

The offer of US Dollar Custodial Certificates constitutes an "offer to the public" (as defined in the Companies Act 71 of 2008 (as amended)) ("Companies Act"). This Offering Circular does not, nor is it intended to, constitute a "registered prospectus" (as defined in the Companies Act) prepared and registered under the Companies Act.

PROSPECTIVE PURCHASERS OF US DOLLAR CUSTODIAL CERTIFICATES SHOULD ENSURE THAT THEY UNDERSTAND FULLY THE NATURE THEREOF AND THE EXTENT OF THEIR EXPOSURE TO RISKS, AND THAT THEY CONSIDER THE SUITABILITY OF US DOLLAR CUSTODIAL CERTIFICATES AS AN INVESTMENT IN THE LIGHT OF THEIR OWN CIRCUMSTANCES AND FINANCIAL POSITIONS. US DOLLAR CUSTODIAL CERTIFICATES INVOLVE A DEGREE OF RISK, INCLUDING THE RISK OF INVESTORS LOSING SOME OF THEIR INITIAL INVESTMENT. US DOLLAR CUSTODIAL CERTIFICATES REPRESENT A BENEFICIAL OWNERSHIP RIGHT TO A SPECIFIED VALUE OF A US TREASURY NOTE, AND RANK PARI PASSU IN ALL RESPECTS WITH EACH OTHER.

THIS OFFER MAY NOT BE ACCEPTED BY PERSONS WHO ARE CITIZENS OR RESIDENTS OF THE UNITED STATES OF AMERICA OR BY FOREIGN FINANCIAL INSTITUTIONS THAT DO NOT MEET THE REPORTING REQUIREMENTS IN PARAGRAPH 1471(B) OF THE FOREIGN ACCOUNT TAX COMPLIANCE ACT OF THE UNITED STATES OF AMERICA

OFFERING CIRCULAR

For the listing of US Dollar Custodial Certificates ("DCCs") created, listed and issued by
FirstRand Bank Limited

The DCCs will be listed on the "Exchange Traded Funds" sector of the Johannesburg Stock Exchange ("JSE") under the abbreviated name and alpha code "DCCUSD" and ISIN Code ZAE000234977 with effect from the commencement of business on 24 January 2017 and traded on the JSE through any authorised user of the JSE.

The directors of FirstRand Bank Limited, whose names are set out in clause 15.4 of this Offering Circular, collectively and individually, accept full responsibility for the accuracy of information contained in this Offering Circular and certify that, to the best of their knowledge and belief, no facts have been omitted, the omission of which would make any statement false or misleading, that they have made all reasonable enquiries to ascertain such facts and that the Offering Circular contains all information required by law and the JSE Listings Requirements.

The JSE's approval of the listing of the DCCs is not to be taken in any way as an indication of the merits of an ETF or of the DCCs. The JSE has not verified the accuracy and truth of the contents of this Offering Circular and, to the extent permitted by law, will not be liable for any claim of whatever kind. Claims against the JSE Guarantee Fund may only be made in respect of trading in DCCs on the JSE and in accordance with the terms of the rules of the Guarantee Fund and can in no way relate to the issue of DCCs.

The Merchant Bank, Sponsor, Market Maker and Attorneys have consented in writing to act in the capacity stated and to their names being included in this Offering Circular and have not withdrawn their consent prior to the publication of this Offering Circular.

Any prospective investor with questions in relation to the DCCs is invited to contact Ebrahim Patel on +27 011 282 1275. Queries may also be directed by email to Ebrahim.patel@rmb.co.za.

Date of issue: 24 January 2017



Merchant Bank, Sponsor and Market Maker

WEBBER WENTZEL
in alliance with > Linklaters

Attorneys

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*Incorporated in the Republic of South Africa on
11 January 1929*

Merchant Bank, Sponsor and Market Maker

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This Offering Circular is available in English only. Copies may be obtained from the registered office of the Sponsor and the Market Maker. Copies are also available on the Issuer's website http://www.rmb.co.za/globalmarkets/weTrade_Commodities_Dollar_Custodial_Certificate.asp.

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DEFINITIONS AND INTERPRETATIONS

In this Offering Circular and the annexures hereto, unless the context indicates otherwise, the words in the first column shall have the meanings assigned to them in the second column, the singular includes the plural and vice versa, an expression which denotes one gender includes the other genders, a natural person includes a juristic person and vice versa, and cognate expressions shall bear corresponding meanings.

Should there be a conflict between Offering Circular and the clauses in the Contract, the clauses in the Contract shall prevail.

"Account"	means a nominal account (which account, for the avoidance of doubt, is not a bank account but a book entry or record keeping mechanism) maintained by the Issuer reflecting and recording the number of Designated Capital Rights which accrue to a Holder. The number of Designated Capital Rights in a specific Account will always be reflected as "1";
"Account Number"	means the number allocated by the Issuer to an Account;
"Allocation Algorithm"	means the bespoke algorithm-based allocation system that will be used by the Allocator to allocate unique Account Number(s) to a Holder;
"Allocator"	means FirstRand Bank (acting through its Rand Merchant Bank Division), in its capacity as allocator of Account Numbers to Holders, as set out in clause 7.3 hereof;
"Business Day"	means a day other than a Saturday, Sunday or an official public holiday in the Republic of South Africa;
"CISCA"	means the Collective Investment Schemes Control Act 45 of 2002, as amended or replaced from time to time;
"Contract"	means a contract between the Issuer and a Holder setting out the terms and conditions pursuant to which the right to Cession of a Designated Right is purchased and sold and each party's obligations with regard thereto. The Contract terms and conditions are set out in Annexure I to this Offering Circular;
"Cession" and "Cede"	mean the out-and-out cession of Designated Rights as set out in clause 5 of the Contract;
"DCC"	means a US Dollar Custodial Certificate, created, listed and issued by the Issuer, in terms of which the Holder acquires, through Cession, (i) a Designated Right, and (ii) once the Holder has sold the DCC, assumes the obligation to Cede the Designated Right to a successive Holder who purchases a DCC on the JSE;
"Depository"	means Euroclear Bank SA/NV;
"Depository Account"	means the account maintained by the Issuer with the Depository reflecting the Issuer's holding of USTBs;
"Designated Capital Right"	means beneficial (but not registered) ownership of the capital rights in respect of a USTB with a nominal value of US\$100.00 ;
"Designated Income Right"	means, in respect of one Designated Capital Right, the right to payment of an amount from the Issuer equal to the ZAR equivalent of USD interest paid from time to time by the United States Federal Reserve on a Designated Capital Right, less 30 basis points, calculated on the nominal value of a Designated Capital Right, as set out in clause 12 hereof; Provided that, in the circumstances envisaged in clause 8.4.1, the Designated Income Right will be zero until the Issuer has recovered from the amounts that would have been paid to Holders, the costs referred to in that clause;
"Designated Right"	means one Designated Capital Right and one Designated Income Right
"ETF"	means an exchange traded fund, being an open-ended fund listed on a stock exchange and traded like an ordinary share, enabling investors to gain exposure

