
APPLICABLE PRICING SUPPLEMENT

Out of the Ordinary®



Property Fund Limited

INVESTEC PROPERTY FUND LIMITED

(Registration Number 2008/011366/06)

(Established and incorporated as a public company with limited liability in accordance with the laws of South Africa)

**Issue of ZAR125,000,000 Tranche 1 Senior Secured Floating Rate Notes
due 22 December 2021 (IPF18)**

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

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the amended and restated Programme Memorandum dated on or about 11 November 2015. This Applicable Pricing Supplement must be read in conjunction with such Programme Memorandum. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and such Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail. To the extent that certain provisions of the *pro forma* Applicable Pricing Supplement do not apply to the Notes described herein, they may be deleted in this Applicable Pricing Supplement or indicated to be not applicable.

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the Terms and Conditions. References in this Applicable Pricing Supplement to the Terms and Conditions are to the section of the amended and restated Programme Memorandum entitled "*Terms and Conditions of the Notes*". References to any Condition in this Applicable Pricing Supplement are to that Condition of the Terms and Conditions.

The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, this Applicable Pricing Supplement and the annual financial statements and any amendments to the annual financial statements or any supplements from time to time, except as otherwise stated therein. The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from the Programme Memorandum which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the Programme Memorandum and this Applicable Pricing Supplement contain all information required by applicable law and, in relation to any Tranche of Notes listed on the Interest Rate Market of the JSE, the JSE Debt Listings Requirements.

The Issuer, having made all reasonable enquiries, confirms that the Programme Memorandum, read together with this Applicable Pricing Supplement and the documents and information incorporated herein and therein by reference contains or incorporates all information which is material in the context of the issue and the offering of Notes, that the information contained or incorporated in the Programme Memorandum by reference, is true and accurate in all material respects and is not misleading, that the opinions and

the intentions expressed in the Programme Memorandum, read together with the documents incorporated by reference, are honestly held and that there are no other facts the omission of which would make same misleading.

The Issuer further confirms that the issue of Notes described herein will not exceed the aggregate Principal Amount of Notes that may be Outstanding under the Programme.

The JSE assumes no responsibility or liability of whatsoever nature for the correctness of any statements made or opinions expressed or information contained in or incorporated by reference into the Programme Memorandum or this Applicable Pricing Supplement. The admission of any Tranche of Notes to the list of debt securities maintained by the JSE and the listing of such Notes on the Interest Rate Market of the JSE is not to be taken as an indication of the merits of the Issuer or the Notes. The JSE makes no representation as to the accuracy or completeness of the Programme Memorandum or this Applicable Pricing Supplement, the annual financial statements or any other information incorporated by reference into the Programme Memorandum (as amended or restated from time to time). The JSE expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the Programme Memorandum or this Applicable Pricing Supplement or the annual financial statements or any other information incorporated by reference into the Programme Memorandum (as amended or restated from time to time).

DESCRIPTION OF THE NOTES

- | | | |
|---|--------------------|--|
| 1 | Issuer | Investec Property Fund Limited |
| 2 | Security SPV | Investec Property Fund Security SPV
Proprietary Limited (RF) |
| 3 | Status of Notes | Senior Secured |
| 4 | Nature of Security | The following security arrangements have been established in respect of the Notes issued pursuant to this Applicable Pricing Supplement. |

Security SPV Guarantee

- (a) Investec Property Fund Security SPV Proprietary Limited (RF) ("**Security SPV**") has, in the form of a separate guarantee entered into by the Security SPV dated on or about 20 November 2015, guaranteed to Liberty Group Limited, acting through its Libfin division ("**Libfin**") as the holder of the Notes issued pursuant to this Applicable Pricing Supplement, and subject to the terms of this Applicable Pricing Supplement (the "**Security SPV Guarantee**"), the fulfilment of all present and future payment obligations of the Issuer to Libfin.
- (b) The Security SPV will have no liability other than to the extent to which the liability is to be satisfied out of the amounts recovered by the Security SPV

under the Counter-Indemnity and the security documents referred to in (d) below and which the Security SPV is entitled to apply to satisfy that liability.

