange of Dematerialised Share**

47.11.1.1 The holder of a Dematerialised Share may, in terms of the Applicable Procedures, by written notice to the Administration Agent, request that such Dematerialised Share be exchanged for a Certificated Share (the **Exchange Notice**). The Exchange Notice shall specify: (a) the name, address and bank account details of the holder of the Dematerialised Share and (b) the day on which such Dematerialised Share is to be exchanged for a Certificated Share; provided that such day shall be a Business Day and shall fall not less than 30 (thirty) days after the day on which such Exchange Notice is given.

47.11.1.2 The Administration Agent will, as soon as is practicable but within 14 (fourteen) days after receiving such notice, in accordance with the Applicable Procedures, procure that a Certificated Share is prepared, authenticated and made available for delivery, on a Business Day falling within the aforementioned 14 (fourteen) day period, to the applicable Preference Shareholder in respect of the conversion at the Specified Office of the Administration Agent.

47.11.2 **Replacement**

If any Certificated Share is worn out, mutilated, defaced, stolen, destroyed or lost it may be replaced at the Specified Office of the Administration Agent, on payment by the claimant of such costs and expenses as may be incurred in connection therewith and the provision of such indemnity as the issuer and the Administration Agent may reasonably require. Mutilated or defaced Certificated Shares must be surrendered at the Specified Office of the Administration Agent before replacements will be issued.

47.11.3 **Death and sequestration or liquidation of Preference Shareholder**

Any Person becoming entitled to Preference Shares in consequence of the death, sequestration or liquidation of the holder of such Preference Shares may, upon producing evidence to the satisfaction of the Issuer that he holds the position in respect of which he proposes to act under this clause 47.11.3 or of his title as the Issuer and the Administration Agent shall require, be registered himself as the holder of such Preference Shares or, subject to the Applicable Procedures, this clause 47.11.3 and clause 47.12 (Transfer of Preference Shares), may transfer such Preference Shares. The Issuer and (if applicable) the Administration Agent shall be entitled to retain any amount payable upon the Preference Shares to which any Person is so entitled until such Person shall be registered as aforesaid or shall duly transfer the Preference Shares.

47.11.4 **Costs**

The costs and expenses of the printing, issue and delivery of each Certificated Share and all Taxes and governmental charges or insurance charges that may be imposed in relation to such Certificated Share and/or the printing, issue and delivery of such Certificated Share shall be borne by the Issuer.

47.12 **Transfer of Preference Shares**

47.12.1 **Transfer of Dematerialised Shares**

47.12.1.1 Dematerialised Shares may be transferred only in accordance with the Applicable Procedures through the Administration Agent.

47.12.1.2 Transfers of Dematerialised Shares to and from Preference Shareholders occur by way of electronic book entry in the securities accounts maintained by the Administration Agent, in accordance with the Applicable Procedures.

47.12.2 **Transfer of Certificated Shares**

47.12.2.1 In order for any transfer of Certificated Shares to be recorded in the Preference Share Register, and for such transfer to be recognised by the Issuer:

47.12.2.1.1 the transfer of such Certificated Shares must be embodied in a Transfer Form;

47.12.2.1.2 the Transfer Form must be signed by the registered Preference Shareholder of such Certificated Shares and the transferee, or any authorised representatives of that registered Preference Shareholder or transferee;

47.12.2.1.3 the Transfer Form must be delivered to the Administration Agent at its Specified Office together with the Certificated Shares for cancellation.

47.12.2.2 Subject to this clause 47.12.2, the Administration Agent will, within 3 (three) Business Days of receipt by it of a valid Transfer Form (or such longer period as may be required to comply with any Applicable Law and/or Applicable Procedures), record the transfer of Certificated Shares in the Preference Share Register, and authenticate and deliver to the transferee at the Administration Agent's Specified Office or, at the risk of the transferee, send by mail to such address as the transferee may request, a new certificate in respect of the Certificated Shares transferred.

- 47.12.2.3 Where a Preference Shareholder has transferred a portion only of the Certificated Shares represented by a certificate, the Administration Agent will authenticate and deliver to such Preference Shareholder at the Administration Agent's Specified Office or, at the risk of such Preference Shareholder, send by mail to such address as such Preference Shareholder may request, at the risk of such Preference Shareholder, a new certificate representing the balance of the Certificated Shares held by such Preference Shareholder.
- 47.12.2.4 The transferor of any Certificated Shares will be deemed to remain the owner thereof until the transferee is registered in the Preference Share Register as the holder thereof.
- 47.12.2.5 Before any transfer of Certificated Shares is registered in the Preference Share Register, 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 Issuer and the Administration Agent may reasonably require as to the identity and title of the transferor and the transferee.
- 47.12.2.6 If a transfer of any Certificated Shares is registered in the Preference Share Register, the Transfer Form and cancelled certificate in respect of the transferred Certificated Shares will be retained by the Administration Agent.
- 47.12.2.7 The Administration Agent will, within 3 (three) Business Days of receipt by it of a valid Transfer Form (or such longer period as may be required to comply with any applicable taxation or other laws, regulations or Applicable Procedures), authenticate and deliver to the transferee (at the risk of the transferee) a new certificate in respect of the Certificated Shares transferred.