	to an Index or a specific group of assets through the purchase of one security;
“Exchange Control Regulations”	means the exchange control regulations, promulgated in terms of the Currency and Exchanges Act 9 of 1933, as amended from time to time;
“FirstRand Bank”	means FirstRand Bank Limited (registration number 1929/001225/06) a public company duly registered on 11 January 1929 and incorporated with limited liability in accordance with the company laws of South Africa and a wholly-owned subsidiary of FirstRand Limited;
“FirstRand Limited”	means FirstRand Limited (registration number 1966/010753/06), a public company duly registered and incorporated with limited liability in accordance with the company laws of South Africa, the shares of which are listed on the Main Board of the JSE;
“FM Act”	means the Financial Markets Act 19 of 2012, as amended or replaced from time to time;
“Holder”	means the person registered from time to time in the Security Register as a registered owner;
“Income Tax Act”	means the Income Tax Act 58 of 1962, as amended or replaced from time to time;
“Investor”	means a person who purchases DCCs on the basis described in this Offering Circular;
“Issuer”	means FirstRand Bank acting through its Rand Merchant Bank division, in its capacity as issuer of DCCs;
“JSE”	means the Johannesburg Stock Exchange being the exchange operated by The JSE Limited, (Registration number 2005/022939/06), a public company incorporated in South Africa;
“JSE Listings Requirements”	means the listings requirements of the JSE, as amended and updated from time to time;
“Market Maker”	FirstRand Bank, acting through its Rand Merchant Bank division, in its capacity as market maker of DCCs;
“Maturity Date”	means the date determined by the Issuer in terms of clause 9 as the maturity date of a DCC, and notified to the Holder on not less than 30 days’ notice. It is recorded that until such determination has been made the DCC remains in issue notwithstanding the redemption of the USTBs, and the Issuer will, in terms of the provisions hereof replace the redeemed USTBs with a current USTBs of equal face value;
“NAV”	means the net asset value of a DCC which will be published on the website of the Issuer from time to time as required by the JSE Listings Requirements;
“Offering Circular” or “this Offering Circular”	means this Offering Circular relating to the listing and issuance of DCCs dated 24 January 2017;
“Ownership Register”	means the register of Holders and the Account Numbers allocated to them, maintained by the Issuer;
“Redemption Date”	means the date on which the Redemption Payment in respect of a DCC is paid to the Holder, pursuant to the delisting and redemption of the DCC;
“Redemption Payment”	means the amount payable on the Redemption Date to the Holder of a DCC;
“Security Register”	means the register of owners of DCCs maintained by STRATE, in terms of the FM Act and STRATE’s rules and procedures, as evidenced from time to time by a weekly download thereof, known as the “BND Download”;
“SENS”	means the Stock Exchange News Service of the JSE;
“STRATE”	means Strate Proprietary Limited, (Registration number 1998/022242/07), a

	private company incorporated in South Africa, and registered as a central securities depository in terms of the FM Act or its successor in title;
"Transfer Secretaries"	means Computershare Investor Services Proprietary Limited, (Registration number 2004/003647/07);
"T + X"	mean a specified number of days after the date on which a DCC is purchased on the JSE, where: <ul style="list-style-type: none"> • "T" denotes the date of the purchase; and • "X" denotes the number of days following the date of the purchase;
"USD"	means United States Dollars, being the currency of the United States of America;
"USTBs"	mean the then current US dollar denominated treasury bonds, notes and bills issued by the Federal Reserve of the United States of America and held by the Issuer from time to time as registered (but not beneficial) owner with the Depository as contemplated in this Offering Circular. US Treasury bonds, notes and bills ("Notes") are issued, in electronic format, in tenors of 2, 3, 5, 7, and 10 years. They pay interest every six months until maturity. Notes are sold in increments of \$100 with a minimum purchase price of \$100. The price of a Note may be greater than, less than, or equal to the face value of the Note. When a Note matures, investors are paid its face value. Notes may be held until they mature or sold it before they mature. The initial tenor of the Note underlying the DCC will be 10 years. Further information can be found on www.treasurydirect.gov a website run by the U.S. Department of the Treasury Bureau of the Fiscal Service. Notes are sold through Treasury Direct, banks and brokers;
"USTB Redemption Proceeds"	means the amount payable on the sale or redemption of a USTB, in US Dollars, or if so indicated by the context, the ZAR proceeds thereof obtained as contemplated herein;
"ZAR"	means South African Rand, being the currency of the Republic of South Africa.

This Offering Circular is to be read in conjunction with the terms and conditions contained in the Contract set out in Annexure 1 to this Offering Circular.

1. Introduction

The Issuer has undertaken an initiative to create, list and issue an instrument, which will be known as a "DCC". Although not an ETF, the structure of the DCC embodies key features of an ETF. These features are enhanced by a direct ownership structure.

The DCCs will be listed on the "Exchange Traded Funds" sector of the JSE under the abbreviated name and alpha code "DCCUSD" and ISIN Code ZAE000234977 with effect from the commencement of business on 24 January 2017 and traded on the JSE through any authorised user of the JSE.

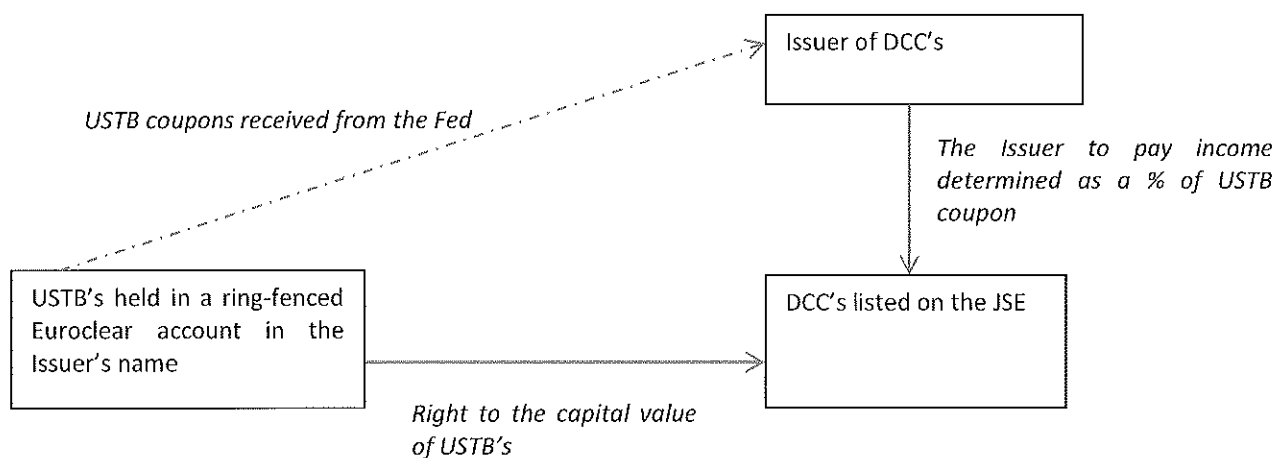
As listed securities, DCCs are bought and sold on the JSE through a JSE authorised user, and the Market Maker will, to the extent required by the JSE rules, make a market in DCCs.