Counter-Indemnity

- (c) The Issuer and Listani Proprietary Limited ("**Listani**"), a subsidiary of the Issuer, issued an indemnity to the Security SPV dated on or about 20 November 2015 (the "**Counter-Indemnity**") each indemnifying and holding the Security SPV harmless against any loss, claim, liability, costs and expenses of whatsoever nature, which it may suffer or incur by reason of or in consequence of having executed and furnished the Security SPV Guarantee to Libfin. Each of the Issuer's and Listani's obligation to make payment in terms of the Counter-Indemnity shall arise upon the delivery of a written notice from the Security SPV.

Other Collateral

- (d) As additional security for the Issuer's and Listani's obligations to the Security SPV under the Counter-Indemnity, the Issuer and Listani are required to cede, pledge, transfer and/or otherwise encumber, to and in favour of the Security SPV, as first ranking security, certain assets owned as security for their obligations. In giving effect hereto a cession and mortgage bonds were passed by the Issuer and Listani, to and in favour of the Security SPV. The additional collateral provided by the Issuer and Listani pursuant to this Applicable Pricing Supplement is as follows –

Security Cession

a written cession *in securitatem debiti* granted by the Issuer and Listani to the Security SPV dated on or about 20 November 2015 in terms of which, *inter alia*, the Issuer and Listani cede all of their rights, title and interest in and to all the Ceded Rights (as defined therein) to the Security SPV as security for their obligations under the Counter-Indemnity.

For purposes of this (i), the "Ceded Rights" include, the Issuer's and Listani's right, title and interest in and to -

- (1) any and all lease agreements entered into or to be entered into between the Issuer or Listani (as lessor) and a third party (as lessee) in respect of the immovable property over which the Mortgage Bonds (as defined below) have been registered, including all lease payments received or to be received by each of the Issuer and Listani under those lease agreements;
- (2) any and all insurance policies held in the name of the Issuer and Listani in respect of the immovable property over which the Mortgage Bonds have been registered and any interests of the Issuer and Listani noted on any insurance policy not held in the name of the Issuer and Listani in respect of the immovable property over which the Mortgage Bonds have been registered; and
- (3) any and all related security held by the Issuer and Listani and/or issued in favour of the Issuer and Listani in respect of selected free hold and lease hold properties acquired by the Issuer from time to time.

Mortgage Bonds

the mortgage bonds registered by the Issuer and Listani over the immovable properties of the Issuer and Listani respectively (the "**Secured Properties**") in favour of the Security SPV as security for their obligations to the Security SPV in terms of the Counter-Indemnity ("**Mortgage Bonds**") and, as security pursuant to this Applicable Pricing Supplement and subject to the terms of this Applicable

Pricing Supplement;

Secured Properties

- (i) Nicol Main Building A - Portion 1 of Erf 5639, Bryanston, City of Johannesburg, Registration Division IR, Province of Gauteng;
- (ii) WNOP - Leasehold Rights over Erf 23 Jukskei View, Extension 7, IR, Gauteng;
- (iii) Ingersol - Erf 796 Lynnwood Glen, Registration Division JR, Province of Gauteng;
- (iv) 8 Flamink (ex Voltex) - Erven 368 & 369 Alrode EXT5 Township, Gauteng;
- (v) Kevro - Falcon Forest - Portion 58, Longmeadow Business Estate Ext. 2, Gauteng;
- (vi) Builders Warehouse Witbank - Portion 1 Erf 16 President Park, Emalahleni EXT5;
- (vii) Plastic Land - Portion 4 of Erf 1180 Lonehill EXT 56, Gauteng;
- (viii) VW McCarthy Roodepoort - Portion 1 of Erf 681 Allen's Nek Ext. 19, Gauteng;
- (ix) Subdan - Erf 68, Longmeadow Business Estate Ext. 3, Gauteng.

General

- (f) A copy of the Security SPV Guarantee issued in favour of Libfin as holder of the Notes issued pursuant to this Applicable Pricing Supplement is attached hereto as Annexure A. Copies of the Counter-Indemnity and other security documents referred to in (d) above are available for inspection at the offices of the Issuer during office hours.