47.13 Preference Share Register

- 47.13.1 The Preference Share Register shall be kept at the Specified Offices of the Administration Agent. The Preference Share Register shall reflect the number of Preference Shares at any given time and the date upon which each of the Preference Shareholders was registered as such. The Preference Share Register shall contain the name, address, and bank account details of the Preference Shareholders of Preference Shares. The Preference Share Register shall set out the Issue Price of the Preference Shares issued to such Preference Shareholders and shall show the date of such issue. The Preference Share Register shall show the serial number of share certificates issued in respect of any Preference Shares. The Preference Share Register shall be open for inspection during the normal business hours of the Issuer to any Preference Shareholder or any Person authorised in writing by any Preference Shareholder. The Administration Agent shall not be obliged to record any transfer while the Preference Share Register is closed. The Administration Agent shall not be bound to enter any trust into the Preference Share Register or to take notice of any or to accede to any trust executed, whether express or implied, to which any Preference Share may be subject.
- 47.13.2 The Administration Agent shall alter the Preference Share Register in respect of any change of name, address or bank account number of any of the Preference Shareholders of which it is notified in accordance with these Preference Share Terms.
- 47.13.3 Except as provided for in these Preference Share Terms or as required by law, in respect of Preference Shares, the Issuer will only recognise a Preference Shareholder as the owner of the Preference Shares registered in that Preference Shareholder's name as per the Preference Share Register.

47.14 Administration Agent

- 47.14.1 Any third party appointed by the Issuer as Administration Agent and/or shall act solely as the agent of the Issuer and does not assume any obligation towards or relationship of agency or trust for or with any Preference Shareholders.
- 47.14.2 If the Issuer elects to appoint another entity (not being the Issuer) as Administration Agent, that other entity, on execution of an appropriate agency agreement or an appropriate accession letter to any agency agreement, as the case may be, shall serve in that capacity in respect of the Preference Shares. The Issuer shall notify the Preference Shareholders (in the manner set out in clause 47.15 (*Notices*)) of any such appointment.

- 47.14.3 The Issuer is entitled to vary or terminate the appointment of the Administration Agent and/or appoint additional or other agents and/or approve any change in the specified office through which any such agent acts, provided that there will at all times be an Administration Agent. The Administration Agent acts solely as the agent of the Issuer and does not assume any obligation towards or relationship of agency or trust for or with any Preference Shareholders.

47.15 Notices

47.15.1 By the Issuer

47.15.1.1 Service of Notice

47.15.1.1.1 Subject to clauses 47.15.1.1.2 and 47.15.1.3, any notice or document, including a security certificate, may be served on or delivered to any Preference Shareholder by the Issuer by electronic mail at his electronic mail address or by sending it by post in a pre-paid envelope addressed to such Preference Shareholder at his registered address, supplied by him to the Issuer as his address for the service of notices, or by delivering it to such address addressed as aforesaid.

47.15.1.1.2 Any notice, document or information (including a Certificated Share) which is sent or supplied by the Issuer in hard copy form, or in electronic form, and which is properly addressed shall, where required to be delivered for any purpose contemplated in the Companies Act and/or the Companies Regulations, be deemed to have been Delivered to the intended recipient on the date and at the time determined in accordance with Table CR3 in the Companies Regulations. The Issuer shall however not be bound to use any method of giving notice, documents, records or statements or notices of availability of the foregoing, contemplated in the Companies Regulations.

47.15.1.1.3 The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document relating to any meeting or other proceeding shall not invalidate any action taken at the relevant meeting or other proceeding.

47.15.1.2 Deceased and Insolvent Preference Shareholders

A person entitled to a security in consequence of the death or insolvency of a Preference Shareholder or otherwise by operation of law, upon supplying to the Issuer such evidence as the Board may reasonably require to show his title to that Preference Share, and upon supplying also an address within South Africa for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the said Preference Shareholder would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested, whether jointly with or as claiming through or under him, in that Preference Share. Save as aforesaid any notice or document delivered or sent by post to or left at the address of any Preference Shareholder in pursuance of the Issuer's Memorandum of Incorporation shall, notwithstanding that such Preference Shareholder be then dead or insolvent or in liquidation, and whether or not the Issuer has notice of his death or insolvency or liquidation, be deemed to have been duly served or delivered in respect of any Preference Share registered in the name of such Preference Shareholder as sole or first-named joint Preference Shareholder.

47.15.1.3 Electronic Communication

47.15.1.3.1 Any Preference Shareholder may notify the Issuer of an email address or cellphone number for the purpose of his receiving electronic communications from the Issuer, and having done so shall be deemed to have agreed to receive by electronic communication notices and other documents from the Issuer at his email address or cellphone number, and the Issuer may satisfy its obligation to send him any notice or other document by using electronic communication to give notices and other documents or notices of availability of the foregoing to him.