The market price of DCCs at any given time will be subject to market forces. The market value of a DCC may be affected by supply and demand and other market factors.

2. The underlying assets of the DCCs

The assets underlying a DCC are Designated Rights.

3. Structure of the DCCs



DCCs constitute a right which the Holder thereof has to receive Cession of a Designated Right and, once received, evidence ownership of the Designated Right.

The parties to the DCC structure are thus FirstRand Bank, as Issuer and Euroclear as Depository.

4. DCCs fee structure

4.1 The Issuer will be responsible for all the costs and fees of the Depository, referred to below.

4.2 Apart from the 30 basis points referred to in clause 12 and in the definition of "Designated Income Right" there

are no other costs in relation to DCCs for the account of the Investor. The cost ratio is therefore 0.3%.

5. Issuer will be the registered holder of the USTBs

The Issuer will be the registered holder, through the Depository Account, of all the USTBs. The Depository Account will be styled "FirstRand Bank Limited – Dollar Custodial Certificates".

6. Creation and legal nature of the DCCs

6.1 The procedure to be followed by the Issuer in creating DCCs is as follows:

6.1.1 the Issuer will acquire USTBs and become and remain the registered holder thereof;

6.1.2 the Issuer will create DCCs, which embody:

6.1.2.1 Designated Capital Rights, which arise on the issue and first transfer by the Issuer of a DCC to a Holder;

6.1.2.2 Designated Income Rights, which are obligations assumed by the Issuer to Holders of DCCs;

6.1.2.3 the right to immediate Cession of the Designated Rights, on acquisition by the Holder of a DCC, and the immediate obligation of the Holder to Cede the Designated Rights, on disposal of its DCC, to acquiring Holders identified by the Allocation Algorithm;

6.1.3 the Issuer will retain for its own account the right to receive the interest in respect of USTBs acquired by it.

6.2 The underlying assets of DCCs are thus Designated Rights. Investors will, by purchasing a DCC, once the Cession referred to below, has taken place, become the beneficial owner of the Designated Right, and automatically become party to a Contract between the Issuer and the relevant Holders (who, depending on the capacity in which they act from time to time, may be either purchasers or sellers of the right to Cession of a DCC).

6.3 The DCC will be the legal mechanism pursuant to which the right to obtain ownership of a Designated Right through Cession (to be allocated by the Allocator through the application of the Allocation Algorithm) will be purchased and sold on the JSE.

6.4 DCCs are not participatory interests in a collective investment scheme, as defined in CISCA, or units or any other form of participation in a foreign collective investment scheme approved by the Registrar of Collective Investment Schemes in terms of section 65 of CISCA.

6.5 Notwithstanding that the Holder is the beneficial owner of a Designated Capital Right, the Holder is by virtue of Exchange Control Regulations, not entitled to exercise directly any rights in respect thereof, and may only surrender such rights to the Issuer (or, in the event of the Issuer not being able to perform its obligations to do so, to another authorised dealer in foreign exchange in South Africa), in exchange for ZAR.

6.6 The proceeds of DCCs will be used to acquire USTBs.

7. Allocation and Cession of Designated Rights

7.1 By purchasing a DCC on the JSE, the Holder acquires the right to take Cession of a Designated Right.

7.2 The matching of a buyer and seller of a DCC on the JSE does not result in the immediate transfer of Designated Rights belonging to the seller, or any other specific Designated Rights, but constitutes the sale by the seller (cedent) and the purchase by the purchaser (cessionary) of the right to receive Cession of a Designated Right reflected in an Account, to be allocated by the Allocator by the application of the Allocation Algorithm.

7.3 The Allocator will, on a regular weekly basis (subject to operational delays beyond its control) obtain the Security Register from STRATE, and, using the information contained in the Security Register, apply the Allocation Algorithm to determine which Account Number will be allocated to a Holder.

- 7.4 Following the allocation referred to above:
- 7.4.1 the Ownership Register will be created (in respect of the first Cession after the creation of the first DCC) and, thereafter, updated weekly; and
- 7.4.2 the Ownership Register, and hence the records of the Issuer and the Allocator, will reflect that a specific Designated Right, identified by the Account in which it is held, is owned by a specified Holder.
- 7.5 The effect of the allocation is that the Issuer (in the case of the first Cession) and, thereafter, each disposing Holder will, *ipso facto*, be deemed to have Ceded to the acquiring Holder, with effect from the time of the sale referred to in 7.2, its rights in respect of the number of Designated Rights reflected in the Account determined by the Allocator.
- 7.6 The complete terms and procedures relating to the Allocation and Cession of Designated Rights are set out in clause 5 of the Contract.

8. Maturing USTBs

- 8.1 For as long as DCCs are in issue, the Issuer will procure, as agent of the Holders, that as USTBs reflected in the Depository Account mature, the USTBs will be replaced with new USTBs on the date of maturity of the old USTBs, and a Holder's Designated Rights in respect of the maturing USTBs will then attach to the new USTBs as replaced.
- 8.2 To facilitate the replacement described in clause 8.1, the Holder specifically authorizes the Issuer, as its agent (in relation to its beneficial ownership of the Designated Capital Rights), to:
- 8.2.1 surrender, in terms of normal market practice, the maturing USTBs for redemption;
- 8.2.2 subscribe for new USTBs with the same face value as the maturing USTBs ("New USTBs"), which New USTBs will, once acquired, be credited to the Depository Account to reflect such acquisition; and
- 8.2.3 to the extent that there may be a time delay between the redemption of the maturing USTB and the acquisition by the Issuer as agent of the Holder of the New USTB, the Holder authorizes the Issuer to hold the USTB Redemption Proceeds in the Issuer's own name, and for the period that the USTB Redemption Proceeds are so held, the rights attaching to the DCC will constitute a claim against the Issuer for the amount of such USTB Redemption Proceeds.
- 8.3 Should the price at which the New USTB can be acquired, be at a discount to the face value, the Issuer will acquire it at that price, and an amount equal to such discount will be distributed to the Holder within 30 days of acquisition of the New USTB, in accordance with STRATE processes as they may apply.
- 8.4 Should the price at which the New USTB can be acquired, be at a premium to the face value, the Issuer will have the following options to be elected in its sole discretion:
- 8.4.1 to fund the additional amount required from its own resources, and to recover the costs (being the capital amount required, plus interest thereon at the Issuer's cost of funding) of doing so by the reduction of Designated Income Rights for the period required; or
- 8.4.2 to redeem the maturing USTB, hold the USTB Redemption Proceeds as agent of the Holders and thereafter delist and redeem the DCCs as envisaged in clause 9.6.