5	(a) Tranche Number	1
	(b) Series Number	1
6	Aggregate Principal Amount	ZAR125,000,000

7	Interest/Payment Basis	Floating Rate
8	Form of Notes	Uncertificated Notes
9	Automatic/Optional Conversion from one Interest/Payment Basis to another	Not applicable
10	Issue Date	22 December 2015
11	Business Centre	Johannesburg
12	Additional Business Centre	Not applicable
13	Specified Denomination	ZAR1,000,000
14	Issue Price	100 percent
15	Interest Commencement Date	22 December 2015
16	Redemption Date	22 December 2021
17	Specified Currency	Rand
18	Applicable Business Day Convention	Following Business Day
19	Calculation Agent	Investec Bank Limited
20	Specified office of the Calculation Agent	100 Grayston Drive, Sandown, Sandton, 2196
21	Paying Agent	Investec Bank Limited
22	Specified office of the Paying Agent	100 Grayston Drive, Sandown, Sandton, 2196
23	Transfer Agent	Investec Bank Limited
24	Specified office of the Transfer Agent	100 Grayston Drive, Sandown, Sandton, 2196
25	Settlement Agent	Nedbank Limited
26	Specified office of the Settlement Agent	C/o NIS Investor Services, 33 Hoofd Street, Forum IV, Braampark, Braamfontein, Johannesburg, 2100
27	Final Redemption Amount	ZAR125,000,000 (being 100% of the Aggregate Principal Amount)

FLOATING RATE NOTES

- 28 (a) Interest Payment Date(s) 22nd day of March, June, September and December of each year up to the Redemption Date, or if such day is not a Business Day, the immediately succeeding day that is a Business Day
- (b) Interest Period(s) From, and including, the applicable Interest Payment Date and ending on, but excluding, the following Interest Payment Date, the first Interest Period commencing on 22 December 2015 and ending the day before the next Interest Payment Date
- (c) Definitions of Business Day (if different from that set out) Not Applicable

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- in Condition 1)
- (d) Minimum Interest Rate Not Applicable
 - (e) Maximum Interest Rate Not Applicable
 - (f) Other terms relating to the method of calculating interest (e.g., Day Count Fraction, rounding up provision, if different from Condition 7) Actual/365
- 29 Manner in which the Interest Rate is to be determined Screen Rate Determination
- 30 Margin 1,70% to be added to the relevant Reference Rate
- 31 If ISDA Determination Not Applicable
- (a) Floating Rate Not Applicable
 - (b) Floating Rate Option Not Applicable
 - (b) Designated Maturity Not Applicable
 - (c) Reset Date(s) Not Applicable
- 32 If Screen Determination
- (a) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated) 3 month JIBAR
 - (b) Interest Determination Date(s) The first Business Day of each Interest Period
 - (c) Relevant Screen Page and Reference Code Reuters Screen SAFETY page under caption "Yield" as at approximately 11h00, Johannesburg time on the relevant Rate Determination Date, rounded to the third decimal point
- 33 If Interest Rate to be calculated otherwise than by reference to 31 or 32 above, insert basis for determining Interest Rate/Margin/Fall back provisions Not Applicable
- 34 If different from the Calculation Agent, agent responsible for calculating amount of principal and interest Not Applicable

**PROVISIONS REGARDING
REDEMPTION/ MATURITY**

- 35 Issuer's Optional Redemption: No
- if yes:
- (a) Optional Redemption Date(s) Not Applicable
 - (b) Optional Redemption Amount(s) and method, if any, of calculation of such Not Applicable

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- amount(s)
- (c) Minimum Period of Notice (if Not Applicable different to Condition 9.3)
- (d) If redeemable in part:
- | | | |
|-------------------|------------|----------------|
| Minimum Amount(s) | Redemption | Not Applicable |
| Higher Amount(s) | Redemption | Not Applicable |
- (e) Other terms applicable on Redemption Not applicable
- 36 Redemption at the option of the Senior Noteholders: No
- 37 Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default At their Early Redemption Amount as set out in Condition 9.5