- 47.15.1.3.2 Any amendment or revocation of a notification given to the Issuer under this clause 47.15.1.3 shall only take effect if in writing, signed by the Preference Shareholder and on actual receipt by the Issuer thereof.
- 47.15.1.3.3 An electronic communication shall not be treated as received by the Issuer if it is rejected by computer virus protection arrangements.
- 47.15.1.3.4 If the Issuer receives actual notice that a failure of delivery of an electronic communication to a Preference Shareholder has occurred, and then receives actual notice that subsequent attempts to resend the original communication have also failed, the Issuer shall send a hard copy of the communication by post to the Preference Shareholder's registered address within 48 hours of the Issuer receiving the notice of the original failure of delivery.

47.15.1.4 **Statutory Requirements as to notices**

Nothing in clauses 47.15.1.1 to 47.15.1.3 shall affect any requirement of the Companies Act, the Banks Act, the Applicable Procedures and/or Applicable Law, as the case may be, that any particular offer, notice or other document be served in any particular manner.

47.15.2 **Notice by the Preference Shareholders**

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

47.16 **Voting Rights**

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

47.16.2 Where:

47.16.2.1 any amendment to the Issuer's Memorandum of Incorporation relating to the variation of preferences, rights, limitations or other terms to the Preference Share Terms is proposed, then such amendment shall not be effective unless it is approved by Special Resolution of all Preference Shareholders and for such purpose all of the holders of Preference Shares shall be treated as a single class and each Preference Share shall have associated with it one general voting right for the purposes of such Special Resolution;

47.16.2.2 any amendment or variation to the Issuer's Memorandum of Incorporation relating to the variation of preferences, rights, limitations or other terms attaching to a particular Class of Preference Shares is proposed, then such amendment shall not be effective unless it is approved by Special Resolution of the affected Class of Preference Shareholders; and

47.16.2.3 any amendment or variation to the Issuer's Memorandum of Incorporation which affects or relates to all Preference Shares in issue at that time is proposed, other than the amendments contemplated in clause 47.16.2.1 and/or clause 47.16.2.2 then, subject to clause 23.36.2, each Preference Share shall have associated with it one general voting right for the purposes of such Special Resolution.

47.17 Meetings of Preference Shareholders

47.17.1 Convening of meetings

The Issuer may at any time convene a meeting of all Preference Shareholders or holders of any Class of Preference Shares, and shall be obliged to do so upon the request in writing of Preference Shareholders holding not less than 10% of the aggregate Outstanding Preference Share Obligations of all Preference Shares or Preference Shares in that Class, as the case may be. Should the Issuer fail to requisition a meeting within 15 (fifteen) Business Days of such a request being Delivered to the Specified Office of the Issuer, the Preference Shareholders requesting such a meeting may convene such meeting by written notice to the Issuer and the relevant Preference Shareholders to which such meeting applies in accordance with clause 47.15 (*Notices*). A meeting so convened will be convened as nearly as possible in the same manner as that in which meetings may be convened by the Issuer.

47.17.2 Notice of meetings

47.17.2.1 Any meeting of all Preference Shareholders or holders of any Class of Preference Shares shall be called by at least 15 (fifteen) Business Days' notice after Delivery by email or short message service by the Issuer to all Preference Shareholders entitled to vote or otherwise entitled to receive notice and the Administration Agent. The period of notice shall in each case be exclusive of the day on which the notice is Delivered or deemed to be Delivered in accordance with the Preference Share Terms, the Companies Act and Companies Regulations and inclusive of the day on which the relevant meeting is to be held. A meeting of all Preference Shareholders or holders of any Class of Preference Shares, notwithstanding that it has been called by a shorter notice than that specified above, shall be deemed to have been duly called if every person who is entitled to exercise voting rights in respect of any item on the meeting agenda: (i) is present at the meeting; and (ii) votes to waive the required minimum notice of the meeting.

47.17.2.2 A requisition notice by Preference Shareholders requesting a meeting of Preference Shareholders pursuant to clause 47.17.1 may consist of several documents in like form, each signed by one or more requisitioning Preference Shareholders. Such a requisition notice will be delivered to the Specified Offices of the Issuer.

47.17.3 Contents of notice of meetings of Preference Shareholders

47.17.3.1 Every notice calling a meeting of Preference Shareholders must be in writing and shall specify, in addition to any other information prescribed by the Companies Act, the Banks Act and/or Applicable Procedures, the place, the day and the hour of the meeting and there shall appear, with reasonable prominence in every such notice a statement that a Preference Shareholder entitled to attend and vote is entitled to appoint a proxy or proxies to attend, speak and vote instead of him on a poll or a show of hands and that a proxy need not be a Preference Shareholder of the Issuer.