9. Maturity and Procedure at Maturity

- 9.1 The Issuer will have the right to determine the Maturity Date on not less than 30 days' notice to Holders. The Issuer will exercise this right taking into account the provisions of clause 13.4.
- 9.2 With effect from the Maturity Date the process of delisting and redemption of the DCCs will commence.
- 9.3 On the Maturity Date, the Issuer will sell the Designated Capital Rights at best in the market, or, if the Maturity

Date coincides with the repayment date of the underlying USTB, surrender the USTB for payment of the face value thereof.

- 9.4 The USD proceeds on sale or surrender will be converted by the Issuer into ZAR and pending delisting and redemption of the DCC, the USTB Redemption Proceeds will be held by the Issuer in its own name, and constitute a debt owed by the Issuer to the Holder of the DCC.
- 9.5 Should the Issuer determine that the period for which it will be holding the USTB Redemption Proceeds, as envisaged in the preceding paragraph, will be in excess of 30 days, it will, if legally and practically possible, as agent of the Holder procure the opening of an account with a financial institution independent of the Issuer and transfer the Redemption Proceeds to such account pending the Redemption Date.
- 9.6 Delisting and redemption of the DCCs will be in terms of JSE approved time tables and procedures and the Redemption Payments will be paid to Holders on the Redemption Date.
- 9.7 The Issuer is responsible for payment of the Redemption Payment, and neither the JSE nor any other exchange has any obligation in this regard.

10. Reconciliation of records and Procedure in the event of mismatches

- 10.1 The records of the Issuer and the Allocator will be reconciled internally with those of STRATE on a weekly basis to ensure that the number of DCCs in issue and USTBs correspond at all times.
- 10.2 Should there be an irreconcilable mismatch between the records of STRATE and the Issuer, reflecting DCCs issued in excess of the USTBs, the Issuer will assess the quantum of the shortfall. If the shortfall is less than R 3 million (Three Million Rand) calculated cumulatively over any previous shortfalls covered by the Issuer in terms of this clause, the Issuer will acquire additional USTBs and credit them to the Depository Account, thereby bringing the records of the Issuer and STRATE in balance again.
- 10.3 If the discrepancy is in excess of R 3 million (Three Million Rand), calculated cumulatively over any previous shortfalls covered by the Issuer as set out in clause 10.2, the Issuer will have the option to:
- 10.3.1 Acquire additional USTBs and credit them to the Depository Account, thereby bringing the records of the Issuer and STRATE in balance again; or
- 10.3.2 Stipulate a Maturity Date, and delist and redeem the DCCs as set out in clause 9.
- 10.4 In the event of the Issuer opting to delist and redeem the DCCs the losses to Holders, arising from the shortfall in USTBs, will be allocated to Holders of Account Numbers determined on the basis of alternating highest and lowest Account Numbers. By way of example, if 100 Accounts exist, numbered 1 – 100, and the shortfall in the USTB holding in the Depository Account is US\$ 400 (thus equating to 4 Accounts) the Holders who would bear the loss would be Holders of Account Numbers 1, 100, 2 and 99.
- 10.5 In the event of a delisting and redemption in the circumstances contemplated in clause 10.3.2 occurring:
- 10.5.1 Holders, who may be negatively affected as a result of lost Designated Capital Rights, hereby Cede to the Issuer, with effect from the date of delisting and redemption, whatever rights of action they may have against any relevant third party in respect of the loss they may suffer; and
- 10.5.2 the Issuer will pay to Holders, who are negatively affected as a result of lost Designated Capital Rights, and who have ceded their rights of action to the Issuer in accordance with clause 10.5.1, the proceeds received from any successful enforcement action taken by the Issuer against any relevant third party, after deducting from such proceeds the costs associated with such enforcement action: Provided however that the decision as to whether to enforce such rights and the manner of enforcement will be in the sole discretion of the Issuer. To the extent that the Issuer decides not to enforce its rights against any relevant third party, or fails to institute an enforcement action within 270 days of the date of delisting of the DCCs, the Issuer will re-Cede to such Holders the rights ceded to it by the Holders in terms of clause 10.5.1 so as to enable them to institute the requisite enforcement action themselves.

11. Calculation of NAV

$$\hat{P} = \left[\frac{R}{\left(1 + \frac{YTM}{2}\right)^{\left(N-1 + \frac{t_s}{t_c}\right)}} \right] + \left[\sum_{k=1}^N \frac{\frac{C}{2}}{\left(1 + \frac{YB_k}{2}\right)^{\left(k-1 + \frac{t_s}{t_c}\right)}} \right] - \left[\frac{AF t_p}{2 t_c} \right]$$
$$NAV = \hat{P} \cdot FX_{USDZAR}$$

\hat{P} = Bond price

R = Bond principal

C = Coupon

YTM = Current US bond yield to maturity

YB_k = FirstRand yield on USD deposit with maturity k

N = Number of coupons payable between settlement and redemption

t_s = Number of days between settlement date and next coupon

t_p = Number of days between previous coupon and settlement date

t_c = Total number of days in coupon period in which the settlement date falls

AF = 30 basis points

FX_{USDZAR} = USD / ZAR rate for settlement date of the security

The NAV calculation will be made available on the website of the Issuer on a daily basis. The Issuer website is http://www.rmb.co.za/globalmarkets/weTrade_Commodities_Dollar_Custodial_Certificate.asp

12. Designated Income Rights

Subject to receipt by the Issuer of interest in respect of the USTBs, and subject to clause 8.4.1 the Issuer will pay to the Holders, in proportion to their holdings, within 21 Business Days of receipt, an amount equal to the amount received, less 30 basis points on the face value of the USTBs, converted by the Issuer in terms of normal market practice from USD to ZAR, by no later than 7 Business Days after receipt at the then current spot rate of exchange.

13. Associated Risks of investing in DCCS

The mechanics and nature of the underlying assets of the DCCs give rise to the following risks:

13.1 Market risk

Market risk refers to the risks arising out of movements in the financial markets as they relate to the DCCs. DCCs derive their value primarily from the ZAR/USD exchange rate and movements in the price of the USTBs. Adverse movements in the ZAR/USD exchange rate will affect the value of the USTBs and of the DCCs.

13.2 Trading risk

DCCs are listed on the JSE and will trade according to supply and demand in the market. While the DCCs have a NAV that represents a theoretical fair price for the DCCs, taking into account the factors that influence the price of the DCCs, the actual price achieved on the JSE will be determined by market conditions, volumes

traded, etc. The prices achieved on the JSE could vary from the NAV and the Holder bears the risk of any market impact resulting from large volumes of DCCs being bought or sold. This deviation from NAV could result in the purchasing of DCCs at a value above NAV or selling of DCCs at a value below NAV.