GENERAL

- 38 Additional selling restrictions Not applicable
- (a) International Securities Numbering (ISIN) ZAG000132481
- (b) Stock Code IPF18
- 39 Financial Exchange JSE Limited
- 40 If syndicated, names of managers Not applicable
- 41 Method of Distribution Private Placement
- 42 Credit Rating assigned to the Notes as at the Issue Date Unrated
- (a) Rating Agency Not applicable
- (b) Date of issue of current Credit Rating Not applicable
- (c) Date of next expected Credit Rating review Not applicable
- 43 Governing law (if the laws of South Africa are not applicable) Not applicable
- 44 Use of proceeds The proceeds raised pursuant to the issue of the Notes issued pursuant to this Applicable Pricing Supplement are for the purposes of funding a portion of the purchase price due by the Issuer to Zenprop Property Holdings Limited ("**Zenprop**") in respect of a portfolio of properties to be acquired by the Issuer from Zenprop
- 45 Last Day to Register 16 March, 16 June, 16 September or 16 December which shall mean that the Register will be closed from each Last Day to Register to the next applicable Payment Day
- 46 Books Closed Period The Register will be closed from (and including) 17 March to (but excluding)

	22 March, from (and including) 17 June to (but excluding) 22 June, from (and including) 17 September to (but excluding) 22 September and from (and including) 17 December to (but excluding) 22 December in each year until the Redemption Date	
47	Stabilisation Manager (if any)	Not applicable
48	Authorised Amount	ZAR5,000,000,000
49	Other provisions	The following financial covenants shall be applicable in respect of the Notes issued pursuant to this Applicable Pricing Supplement -

The Issuer undertakes to, for so long as any Notes remain Outstanding, to maintain the following ratios -

(a) Measured at an Issuer level -

- (i) Interest Cover Ratio of at least 2 times; and
- (ii) Issuer Loan to Value Ratio shall not exceed 50%

Where -

"Interest Cover Ratio" means, at any time (and calculated semi-annually based on the audited financial year-end and interim consolidated financial statements of the Issuer), the ratio expressed as follows -

Interest Cover Ratio = Y divided by X

Where -

Y = EBITDA (earnings before interest, tax, depreciation and amortisation) for that period; and

X = Interest expense for that period

"Issuer Loan to Value Ratio" means at any time (and calculated semi-annually based on the audited financial year-end and interim consolidated financial statements of the Issuer), the ratio expressed as follows -

Issuer Loan to Value Ratio = A divided by V

Where -

A = the interest bearing financial indebtedness of the Issuer; and

V = the amount of the most recent independent external market valuation or Director's valuation of all the immovable properties and other investments owned by the Issuer as set out in its latest audited financial year-end and interim consolidated financial statements

(b) Measured in regard to the Notes issued pursuant to this Applicable Pricing Supplement and the Mortgage Bonds provided as part of the security hereunder, namely -

(i) Tranche Loan to Value Ratio, which may not exceed 60%

Where -

"Tranche Loan to Value Ratio" means at any time, the ratio expressed as follows -

Tranche Loan to Value Ratio = A divided by V

Where -

A = the aggregate Principal Amount of Notes issued pursuant to this Applicable Pricing Supplement; and

V = the amount of the most recent independent external market valuation or Director's valuation of all the Secured Properties over which the Mortgage Bonds have been registered as set out in the Issuer's latest audited financial year-end and interim consolidated financial statements

50 Trade Type

Yield

**DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE
COMMERCIAL PAPER REGULATIONS**

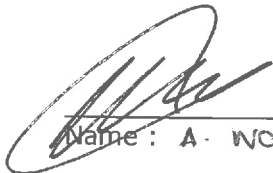
At the date of this Applicable Pricing Supplement:

- 51 **Paragraph 3(5)(a)**
The ultimate borrower is the Issuer.
- 52 **Paragraph 3(5)(b)**
The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.
- 53 **Paragraph 3(5)(c)**
The auditor of the Issuer is Ernst & Young Inc.
- 54 **Paragraph 3(5)(d)**
As at the date of this issue:
(a) the Issuer currently has ZAR2,281,000,000 Notes in issue (excluding Notes issued under this Applicable Pricing Supplement); and
(b) to the best of the Issuer's knowledge and belief, it is anticipated that the Issuer will issue ZAR125,000,000 Notes during its current financial year (including Notes issued under this Applicable Pricing Supplement).
- 55 **Paragraph 3(5)(e)**
Prospective investors in the Notes are to consider this Applicable Pricing Supplement, the Programme Memorandum and the documentation incorporated therein by reference in order to ascertain the nature of the financial and commercial risks of an investment in the Notes. In addition, prospective investors in the Notes are to consider the latest audited financial statements of the Issuer which are incorporated into the Programme Memorandum by reference and which may be requested from the Issuer.
- 56 **Paragraph 3(5)(f)**
There has been no material adverse change in the Issuer's financial position since the date of its last audited financial statements.
- 57 **Paragraph 3(5)(g)**
The Notes issued will be listed.
- 58 **Paragraph 3(5)(h)**
The funds to be raised through the issue of the Notes issued pursuant to this Applicable Pricing Supplement are to be used by the Issuer for funding a portion of the purchase price due by the Issuer to Zenprop in respect of a portfolio of properties to be acquired by the Issuer from Zenprop.
- 59 **Paragraph 3(5)(i)**
The Notes are secured.
- 60 **Paragraph 3(5)(j)**
Ernst & Young Inc, the auditor of the Issuer, has confirmed that nothing has come to its attention to indicate that this issue of Notes issued under the Programme will not comply in all respects with the relevant provisions of the Commercial Paper Regulations.