47.17.3.2 The notice shall specify the general or specific purpose of the meeting.

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

47.17.4 Quorum

47.17.4.1 Subject to the provisions of clause 47.17.4.3, no business shall be transacted at any meeting of Preference Shareholders or Class of Preference Shareholders, as the case may be, unless a quorum is present. The quorum necessary for the commencement of a meeting of Preference Shareholders or Class of Preference Shareholders shall be sufficient persons present in person or represented by Representative or by proxy holding in aggregate not less than 25% (twenty five percent) of the aggregate Outstanding Preference Shares Obligation of all Preference Shares or Preference Shares in the relevant Class of Preference Shares, as the case may be, provided that the minimum number of three such persons must be present.

47.17.4.2 A matter to be decided at a meeting of Preference Shareholders or Class of Preference Shareholders, as the case may be, may not begin to be considered unless those who fulfilled the quorum requirements of clause 47.17.4.1, continue to be present.

47.17.4.3 If within five minutes from the time appointed for a meeting of Preference Shareholders or Class of Preference Shareholders, as the case may be, or such longer interval not exceeding one hundred and twenty minutes as the chairperson of the meeting may think fit to allow a quorum is not present, or if during the meeting a quorum ceases to be present, the meeting shall stand adjourned to such day, time and place being at least 10 days after the original meeting date; as may have been specified for the purpose in the notice convening the meeting or, if not so specified, as the chairperson of the meeting may determine, subject to the provisions of clause 47.17.6 (**Adjournment of meetings**).

47.17.5 **Quorum at any meeting for passing a Special Resolution**

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

47.17.6 **Adjournment of meetings**

47.17.6.1 The chairperson of any meeting of Preference Shareholders or Class of Preference Shareholders, as the case may be, at which a quorum is present may with the consent of the meeting, and shall if so directed by the meeting (such consent or direction being given by a motion supported by persons entitled to exercise, in aggregate, a majority of Preference Shareholders present or represented by proxies or Representatives and holding or representing in the aggregate a clear majority of the aggregate Outstanding Preference Shares Obligation of all the Preference Shares or Preference Shares held by the applicable Class) adjourn the meeting from time to time and from place to place to a day not earlier than 7 (seven) days and not later than 21 (twenty-one) days after the date of the meeting, 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. Subject to clause 47.17.6.2, notice of the adjourned meeting shall be given in the like manner as in the case of the original meeting.

47.17.6.2 Unless required under the Companies Act, the Banks Act, the Applicable Procedures or Applicable Law, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

47.17.7 **Participation**

The following may attend and speak at a meeting:

47.17.7.1 Preference Shareholders present, by Representative or by proxy provided that no such Person shall be entitled to attend and speak (or vote) unless he provides proof acceptable to the Issuer that he is a Preference Shareholder, its Representative or proxy if so required by the Issuer to do so;

47.17.7.2 any officer or duly appointed representative of the Issuer and every other Person authorised in writing by the Issuer provided that such Person shall not be entitled to vote, other than as a proxy or Representative;

47.17.7.3 the legal counsel to the Issuer;

47.17.7.4 the Administration Agent;

47.17.7.5 any other Person approved by the Preference Shareholders at such meeting; and

47.17.7.6 every director or duly appointed representative of the Issuer and every other Person authorised in writing by the Issuer may attend and speak at a meeting of Preference Shareholders, but shall not be entitled to vote, other than as a proxy or Representative.

47.17.8 **Poll**

- 47.17.8.1 At any meeting all resolutions, and any proposed amendment thereto, put to the vote of the meeting shall be decided on a poll unless the chairperson determines, subject to clauses 47.17.8.2 and 47.17.8.3, that such resolution, and any proposed amendments thereto, shall be decided on a show of hands.
- 47.17.8.2 If, pursuant to clause 47.17.8.1, the chairperson of the meeting has determined that a resolution, and any proposed amendments thereto, shall be decided on a show of hands, before, or on the declaration of the result of such a vote, a poll may be demanded by:
- 47.17.8.2.1 not less than 5 (five) Preference Shareholders in person or by proxy and entitled to vote, or
- 47.17.8.2.2 a Preference Shareholder or Preference Shareholders present in person or by Representative or by proxy and representing not less than one-tenth of the aggregate Outstanding Preference Shares Obligation of the Preference Shares of all Preference Shareholders having the right to vote at the meeting; or
- 47.17.8.2.3 the chairperson of the meeting,
- provided that no poll may be demanded on a resolution for the election of the chairperson of a meeting.
- 47.17.8.3 A demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairperson. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 47.17.8.4 A poll shall be taken in such manner, including the use of ballot or voting papers or tickets, as the chairperson of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting to which the poll relates. The chairperson of the meeting may, and if so directed by the meeting shall, appoint scrutineers, who need not be Preference Shareholders, and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.
- 47.17.8.5 On a poll, votes may be given either personally or by Representative or by Proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
- 47.17.8.6 A poll in relation to a question of adjournment shall be taken forthwith. A poll in relation to any other question shall be taken either at the meeting or at such subsequent time not being more than 30 (thirty) days from the date of the meeting and place as the chairperson of the meeting may direct. Any poll may, as the chairperson of the meeting shall direct, close at different times for different Classes of Preference Shareholders. No notice need be given of a poll not taken immediately. The taking of a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question to which the poll relates.