13.3 Selling Holder Insolvency risk

13.3.1 Ownership of Designated Rights, as recorded in an Account, pass to a purchaser of a DCC only when the Allocation Algorithm assigns the Account Number to the acquiring Holder and Cession thereof has taken place.

13.3.2 A Holder of a DCC faces the risk that, should the seller of a DCC, whose Account was allocated to a purchaser of a DCC, be declared insolvent or liquidated prior to the Cession of that Designated Right to the Holder to whom it was allocated, the liquidator may seek to prevent the transfer of such Designated Rights to the Holder, and any loss will be for the account of the Holder.

13.4 Continuity Risk

13.4.1 DCCs are envisaged to be listed in perpetuity but seamlessly rolled upon the expiration of each underlying USTB issue. The following circumstances may lead to the Issuer, in accordance with Section 19 of the JSE Listing Requirements, delisting the DCC's:

13.4.1.1 There are regulatory, legislative or other changes, either actual, proposed or anticipated, that in the Issuer's view would make the continued listing of the DCC's untenable;

13.4.1.2 The DCC's are no longer economically feasible for the Issuer to continue to support;

13.4.1.3 The Issuer undergoes structural, administrative or other changes or adjustments that would no longer support the listing of the DCC;

13.4.2 The delisting of the DCCs will not extinguish the rights of owners, who have suffered a loss, to claim compensation from the responsible party or from pursuing any claims that may arise.

13.4.3 Clause 13.4.1 is not an exhaustive list of the circumstances which could lead to the delisting of the DCCs. Any such delisting will be in compliance with Section 19 of the JSE Listing Requirements.

14. Regulatory Considerations in respect of the DCCS

14.1 JSE Listings Requirements

14.1.1 The Issuer undertakes to comply in full with the JSE Listings Requirements as applicable to the DCCs. All DCCs will rank *pari passu* with each other and are fully paid up and freely transferable.

14.1.2 The Market Maker will act for this purpose and generally, as contemplated in section 19.51(n) of the JSE Listings Requirements, which require an issuer of listed securities to endeavour to provide and maintain a reasonable bid and offer in respect of such securities.

14.1.3 The Market Maker may from time to time acquire on the JSE DCCs in the secondary market from Holders. When the Market Maker acquires a DCC, the terms and conditions set out in the Contract will apply to it by virtue of it becoming a Holder of a DCC.

14.1.4 The Market Maker will attempt to ensure that a liquid secondary market in DCCs will develop but will not guarantee such a market.

14.1.5 Any termination of listing will be subject to the JSE Listings Requirements.

14.2 Exchange control considerations

14.2.1 It is generally not permissible for a South African resident to own foreign currency without having obtained the permission of the Exchange Control Department of the South African Reserve Bank

("Excon"). Holders are therefore only entitled to exercise or dispose of their Designated Capital Rights by surrender of their DCCs to the Issuer (or in the circumstances envisaged in clause 6.5, another authorized dealer) and obtaining payment in ZAR.

14.3 **Tax considerations for Holders of DCCs**

- 14.3.1 The information provided under this section on the tax consequences of disposals of DCCs is intended for general guidance only and is not intended to be tax advice. Each Holder should seek professional tax advice as to the tax consequences of acquiring and disposing of DCCs.
- 14.3.2 The capital or revenue nature of the DCCs in the hands of the Holders should be assessed on a case-by-case basis.
- 14.3.3 The tax position of the Holder will be governed by the residence of the Holder for tax purposes and the intention with which the Holder enters into the relevant investments.
- 14.3.4 A Holder will be considered to be resident in South Africa for tax purposes if the Holder is (i) a natural person ordinarily resident in South Africa; (ii) a natural person not ordinarily resident in South Africa but whose physical presence in South Africa exceeds certain thresholds; or (iii) a person, other than a natural person, which is incorporated, established or formed in South Africa or which has its place of effective management in South Africa. Residents are subject to normal tax in South Africa on their worldwide income, whereas non-residents are subject to normal tax in South Africa only on income from sources within South Africa. The information provided below assumes that the Holder is either a resident in South Africa for tax purposes, or alternatively the source of income is from South Africa.
- 14.3.5 If the Holder enters into the relevant investments as part of a scheme of profit-making, any profits will be subject to income tax. Conversely, if the Holder enters into the relevant investments as long-term investments on capital account, any gains will be subject to CGT.
- 14.3.6 Where the relevant investment is held on capital account, in broad terms the Holder would be subject to CGT (or would suffer a capital loss for CGT purposes, which can be off-set against capital gains) on the difference between the proceeds on disposal and original cost of acquisition of the investment.
- 14.3.7 Where the relevant investment is held on revenue account, that is, as part of a scheme of profit-making, the relevant investment would comprise trading stock. Generally speaking, the Holder would be subject to income tax (or would suffer a tax deductible loss) on the difference between the selling price and the original cost of acquisition of the trading stock in the year in which the DCC or Designated Right is disposed of.
- 14.3.8 In most instances, due to the nature of the DCCs, upon the sale of the DCCs, profits earned on the sale proceeds will be included in gross income and taxed on revenue account. Any income received, from time to time, pursuant to the Designated Income Right will be taxed on an income basis in the hands of the Holder.

14.4 **Securities transfer tax**

- 14.4.1 Section 1 of the Securities Transfer Tax Act 25 of 2007 defines a security, inter alia, as "a share or depository receipt in a company".
- 14.4.2 As the DCCs will not constitute a depository receipt in a company but rather a security linked to an underlying Designated Right, the issue, subsequent sale and redemption of the DCCs will not be subject to securities transfer tax.

14.5 **Governance and disclosure of financial information**

Corporate governance of the DCCs can be divided into two categories, each of which needs to be adequately catered for in order to achieve a product that is fair and transparent:

- 14.5.1 fiduciary duty, disclosures and interests of the parties; and

14.5.2 audit procedures and relevant financial disclosure.

14.6 **Fiduciary duty, disclosures and interests of the parties**

14.6.1 The DCC structure does not involve the creation of a management company nor does it constitute a collective investment scheme as defined in CISCA. Furthermore, the relationship between Issuer and Holder is defined contractually, with the Issuer exercising very limited discretion with regard to the functioning of the DCCs. As such, the traditional fiduciary duty that would arise between a management company and investors in a collective investment scheme portfolio does not arise.

14.6.2 In the absence of the traditional collective investment scheme structure, alternative measures are required to deal with any potential conflicts of interest and to ensure maximum protection of Holders' interests. The Issuer has used the following mechanisms to achieve this:

14.6.2.1 contractual delineation of functions, responsibilities and duties;

14.6.2.2 full upfront disclosure of risks, product features, product limitations and operational procedures; and

14.6.2.3 transparency as to the Issuer's points of profit on the DCC.