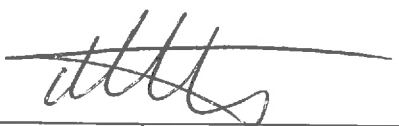
Application is hereby made to list this issue of Notes on 22nd December 2015.

SIGNED at SANDTON this 18th day of DECEMBER 2015.

For and on behalf of
INVESTEC PROPERTY FUND LIMITED


Name: A. WOOLER

Capacity: DIRECTOR
who warrants his/her authority hereto


Name: N. RONEY

Capacity: Director
who warrants his/her authority hereto

ANNEXURE A – SECURITY SPV GUARANTEE

GUARANTEE

Issued by

INVESTEC PROPERTY FUND SECURITY SPV (RF) PROPRIETARY LIMITED
(in its capacity as Security SPV)

to and in favour of

LIBERTY GROUP LIMITED
(acting through its Libfin division)
(as holder of the Secured Notes)

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GUARANTEE

issued by

INVESTEC PROPERTY FUND SECURITY SPV (RF) PROPRIETARY LIMITED
(in its capacity as Security SPV)

to and in favour of

LIBERTY GROUP LIMITED
(acting through its Libfin division)
(as holder of the Secured Notes)

1 INTERPRETATION

~~In this Guarantee, unless the context clearly indicates a contrary intention~~

- 1.1 The provisions of the programme memorandum issued by the Issuer in relation to its ZAR5,000,000,000 domestic medium term note programme, dated on or about 5 April 2012 and amended and restated on or about 11 November 2015, as amended, novated or supplemented from time to time ("**the Programme Memorandum**"), are expressly and explicitly incorporated into this Guarantee and, unless inconsistent with the context or separately defined or provided herein -
- 1.1.1 capitalised terms and expressions used in this Guarantee and not otherwise defined herein shall have the meanings ascribed to those terms and expressions in the Programme Memorandum; and
- 1.1.2 the terms and conditions of the Programme Memorandum shall form part of this document, which shall constitute a Security Document. To the extent that there is any conflict between the provisions of this Guarantee and the provisions of the Programme Memorandum incorporated herein by virtue of this 1.1, the provisions of this Guarantee shall prevail.



1.2 In this Guarantee, headings are for convenience and shall not be used in its interpretation and, unless the context clearly indicates a contrary intention, a word or expression which denotes –

1.2.1 any gender shall include the other gender;

1.2.2 a natural person shall include an artificial or juristic person and *vice versa*; and

1.2.3 the singular shall include the plural and *vice versa*.

1.3 The following expressions shall bear the meanings assigned to them below and cognate expressions bear corresponding meanings –

1.3.1 **"Counter Indemnity"** – the written counter indemnity agreement dated on or about the Signature Date between the Issuer, Listani and the Security SPV, in terms of which the Issuer indemnifies the Security SPV for claims made against it pursuant to this Guarantee;

1.3.2 **"the/this Guarantee"** – the guarantee set out in this document and the annexures hereto, all as amended, novated and/or replaced from time to time;

1.3.3 **"Issuer"** – Investec Property Fund Limited (registration number 2008/011366/06), a public company with limited liability established and incorporated in accordance with the laws of South Africa;

1.3.4 **"Issuer's Obligations"** – any and all payment obligations which the Issuer now has, or may from time to time in the future have, to the Secured Noteholder (including contingent obligations, obligations to pay damages as a result of a breach and any other payment obligations whatsoever) in terms of, or arising in connection with the Secured Notes and the Security Documents;