47.17.9 **Votes**

- 47.17.9.1 Subject to clause 47.17.3.3, the provisions of the Banks Act and any special rights or restrictions as to voting attached by or in accordance with the Issuer's Memorandum of Incorporation to any Class of Preference Shares, every Preference Shareholder present in Person, by Representative or by proxy and who provided proof acceptable to the Issuer of his entitlement to vote, if so required by the Issuer, shall have: (i) on a show of hands, one vote; or (ii) on a poll, one vote for each Preference Share held or represented by him.
- 47.17.9.2 In the case of a voting tie, the chairperson shall have a casting vote.
- 47.17.9.3 Unless the form of proxy states otherwise, a Representative or proxy shall not be obliged to exercise all the votes which he is entitled or cast all the votes which he exercises in the same way.
- 47.17.9.4 A majority shall be required to ordinarily pass a resolution of Preference Shareholders.

47.18 **Modification**

Subject to the Companies Act and the Companies Regulations, the Issuer may effect, without the consent of the relevant Class of Preference Shareholders, any modification of the Preference Share Terms in any manner necessary to correct a patent error in spelling, punctuation, reference, grammar or similar defect on the face of the Preference Share Terms, by publishing a notice of the alteration, in any manner required or permitted by the Issuer's Memorandum of Incorporation or the rules of the Issuer and filing a notice of the alteration with the Companies and Intellectual Property Commission. Any such modification shall be binding on the relevant Class of Preference Shareholders. For the avoidance of doubt, the exercise by the Issuer of its rights under clause 47.14 (*Administration Agent*) shall not constitute a modification of these Preference Share Terms.

47.19 **Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Preference Shareholders to create and issue further Preference Shares (the **Additional Preference Shares**) having terms and conditions which are identical as any of the other Preference Shares already issued (the **Existing Preference Shares**) or the same in all respects save for their respective Issue Prices and Issue Dates, so that the Additional Preference Shares shall be: (i) consolidated to form a single Class with the Existing Preference Shares and (ii) rank *pari passu* in all respects with the Existing Preference Shares.

47.20 **Preference Shares and the Companies Act**

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

47.20.2 For the purpose of the Preference Shares and in relation to: (i) the Issuer, (ii) each Tranche of Preference Shares, and (iii) each of the Preference Shareholders:

47.20.2.1 the Applicable Provisions are deemed to be incorporated by reference into these Preference Share Terms;

47.20.2.2 to the extent that there is any conflict or inconsistency between the Applicable Provisions and any of these Preference Share Terms, the Applicable Provisions shall prevail; and

47.20.2.3 to the extent that, in consequence of such conflict, the Applicable Provisions replace, amend, or supplement any of these Preference Share Terms, any reference to *Preference Share Terms* shall be deemed to include these Preference Share Terms as so replaced, amended or supplemented.

47.21 **Severability**

Should any of the applicable Preference Share Terms be, or become, invalid, the validity of the remaining applicable Preference Share Terms shall not be affected in any way.



NEDBANK GROUP LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1966/010630/06)
JSE share code: NED ISIN: ZAE000004875
(‘Nedbank Group’ or ‘the Company’)

NOTICE OF A GENERAL MEETING OF NEDBANK GROUP SHAREHOLDERS

In this notice, unless the contrary appears from the context, words and phrases used will have the defined meanings given thereto in this circular of which this notice forms part.

Notice is hereby given that a general meeting of the holders of the Nedbank Group shares will be held in the Auditorium, Retail Place West, Nedbank 135 Rivonia Campus, 135 Rivonia Road, Sandown, Sandton at 08:00 SA time on Thursday, 7 August 2014 to consider and, if deemed fit, pass, with or without modification, the resolutions below.

The purpose of the general meeting is to obtain the approvals relating to the resolutions set forth in this notice, with or without modification.

The record date to determine the holders of the Nedbank Group shares entitled to participate in and vote at the general meeting is Friday, 1 August 2014.

ORDINARY RESOLUTION 1 – ELECTION OF DR MA MATOOANE

The board of Nedbank Group has appointed Dr MA Matooane as an independent non-executive director of Nedbank Group with effect from 15 May 2014. Dr Matooane retires in terms of Nedbank Group’s MOI and, being eligible, makes herself available for election. Dr Matooane’s biographical details are set out on page 11 of this circular.

‘RESOLVED THAT, Dr MA Matooane be and is hereby elected as an independent non-executive director of the Company.’

ORDINARY RESOLUTION 2 – ELECTION OF MR BA DAMES

The board of Nedbank Group has appointed Mr BA Dames as an independent non-executive director of Nedbank Group with effect from 30 June 2014. Mr Dames retires in terms of Nedbank Group’s MOI and, being eligible, makes himself available for election. Mr Dames’ biographical details are set out on page 10 of this circular.

‘RESOLVED THAT, Mr BA Dames be and is hereby elected as an independent non-executive director of the Company.’