14.6.3 The main difference between the unique structure of the DCC and a collective investment scheme/traditional ETF structure is that the Issuer of the DCC acts more as a product vendor than a discretionary asset manager. As such, the Holder's risks are largely determined contractually, imposing an obligation on the Issuer and Market Maker to act in accordance with their contractually defined obligations as opposed to imposing a fiduciary duty on them to exercise discretion in the interests of the Holders. The interests of the Holders are objectively protected by contract and product design rather than by relying on the subjective interpretation of fiduciary duty by a discretionary manager.

14.7 **Audit Procedures and Financial Disclosure**

14.7.1 Due to the fact that the Issuer does not exercise any discretion over the Holder's funds, but rather acts as a product vendor, the financial performance of the business unit responsible for Market Making the DCC and seeing to its efficient functioning does not hold any relevance to the Holder. The Holder owns the Designated Right directly and as such, is removed from reliance on the solvency of the Issuer. The main issue that affects the Holder is that the USTBs held on the Depository Account balance to the DCCs.

14.7.2 The integrity of the balancing of the USTBs held on the Depository Account to the DCCs in issue will be verified using a three tier system:

14.7.2.1 Daily verification by the Transfer Secretaries, in which it reports the balances of the DCCs in the CSDP account to STRATE where such balances must match the DCCs in issue.

14.7.2.2 Verification, twice a year, by the Issuer's internal auditors/operations team that the DCCs in issue match the USTBs held in the Depository Account.

14.7.2.3 External verification, once a year, by an external auditor that the DCCs in issue match the USTBs held in the Depository Account. A notice of availability of external verification report will be published on the website referred to in clause 15.9.1 and released on SENS.

14.7.3 The Issuer believes that the above represents a diversified and continuous process of independent verification, that at the very least meets, if not exceeds, current audit practices on traditional ETFs.

14.8 **Disclosure of Issuance Costs**

14.8.1 The following are the costs to be borne by the Issuer with regard to listing the product on the JSE:

Legal and Sponsor Fees	R 1,000,000.00
JSE Approval Fee	R 78,000.00

15. The Issuer

15.1 Information on FirstRand Limited

Details on FirstRand Limited's directors, share capital, major shareholders, borrowings, material loans, directors' interest in securities and in transactions, litigation statement, material contracts, financial information and corporate governance can all be found on FirstRand Limited's website <http://www.firststrand.co.za/InvestorCentre/Pages/annual-reports.aspx>, the details of which remain unchanged as a result of the listing of the DCCs.

15.2 Nature of business, incorporation and background of FirstRand Limited

15.2.1 FirstRand Limited is a public company and registered bank controlling company. FirstRand Limited is the holding company of the FirstRand group of companies ("the Group") and is listed on the securities exchange of the Johannesburg Stock Exchange (under Financial – Banks, share code: FSR) and the Namibian Stock Exchange (NSX) (share code: FST). The Group provides banking and investment products and services to retail, commercial, corporate and public sector customers through its portfolio of market leading franchises.

15.2.2 FirstRand Bank is a wholly-owned subsidiary of FirstRand Limited, and has a number of divisions, including Rand Merchant Bank (the investment bank), FNB (the retail and commercial bank) and WesBank (the instalment finance provider).

15.2.3 Whilst the Group is predominantly South African based, it has subsidiaries in Namibia, Botswana, Zambia, Mozambique, Tanzania, Nigeria, Swaziland and Lesotho. FirstRand Bank has branches in India and the United Kingdom, and representative offices in Dubai, Kenya, Angola and China. FirstRand Limited's banking origins date back approximately 180 years to the forming of the Eastern Province Bank in Grahamstown in 1838.

15.2.4 RMB Global Markets is a division of Rand Merchant Bank — a leading African corporate and investment bank with roots firmly in South Africa. The division's on-the-ground presence across the African continent coupled with its local knowledge and expertise perfectly positions it to be an investor's single point of contact for all African transactional banking, fixed income, currency and commodity needs.

15.2.5 RMB Global Markets offers a comprehensive range of products and solutions, which cover all aspects of risk relating to interest rate, currency and commodity exposures as well as innovative structuring funding solutions. RMB Global Markets are renowned for their focus on unlocking Africa's vast economic potential. More information on RMB Global Markets can be found on the following the website: <http://www.rmb.co.za/globalmarkets/index.asp>

15.3 Responsible parties

The DCCs will be managed by the Market Maker. The persons employed by the Market Maker and responsible for the development and running of the DCCs are as follows:

Full name	Function and experience	Business address
Henry Collins	Head of trading RMB Global Markets	Rand Merchant Bank 1 Merchant Place Cnr. Rivonia Road & Fredman Drive Sandton, 2196 (PO Box 786273, Sandton, 2146) Switchboard: 011 282 8000

<p>Ettienne van Wyk B.Sc (Mathematics and Mathematical Statistics) — Rand Afrikaans University B.Sc Hons (Mathematical Statistics) — Rand Afrikaans University M.Sc (Mathematics) — University of Johannesburg M.Sc (Risk Analysis) — Northwest University FRM, GARP, CFA levels 1&2</p>	<p>Head of Metal & Energy Desk RMB Global Markets Etienne has been involved in financial markets for 14 years; 5 of these years were spent in equities and 9 in commodities, specifically gold. Etienne’s experience relates to derivative structuring, risk management and trading as well as logistics of physical commodities.</p>	<p>Rand Merchant Bank 1 Merchant Place Cnr Rivonia Road & Fredman Drive Sandton, 2146 (PO Box 786273, Sandton, 2196) Switchboard: 011 282 8000</p>
<p>Dr. Ebrahim Patel BSc (Applied Maths/Stats) – University of Natal BSc Hons (Statistics) – University of Natal MPhil (Ethics)- University of Johannesburg LLB – University of South Africa Postgraduate Certificate in Advanced Taxation – University of South Africa Certificate in Advanced Corporate and Securities Law – University of South Africa Programme in Investment Analysis and Portfolio Management – University of South Africa Registered Persons Exams (Equities, Bonds Trader, Bonds Compliance, Futures, Money Market)- SAIFM PhD. —University of Witwatersrand Business School</p>	<p>Commodity specialist Product Development Ebrahim worked as a strategy consultant in retail banking and as an analyst in asset management before joining Rand Merchant Bank as a quantitative analyst. He then joined the “Class Of” programme at FirstRand Bank and has worked in private equity, asset based finance, mining and resources credit and in commodities trading. Ebrahim currently works on the RMB Metals and Energy Desk as a commodity specialist, focusing on new product development, strategy and business growth. He has been instrumental in pioneering innovative commodity investment products in the South African market such as the FNB Share Invest Krugerrand product, Coal and Oil ETN’s listed on the JSE, commodity quanto futures listed on SAFEX, the FirstRand Gold Bond, Krugerrand Custodial Certificates and platinum – ETF linked bonds.</p>	<p>Rand Merchant Bank 1 Merchant Place Cnr Rivonia Road & Fredman Drive Sandton, 2196 (PO Box 786273, Sandton, 2146) Switchboard: 011 282 8000</p>

Note:

- All parties above are South African citizens.