1.3.5 **"Listani"** – Listani Proprietary Limited (registration number 2014/269665/07), a private company with limited liability established and incorporated in accordance with the laws of South Africa;



1.3.6 **"Secured Noteholder"** – Liberty Group Limited, acting through its Libfin division (registration number 1957/002788/06), a public company with limited liability established and incorporated in accordance with the laws of South Africa;

1.3.7 **"Secured Notes"** – the notes to be issued by the Issuer to the Secured Noteholder under the Programme comprising of –

1.3.7.1 ZAR125,000,000, 3 months JIBAR plus 1.60%, 5 year senior secured notes;

1.3.7.2 ZAR125,000,000, 3 months JIBAR plus 1.70%, 6 year senior secured notes; and

~~1.3.7.3 ZAR125,000,000, 3 months JIBAR plus 1.80%, 7 year senior secured notes,~~

as described in more detail in each Applicable Pricing Supplement to be Issued in relation to the Secured Notes;

1.3.8 **"Security Cession"** – the written cession *in securitatem debiti* dated on or about the Signature Date granted by the Issuer and Listani to the Security SPV in terms of which, *inter alia*, the Issuer and Listani cede all of their rights, title and interest in and to all the Ceded Rights (as defined therein) to the Security SPV as security for their obligations under the Counter-Indemnity;

1.3.9 **"Security Documents"** – the Security Cession and the Mortgage Bonds (each as specified in the Applicable Pricing Supplements) relating to the Secured Notes, and all other documents designated as Security Documents under the Applicable Pricing Supplements relating to the Secured Notes;

1.3.10 **"Security SPV"** - Investec Property Fund Security SPV (RF) Proprietary Limited (registration number 2012/019159/07), a private company with



limited liability established and incorporated in accordance with the laws of South Africa; and

1.3.11 **"Signature Date"** – the date on which this Guarantee is signed by the Security SPV;

1.4 any reference to any statute, regulation or other legislation shall be a reference to that statute, regulation or other legislation as at the Signature Date, and as amended or substituted from time to time;

1.5 if any provision in a definition 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 this Guarantee;

~~1.6 where any term is defined within a particular clause of this Guarantee other than this 1, that term shall bear the meaning ascribed to it in that clause wherever it is used in this Guarantee;~~

1.7 where any number of days is to be calculated from a particular day, such number shall be calculated as excluding such particular day and commencing on the next 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 next succeeding day which is a Business Day;

1.8 any reference to days (other than a reference to Business Days), months or years shall be a reference to calendar days, months or years, as the case may be;

1.9 where any day for the performance of any obligation and/or the payment of any amount in terms of this Guarantee falls on a day other than a Business Day, such obligation shall be performed and/or such amount shall be paid on the immediately preceding day which is a Business Day;

1.10 any term which refers to a South African legal concept or process (for example, without limiting the foregoing, winding-up or curatorship) shall be deemed to include a reference to the equivalent or analogous concept or



process in any other jurisdiction in which this Guarantee may apply or to the laws of which a party may be or become subject;

1.11 the use of the word "**including**", "**include**" and "**includes**" followed by a specific example(s) shall not be construed as limiting the meaning of the general wording preceding it and the *eiusdem generis* rule shall not be applied in the interpretation of such general wording or such specific example(s);

1.12 the word "**month**" means a period starting on one day in a calendar month and ending on the day before the numerically corresponding day on the next calendar month, provided that –

1.12.1 if any such period would otherwise end on a day in the later calendar month which is not a Business Day, it shall end on the immediately following Business Day in the later calendar month; and

1.12.2 if there is no numerically corresponding day in the next calendar month in which that period ends, that period shall end on the last Business Day in that later month.

1.13 The Parties acknowledge and agree that this Guarantee was entered into pursuant to the negotiation of its provisions by them and, accordingly, that any rule of constructing requiring that this Guarantee be interpreted or constructed against the Party responsible for the drafting or preparation of this Guarantee shall not be of any application whether in relation to any dispute arising out of interpretation of this Guarantee or otherwise.

2 INTRODUCTION

2.1 The Security SPV has been established for purposes of, *inter alia*, holding and realising security for the benefit of secured Noteholders in respect of the obligations of the Issuer under the Notes to be issued from time to time.