SPECIAL RESOLUTION 1 – CREATION OF NEW PREFERENCE SHARES

‘RESOLVED THAT, the creation of 1 000 000 cumulative redeemable non-participating preference shares in Nedbank Group, at a nominal value of R10 000 per preference share, be and is hereby approved.’

EXPLANATORY INFORMATION IN RESPECT OF SPECIAL RESOLUTION 1

The passing of this special resolution will have the effect of creating R10 billion new preference shares in Nedbank Group.

SPECIAL RESOLUTION 2 – AMENDMENTS TO THE MOI

‘RESOLVED THAT, the existing MOI of the Company be amended subject to the passing of special resolution 1 to include the new preference shares (the amendments, which were tabled at the meeting and initialled by the chairman of the meeting for the purposes of identification), with effect from the date of filing of the notice of amendment with the Companies and Intellectual Property Commission.’

EXPLANATORY INFORMATION IN RESPECT OF SPECIAL RESOLUTION 2

The passing of this special resolution will have the effect of amending the MOI to allow for the creation of new preference shares as voted for in special resolution 1.

SPECIAL RESOLUTION 3 – SPECIFIC REPURCHASE

'RESOLVED THAT the Company is authorised, by way of a specific authority, to repurchase 14 715 049 Nedbank Group shares from NBG Capital Management Limited, a wholly-owned subsidiary of the Company, at R229,65 per Nedbank Group share at a total value of R3 379 311 003, subject to the applicable requirements of the Company's MOI, the approval, to the extent required, of the Registrar of Banks, the provisions of the Companies Act, the Banks Act and the JSE Listings Requirements.'

The directors of the Company are of the opinion that after considering the effect of the specific repurchase:

1. the Company and the group are in a position to repay their debt in the ordinary course of business for a period of 12 months following the specific repurchase;
2. the Company's and the group's assets will be in excess of the liabilities of the Company and the group for a period of 12 months following the specific repurchase. For this purpose the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements, which comply with the Companies Act;
3. the share capital and reserves of the Company and the group are adequate for a period of 12 months following the specific repurchase; and
4. the available working capital of the Company and the group will be adequate for ordinary business purposes for a period of 12 months following the specific repurchase.

A resolution by the directors of the Company has been passed in accordance with the requirements of the Companies Act, stating the the board has authorised the specific repurchase, has applied the solvency and liquidity test and has reasonably concluded that the Company and the group will satisfy the solvency and liquidity test immediately after the specific repurchase.

The Company will not repurchase securities during a prohibited period, as defined in paragraph 3.67 of the JSE Listings Requirements, unless a repurchase programme is in place in terms of which the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation), full details of which programme have been disclosed in an announcement on the Securities Exchange News Service (SENS) prior to the commencement of the prohibited period.

Disclosure in terms of section 11.23 of the JSE Listings Requirements

The JSE Listings Requirements require the following disclosures as set out below:

- Management and directors – page 8 of this circular.
- Major shareholders of Nedbank Group – page 15 of this circular.
- Directors' interests in securities – page 14 of this circular.
- Share capital of Nedbank Group – page 15 of this circular.

MATERIAL CHANGE

There have been no material changes in the affairs or financial position of Nedbank Group and its subsidiaries from 31 December 2013 to the last practicable date.

DIRECTORS' RESPONSIBILITY STATEMENT

The directors, whose names are given on page 6 of this circular, collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution 3 and certify that, to the best of their knowledge and belief, no facts have been omitted that would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this resolution and additional disclosure in terms of Section 11.23 of the JSE Listings Requirements pertaining thereto contain all such information required by law and the JSE Listings Requirements.

LITIGATION STATEMENT

In terms of Section 11.23 of the JSE Listings Requirements, the directors, whose names are given on page 6 of this circular, are not aware of any legal or arbitration proceedings, including proceedings pending or threatened, that may have or may have had in the recent past, being at least the previous 12 months, a material effect on Nedbank Group's financial position.

EXPLANATORY INFORMATION IN RESPECT OF SPECIAL RESOLUTION 3

The passing of this special resolution will have the effect of Nedbank Group repurchasing 14 715 049 Nedbank Group shares and the subsequent cancellation and delisting of these shares from the share capital of the Company. The Nedbank Group ordinary shares to be repurchased are currently reflected as treasury shares in the annual financial statements of Nedbank Group.

Voting and proxies

Each person entitled to attend and vote at the general meeting may appoint a proxy or proxies to attend, speak and vote or abstain from voting in his/her/its stead. A proxy need not be a shareholder of the Company.

On a show of hands a person entitled to vote is only entitled to one vote irrespective of the number of the relevant Nedbank Group shares he/she/it holds or represents.

On a poll, a person entitled to vote at the general meeting who is present in person or by proxy(ies) is entitled to that proportion of the total votes in the Company that the aggregate amount of the nominal value of the Nedbank Group shares held or represented by him/her/it bears to the aggregate amount of the nominal value of all the Nedbank Group shares issued by the Company and carrying the right to vote.