15.4

Directors of the Issuer

Full name	Business address
Lauritz Lanser Dippenaar*	4 Merchant Place, Cnr Rivonia Road and Fredman Drive, Sandton, 2196, Gauteng
Johan Petrus Burger**	4 Merchant Place, Cnr Rivonia Road and Fredman Drive, Sandton, 2196, Gauteng
Alan Patrick Pullinger**	4 Merchant Place, Cnr Rivonia Road and Fredman Drive, Sandton, 2196, Gauteng
Hetash Surendrakumar Kellan**	4 Merchant Place, Cnr Rivonia Road and Fredman Drive, Sandton, 2196, Gauteng
Mary Sina Bomela*	4 Eton Road, Parktown, 2193, Gauteng
Peter Cooper^	3 rd Floor, 2 Merchant Place, Cnr Rivonia Road and Fredman Drive, Sandton, 2196, Gauteng
Jan Jonathan Durand*	Millenia Park, 16 Stellantia Avenue, Stellenbosch, Western Cape, 7600

Full name	Business address
Grant Glenn Gelink#	25 Kingsbridge Manor, Maïgas Road, Douglasdale, 2191
Patrick Maguire Goss#	15 Suffert Street, Pinetown, Kwa Zulu Natal, 3600
Nolulamo Nobambiswano Gwagwa#	1 st Floor, Commerce Square, Rivonia Road, Illovo, 2196, Gauteng
Paul Kenneth Harris*	3 rd Floor, 2 Merchant Place, Cnr Rivonia Road and Fredman Drive, Sandton, 2196
William Rodger Jardine#	6 th Floor, Primedia Place, 5 Gwen Lane, Sandown, 2196, Gauteng
Francois Knoetze*	Millenia Park, 16 Stellantia Avenue, Stellenbosch, Western Cape, 7600
Russel Mark Loubser#	4 Merchant Place, Cnr Rivonia Road and Fredman Drive, Sandton, 2196, Gauteng
Paballo Joel Makosholo*	4 Merchant Place, Cnr Rivonia Road and Fredman Drive, Sandton, 2196, Gauteng
Ethel Gothatamodimo Matenge-Sebesho#	178/180 Beyers Naude Drive, Risidale, 2195, Gauteng
Amanda Tandiwe Nzimande*	Unit DG0001, Ground Floor, Grosvenor Gate, Hyde Park Lane, Hyde Park, 2196, Gauteng
Benedict James van der Ross#	4 Merchant Place, Cnr Rivonia Road and Fredman Drive, Sandton, 2196, Gauteng
Jan Hendrik van Greuning#	10937 Hunter Gate Way, Reston, Virginia, 20194-1449, United States of America

* Non-executive director

** Executive director.

Independent non-executive director

^ Alternate non-executive director

15.5 Credit rating

The credit rating of FirstRand Limited can be found on the following link:

<http://www.firststrand.co.za/InvestorCentre/Pages/credit-ratings.aspx>

15.6 Rights of Holders of DCCs in the event of liquidation and business rescue of the Issuer

In the event of the curatorship, liquidation or business rescue of the Issuer, ownership rights of Holders of DCCs will be unaffected, and the only consequence would be that the DCCs will be delisted.

15.7 Advisor's consents

15.7.1 The Merchant Bank and Sponsor, Market Maker and Attorneys, whose names appear on the front cover of this Offering Circular, have consented to their names being referred to in this Offering Circular in the form and context in which they are included and have not withdrawn such consent prior to the publication of this Offering Circular.

15.7.2 The Attorneys have not separately verified the information contained in this Offering Circular. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Attorneys as to the accuracy or completeness of the information contained in this Offering Circular or any information provided by the Issuer in connection with the DCCs. The contents in this Offering Circular do not constitute exchange control, tax or legal advice by the attorneys and should not be concluded or considered as such. Investors should accordingly seek independent professional exchange control, tax and legal advice. The Attorneys do not accept any liability in relation to the information contained in this Offering Circular or any other information

provided by the Issuer in connection with the DCCs.

15.8 Expenses relating the creation and listing of the DCCs

The costs relating to the creation and issuing of the DCCs will relate to the following parties and type of expense, and will be borne in full by the Issuer:

Description	Name	Cost
JSE documentation fees	JSE	R 78 000.00
Legal and Sponsor fees	RMB and Webber Wentzel	R 1 000 000.00

15.9 Documents available on the website

- 15.9.1 Copies of this Offering Circular will be published on the website of the Market Maker (www.rmb.co.za). The NAV of the DCCs (as calculated in clause 11 above) will be published on each business day on the above website.
- 15.9.2 The price at which the DCCs trade on the secondary market may be distributed by business newspapers daily.
- 15.9.3 As FirstRand Limited is a listed company on the main board of the Johannesburg Stock Exchange, FirstRand Limited will provide regular updates on material price sensitive information and release periodic financial information as required. The performance of FirstRand Limited or the Issuer however, has no effect on the performance of the DCCs.

15.10 Documents available for inspection

Copies of the following documents will be available for inspection at the registered office of the Issuer at any time during office hours for 14 Business Days after publication of this Offering Circular:

- 15.10.1 a signed copy of this Offering Circular;
- 15.10.2 the written advisor's consents to act in the capacities stated in clause 15.7 above;
- 15.10.3 all the agreements relating to the DCCs.

SIGNED AT JOHANNESBURG BY HETASH SURENDRAKUMAR KELLAN ON BEHALF OF ALL THE DIRECTORS LISTED ABOVE, ON 6 JANUARY 2017.



**NAME: HETASH SURENDRAKUMAR KELLAN
CAPACITY: EXECUTIVE DIRECTOR**

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- 15.10.3 all the agreements relating to the DCCs.

SIGNED AT JOHANNESBURG BY HETASH SURENDRAKUMAR KELLAN ON BEHALF OF ALL THE DIRECTORS LISTED ABOVE, ON 6 JANUARY 2017.

NAME: HETASH SURENDRAKUMAR KELLAN
CAPACITY: EXECUTIVE DIRECTOR

ANNEXURE I - TERMS AND CONDITIONS ATTACHING TO DCCs

The following terms and conditions shall attach to each DCC, created, listed and issued by the Issuer:

1. Introduction

- 1.1 This Contract sets out the rights and obligations which attach to and flow from a DCC, and the rights and obligations of Holders in relation to each other.
- 1.2 DCCs are listed securities created and issued by the issuer. DCCs evidence the terms and conditions subject to which Designated Rights may be bought and sold on the JSE.
- 1.3 DCCs will be listed and traded on the JSE through any authorised user of the JSE.