- 2.2 In order to give effect to the purpose referred to in 2.1, the Security SPV shall –
- 2.2.1 guarantee to the Secured Noteholder on the terms set out in this Guarantee, the payment obligations of the Issuer under the Secured Notes;
 - 2.2.2 obtain and hold the Counter-Indemnity from the Issuer and Listani against any claims made against the Security SPV pursuant to this Guarantee;
 - 2.2.3 claim from the Issuer and Listani under the Counter-Indemnity upon the occurrence of an Event of Default; and
 - 2.2.4 realise the security provided under the Security Documents.

3 GUARANTEE

- 3.1 The Security SPV irrevocably and unconditionally –
- 3.1.1 guarantees, as a principal and independent obligation in favour of the Secured Noteholder, the due and punctual payment and performance by the Issuer of all of the Issuer's Obligations owed to the Secured Noteholder;
 - 3.1.2 indemnifies the Secured Noteholder and holds it harmless on demand against any loss, liability or cost suffered by the Secured Noteholder if its obligation in clause 3.1.1 or any obligation guaranteed by the Security SPV is or becomes unenforceable, invalid or illegal. The amount of that loss, liability or cost shall be equal to the amount which the Secured Noteholder would otherwise have been entitled to recover had that obligation been enforceable, valid and legal; and
 - 3.1.3 undertakes to pay to the Secured Noteholder, any and all amounts received upon the realisation of the security under the Security Documents towards the discharge of the Borrower's Obligations.



- 3.2 The Secured Noteholder agrees that any payment by the Security SPV to the Secured Noteholder in terms of this Guarantee shall discharge the Issuer's liability in like amount to the Secured Noteholder for the corresponding underlying obligations of the Issuer to the Secured Noteholder, to which such payment relates.

4 DURATION

- 4.1 This Guarantee shall -

4.1.1 become of full force and effect on the Signature Date;

4.1.2 expire upon the later of -

4.1.2.1 all of the Issuer's Obligations having been fully and finally discharged; and

4.1.2.2 all of the Security SPV's obligations in terms of this Guarantee having been fully and finally discharged and the Issuer having advised the Security SPV in writing that it has been released from its obligations hereunder; and

4.1.3 be irrevocable as from the date referred to in 4.1.1 until the expiry thereof in terms of 4.1.2.

4.2 Neither the obligations of the Security SPV set out herein, nor the rights, powers and remedies conferred upon the Secured Noteholder in respect of this Guarantee shall be discharged, impaired or otherwise affected by -

4.2.1 the Issuer being liquidated, wound-up (whether provisionally or finally), being placed under business rescue supervision or suffering any similar legal disability or any change in the status, function, control and/or ownership of the Issuer;

4.2.2 any failure to fully take any security now or hereafter agreed to be taken in relation to the obligations of the Security SPV hereunder;

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- 4.2.3 any amendment to any agreement for the time being subsisting between the Security SPV, the Issuer, the Secured Noteholder and/or any other third party;
- 4.2.4 any fluctuation or reduction in, extension for whatever period or temporary extinction of the Issuer's Obligations;
- 4.2.5 any failure to realise or fully realise the value of, or any release, discharge, exchange or substitution of, any security taken in respect of the obligations of the Security SPV hereunder; and/or
- 4.2.6 any other act, event and/or omission which, but for this 4.2, might operate to discharge, impair or otherwise affect any of the obligations of the Security SPV in terms of this Guarantee or any of the rights, powers or remedies conferred upon the Secured Noteholder by law.

4.3 Without derogating from the foregoing provisions of this 4, the Secured Noteholder shall not be obliged, before exercising any rights, powers or remedies conferred upon it in terms of this Guarantee or by law -

- 4.3.1 to make any demand on any third party prior to exercising its rights under this Guarantee;
- 4.3.2 to take any action or obtain any judgement in any court against the Issuer and/or any other third party; or
- 4.3.3 to make, file or prove any claim in the winding-up or dissolution of the Issuer and/or any other third party.

5 **RANKING OF OBLIGATIONS**

The obligations of the Security SPV in terms of this Guarantee and all other guarantees issued by the Security SPV shall at all times constitute direct, unconditional, unsubordinated and unsecured obligations of the Security SPV and shall rank *pari passu* among themselves (save for debts required to be preferred by law), equally with all other unsecured obligations, if any, of the Security SPV from time to time.