A dematerialised shareholder should furnish his/her/its CSDP or broker with his/her/its instructions for voting at the general meeting. If a CSDP or broker does not obtain instructions from a holder of the relevant Nedbank Group shares, it will be obliged to act in terms of the mandate furnished to it. A dematerialised shareholder, other than an 'own name' dematerialised shareholder must NOT complete the attached form of proxy. Unless a dematerialised shareholder advises his/her/its CSDP or broker in the manner and time stipulated in the agreement between them that he/she/it wishes to attend the class meeting or send a proxy, the CSDP or broker will assume that he/she/it does not wish to attend the general meeting or send a proxy. If a dematerialised shareholder wishes to attend the general meeting, he/she/it is required to request that his/her/its CSDP or broker issue the necessary letter of representation to him/her/it to enable him/her/it to attend and vote at the general meeting.

For purposes of section 63(1) of the Companies Act, any person attending or participating at the general meeting is required to present a reasonably satisfactory identification to the satisfaction of the presiding chairperson. Forms of identification include valid identity documents, driver's licences and passports.

Nedbank Group shareholders wishing to participate in the meeting through electronic facilities are requested to contact the Company Secretary on (011) 294 9107 by Friday, 1 August 2014 in order for reasonable access to be arranged.

A person who holds a beneficial interest in any certificated Nedbank Group shares may vote in a matter at the general meeting, only to the extent that:

1. the beneficial interest includes the right to vote on the matter; and
2. the person's name is on the Company's register of disclosures as the holder of a beneficial interest.

A person who holds a proxy appointment in respect of that matter from the registered holder of the relevant Nedbank Group shares is also entitled to vote.

Dematerialised shareholders holding dematerialised shares in their 'own name', or certificated shareholders, who are unable to attend the general meeting and wish to be represented thereat, must complete the attached form of proxy in accordance with the instructions therein and deliver it to the transfer secretaries in South Africa or Namibia, the details of which are set out below. It is requested that the form of proxy should be delivered no later than 08:00 SA time and 08:00 Namibian time respectively, on Wednesday, 6 August 2014 (or 24 hours before any adjournment of the general meeting which date, if necessary, will be notified on SENS and in the press).

Hand deliveries in South Africa to:

Computershare Investor Services (Proprietary) Limited
Ground Floor, 70 Marshall Street
Johannesburg, 2001

Postal deliveries in South Africa to:

Computershare Investor Services (Proprietary) Limited
PO Box 61051
Marshalltown, 2107

Hand deliveries in Namibia to:

Transfer Secretaries (Proprietary) Limited
4 Robert Mugabe Avenue
(entrance in Burg Street, opposite Chateaux Street)
Windhoek
Namibia

Postal deliveries in Namibia to:

Transfer Secretaries (Proprietary) Limited
PO Box 2401
Windhoek
Namibia

Summary of rights in terms of section 58 of the Companies Act

A shareholder of a company may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders' meeting on behalf of such shareholder.

A proxy may delegate her/his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy.

Irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder.

Any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise.

If an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by: (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the relevant company.

A proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise.

If the instrument appointing a proxy or proxies has been delivered by a shareholder to a company, then, for so long as that appointment remains in effect, any notice that is required to be delivered to a shareholder in terms of the Companies Act or such company's memorandum of incorporation must be delivered by such company to:

1. the relevant shareholder, or
2. the proxy or proxies, if the relevant shareholder has: (i) directed such company to do so, in writing and (ii) paid any reasonable fee charged by such company for doing so.

By order of the board

TSB Jali

Group company secretary

Sandton

9 July 2014

Registered office

Ground Floor, Block A

Nedbank 135 Rivonia Campus

135 Rivonia Road

Sandown

Sandton, 2196

(PO Box 1144, Johannesburg, 2000)



NEDBANK GROUP LIMITED

(Incorporated in the Republic of South Africa)
 (Registration number 1966/010630/06)
 JSE share code: NED ISIN: ZAE000004875
 ('Nedbank Group' or 'the Company')

FORM OF PROXY FOR USE BY NEDBANK GROUP SHAREHOLDERS WHO HOLD OWN-NAME DEMATERIALISED SHARES OR CERTIFICATED SHARES

For use by certificated shareholders or dematerialised holders of dematerialised Nedbank Group shares only with own-name registration and entitled to vote at the general meeting to be held in the Auditorium, Retail Place West, Nedbank 135 Rivonia Campus, 135 Rivonia Road, Sandown, Sandton at 08:00 SA time on Thursday, 7 August 2014.

A dematerialised shareholder who is not an 'own-name' registered shareholder, must inform his/her/its Central Securities Depository Participant ('CSDP') or broker of his/her/its intention to attend the general meeting and request his/her/its CSDP or broker to issue his/her/it with the necessary documentation to attend the general meeting in person and vote or provide their CSDP or broker with his/her/its voting instructions should his/her/it not wish to attend the general meeting in person. A dematerialised shareholder who is not an 'own-name' registered shareholder should not use this form of proxy, but must contact his/her/its CSDP or broker as the Company will take no responsibility for shareholders who do not contact their CSDP or brokers timeously.