2. Bilateral agreement

- 2.1 This Contract constitutes a binding legal agreement between the Issuer and the Holder from time to time, who, depending on the capacity in which he acts from time to time, may be either a purchaser (cessionary) or a seller (cedent) of Designated Rights.
- 2.2 The provisions set out in this Contract relating to Cession are acknowledged by the parties to this Contract to be the only mechanism pursuant to which rights in respect of the Designated Rights can be transferred.

3. Legal nature of DCCs

- 3.1 DCCs represent the legal mechanism pursuant to which Designated Rights will be bought and sold on the JSE.
- 3.2 The Holder of a DCC will be entitled to claim and take Cession of a Designated Right, subject to the terms and conditions set out in this Contract and the Offering Circular. When Cession takes place, as contemplated in this Contract, the Holder of a DCC will acquire the Designated Rights.

4. Market Maker's right to acquire DCCs in the secondary market

The Market Maker may from time to time acquire DCCs from Holders in the secondary market on the JSE. When the Market Maker acquires a DCC, the terms and conditions set out in this Contract will apply to it by virtue of it becoming a Holder.

5. Holder's Rights and Obligations regarding Cession of Designated Rights

- 5.1 Each successive Holder will:
 - 5.1.1 by purchasing a DCC, acquire the right to take Cession of a Designated Right, to be allocated to that Holder by the application by the Allocator of the Allocation Algorithm, and the right to sell an equivalent right to take Cession of a Designated Right; and
 - 5.1.2 by selling a DCC, the seller sells to the purchaser the right to take Cession of a Designated Right, to be allocated to that purchaser by the application by the Allocator of the Allocation Algorithm.
- 5.2 In order to ensure that Designated Rights pass from the seller (as cedent) of a DCC to a purchaser (as cessionary) of a DCC, (who may, but who shall not necessarily be the person to whom the seller sells a DCC through the JSE) each successive Holder of a DCC hereby agrees that:
 - 5.2.1 each successive seller (cedent) of a DCC will, as an indivisible obligation arising upon the sale of a DCC, transfer and cede the seller's (cedent's) Designated Rights to another person to be identified in the Ownership Register by the Allocator through the application of the Allocation Algorithm. This person will not necessarily be the person who purchased the DCC from the seller thereof;

- 5.2.2 each successive purchaser (cessionary) of a DCC will accept Cession of the Designated Rights allocated to that purchaser (cessionary) by the Allocator following the application of the Allocation Algorithm. The Designated Rights allocated to the purchaser (cessionary) will not necessarily be the same Designated Rights that were held by the seller; and
- 5.2.3 Cession of the Designated USTB Holding will be deemed to have taken place forthwith on the updating of the Ownership Register.
- 5.3 It is recorded that:
- 5.3.1 the provisions of this clause are to ensure that Designated Rights Ceded to the Holder of a DCC will be transferred from the seller (cedent) thereof to a purchaser (cessionary) of a DCC when the Allocation Algorithm is applied on a weekly basis (subject to operational delays);
- 5.3.2 particular Designated Rights reflected in an Account at any point in time will vest in the Holder reflected in the most up-to-date Ownership Register; and
- 5.3.3 the Designated Right Ceded to the Holder of a DCC will not necessarily be transferred by the seller of the relevant DCC to the buyer of that DCC.

6. Breach

Neither the Issuer nor the Holder shall be entitled to cancel this Contract in the event of a breach of the Contract by the other of them and an aggrieved party's remedy shall be limited to a claim for specific performance and/or damages.

7. Protection of personal information

- 7.1 The Holder consents to the Issuer and any of the Issuer's affiliates, using, processing and storing the Holder's personal information which is provided to the Issuer. The personal information of the Holder includes all information that is necessary for the proper functioning and operation of the Cession system contemplated in this Contract and the performance by the Issuer, STRATE and the JSE of their respective obligations thereunder ("**Personal Information**").
- 7.2 The Issuer may disclose the Holder's Personal Information only to those third parties who require such information for the purposes of this Contract.
- 7.3 The Issuer may disclose the Holder's Personal Information if under a legal duty to do so.
- 7.4 The Issuer will store the Holder's Personal Information only for a reasonable time to enable the Issuer (and the relevant third parties) to use it for the purposes described in this Contract.
- 7.5 The Issuer shall take all precautions necessary to preserve the integrity of the Holder's Personal Information and to take reasonable steps against any destruction and/or unauthorized access, use, corruption or loss of the Holder's Personal Information as is required by any applicable data protection legislation.
- 7.6 The Holder consents to the transfer Personal Information across the border of the Republic of South Africa.

8. Responsibilities, Acknowledgements and Undertaking of the Holder

Each Holder, in its capacity as purchaser (cessionary), seller (cedent) or owner of a DCC, in its capacity as cedent or cessionary of a Designated Rights, hereby agrees that:

- 8.1 It has taken such legal, tax and accounting advice as it deems necessary;
- 8.2 It accepts responsibility for any administrative and operational obligations imposed on it in terms of this Contract;
- 8.3 It is aware of and will comply with the exchange control requirements and restrictions relating to the DCCs and

Designated Rights, and specifically the restrictions on holding, purchasing, selling, exporting or importing foreign currency;

8.4 It agrees in all respects to the Cession mechanism for the transfer of Designated Rights, and to give effect to the provisions thereof, as cedent or cessionary as contemplated herein.

9. Limitation of Liability

9.1 Except to the extent specifically provided for herein the Issuer will have no liability to the Holder for:

9.1.1 the failure by STRATE to perform their obligations contemplated herein; and

9.1.2 acts of fraud by third parties in respect of the identity of the Holder, the Holder's Designated Rights and the Holder's DCCs.

9.2 The Issuer will not be liable for any indirect or consequential losses or damages which the Holder may suffer.

10. Issuer's right of cession

Subject to the JSE's consent (if such consent is necessary), the Issuer shall without notice to the Holder be entitled to cede, delegate and/or assign all or any of its rights and/or obligations under this Contract to any other person.

11. Other terms and conditions

11.1 This Contract constitutes the whole agreement between the Issuer and the Holder relating to the subject matter hereof.

11.2 No amendment or consensual cancellation of this Contract or any provision or term thereof shall be binding unless recorded in a written document signed by the Issuer (or its duly appointed agent) and agreed to by Holders present at a meeting representing three-fourths in value of DCCs represented at the meeting, in person or voting by proxy, which meeting of Holders has been called for that purpose by or on behalf of the Issuer by not less than 14 days' notice to Holders, such notice to be given by SENS announcement.

11.3 To the extent permissible by law, no party shall be bound by any express or implied term, representation, warranty, promise or the like not recorded (or incorporated by reference) herein, whether or not it induced the contract and whether it was negligent or not.

11.4 This Contract is governed by South African law. It is agreed that any dispute will be dealt with by the South African courts.

11.5 Obligations under this Contract are binding on all successors, executives, administrators or other legal representatives.