I/We

of (address)

Telephone number

Cellphone number

being the holder(s) of

Nedbank Group shares,

do hereby appoint (see note 2):

1. _____ of _____ or failing him/her,
2. _____ of _____ or failing him/her,
3. the chairman of the general meeting,

as my/our proxy to act for me/us and on my/our behalf at the general meeting that will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions to be proposed thereat and at any adjournment thereof; and to vote for and/or against the ordinary and special resolutions and/or abstain from voting in respect of the Nedbank Group shares registered in my/our name(s), in accordance with the following instructions (see note 3):

	Number of ordinary shares*		
	For	Against	Abstain
Ordinary resolution 1: Election of Dr MA Matooane who was appointed as a director on 15 May 2014			
Ordinary resolution 2: Election of Mr BA Dames who was appointed as a director on 30 June 2014			
Special resolution 1: Creation of new preference shares			
Special resolution 2: Amendment to the MOI			
Special resolution 3: Specific repurchase			

* Please indicate instructions to proxy in the space provided above by the insertion therein of the relevant number of votes exercisable.

Signed at _____ on _____ 2014

Signature _____

Assisted by (where applicable) _____

A person entitled to attend and vote at the general meeting may appoint a proxy or proxies to attend, speak and vote in place of that shareholder in the Company at a general meeting. A proxy need not be a person entitled to vote at the meeting.

Please read the notes on the reverse hereof.

Notes to form of proxy:

1. A certificated shareholder and an 'own-name' registered dematerialised shareholder may insert the name of a proxy or the names of proxies of the certificated shareholder's or the 'own-name' registered dematerialised shareholder's choice in the space provided, with or without deleting the chairman of the general meeting. The person whose name stands first on the form of proxy and who is present at the general meeting will be entitled to act as proxy to the exclusion of the persons whose names follow.
2. Instructions to the proxy have to be indicated by the insertion of the relevant number of votes exercisable in the appropriate box provided. Failure to comply with this will be deemed to authorise the chairman of the general meeting, if the chairman is the authorised proxy, to vote in favour of the resolutions at the general meeting or the appointed proxy to vote or to abstain from voting at the general meeting, as he/she deems fit in respect of all the appointer's votes exercisable thereat.
3. The total number of votes for or against the resolutions and in respect of which any abstention is recorded may not exceed the total number of votes to which the person entitled to vote and granting the proxy is entitled.
4. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity has to be attached to this form of proxy, unless previously recorded by the transfer secretaries or waived by the chairman of the general meeting.
5. The chairman of the general meeting may reject or accept any form of proxy that is completed and/or received, other than in compliance with these notes.
6. Any alterations or corrections to this form of proxy must be initialled by the signatory (ies).
7. The completion and lodging of this form of proxy will not preclude the relevant shareholder entitled to vote from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
8. A vote given in terms of an instrument of proxy will be valid in relation to the meeting notwithstanding the death, insanity or other legal disability of the person granting it, or the revocation of the proxy, or the transfer of the shares in respect of which the proxy is given, unless a notice of any of the aforementioned matters have been received by the Company at its registered office or by the chairperson of the meeting at the venue of the meeting before commencement of the meeting.
9. Where this form of proxy is signed under power of attorney, such power of attorney must accompany this form of proxy, unless it has been registered by the Company or waived by the chairman of the general meeting.
10. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been registered by the Company.
11. Where there are joint holders of shares:
 - all joint holders must sign the form of proxy;
 - the vote(s) of the senior shareholders (for that purpose seniority will be determined by the order in which the names of shareholders appear in the Company's securities register) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint shareholder(s).
12. Any proxy appointed pursuant to this form of proxy may not delegate his/her authority to act on behalf of the relevant shareholder.
13. In terms of section 58 of the Companies Act, unless revoked, an appointment of a proxy pursuant to this form of proxy remains valid only until the end of the general meeting or any adjournment of the general meeting.
14. This form of proxy will be valid at any resumption of an adjourned meeting to which it relates, although this form of proxy will not be used at the resumption of an adjourned meeting if it could not have been used at the meeting from which it was adjourned for any reason other than it was not lodged timeously for the meeting from which the adjournment took place. This form of proxy will, in addition to the authority conferred by the Companies Act, except insofar as it provides otherwise, be deemed to confer the power generally to act at the meeting in question, subject to any specific direction contained in this form of proxy as to the manner of voting.

It is requested that forms of proxy be lodged with or posted to the transfer secretaries in South Africa, Computershare Investor Services (Proprietary) Limited, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) or the transfer secretaries in Namibia, Transfer Secretaries (Proprietary) Limited, 4 Robert Mugabe Avenue (entrance in Burg Street, opposite Chateaux Street), Windhoek, Namibia (PO Box 2401, Windhoek, Namibia), by no later than 08:00 SA time and 8:00 Namibian time respectively, on Wednesday, 6 August 2014.