6 LIMITATION OF LIABILITY

The Secured Noteholder acknowledges and agrees that the Security SPV shall not be obliged to pay over to the Secured Noteholder any amount of its liability under this Guarantee, except to the extent it has received payment of such amount pursuant to the exercise or perfection by the Security SPV of its rights under the Counter-Indemnity and the Security Documents. In addition and without derogating from the generality of the foregoing, the Security SPV's liability in terms of this Guarantee shall at all times be limited to the amount which the Security SPV recovers in terms of the Counter-Indemnity and any security given in favour of the Security SPV to secure the obligations of the Issuer and Listanl in terms of the Counter-Indemnity.

7 GENERAL PROVISIONS RELATING TO PAYMENT

All payments made by the Security SPV under this Guarantee shall be made -

- 7.1 upon receipt by the Security SPV of the Secured Noteholder's written demand therefor, but after the realisation of the security granted to it for the Issuer's and Listanl's obligations under the Counter-Indemnity (as provided for in 6); and
- 7.2 otherwise in accordance with the Security Documents.

8 RENUNCIATION OF BENEFITS

The Security SPV renounces the benefits of all otherwise applicable legal Immunities, defences and exceptions to the extent that they would or could be applicable in the absence of this renunciation, including the defences and exception of "cessions of action", "excussion", "division", "*de duobus vel pluribus reis debendi* (only liable for a share of the debt)", "*non causa debiti* (no cause of debt)", "*errore calculi* (error in calculation)", "no value received" and "revision of accounts", with the meaning and the effect of which it declares itself to be fully acquainted.



9 REPRESENTATIONS AND WARRANTIES

9.1 The Security SPV makes the representations and warranties to the Secured Noteholder as set out below -

9.1.1 the Security SPV is a limited liability company, duly incorporated in accordance with the laws of South Africa;

9.1.2 the Security SPV has the power to enter into and perform In terms of this Agreement, the Counter-Indemnity and the Security Documents and the transactions contemplated thereby and has taken all necessary action to authorise the entry into and performance of this Agreement and the Security Documents and the transactions contemplated thereby;

9.1.3 this Guarantee constitutes its legal, valid, binding and enforceable obligations;

9.1.4 the entry into and performance by the Security SPV of this Agreement, the Counter-Indemnity and the Security Documents and the transactions contemplated therein do not -

9.1.4.1 conflict with any law or regulation or any official or judicial order;

9.1.4.2 conflict with its constitutional documents;

9.1.4.3 conflict with any agreement or document to which it is a party or which is binding upon it or any of its assets; or

9.1.4.4 result in the creation or imposition of (or enforceability of) any encumbrance on any of its assets or the provisions of any agreement or document;

9.1.5 all authorisations, approvals, consents, licences, exemptions, filings, regulations, notarisations and other matters, official or otherwise, required in connection with the entry into and performance by the Security SPV and the validity and enforceability against it of this Agreement, have been obtained or effected (or, in the case of



registrations, will be so effected within any applicable required period) and, if obtained and effected, are in full force and effect and all fees (if any) payable in connection therewith, if due, have been paid and there has been no default in the performance of any of the terms or conditions thereof which is material to the effectiveness of any of the foregoing.

- 9.2 The representations and warranties set out in this 9 shall survive the execution of this Agreement and shall be deemed to be repeated by the Security SPV in favour of the Secured Noteholder on each day for the duration of this Guarantee, in each case with reference to the facts and circumstances then subsisting as if made at each such time.
- 9.3 The representations and warranties in this 9 and the undertakings in 10 shall come into force on the Signature Date and shall continue until expiry of this Guarantee as contemplated in clause 4.1.

10 UNDERTAKINGS

The Security SPV undertakes that it shall –

- 10.1 not agree to any amendment, variation or modification of the Counter-Indemnity and/or Security Documents without the prior written consent of the Secured Noteholder;
- 10.2 not, prior to the expiry of this Guarantee as contemplated in clause 4.1, agree to release the benefit of the Counter-Indemnity and/or security constituted by the Security Documents without the prior written consent of the Secured Noteholder;
- 10.3 not agree to any replacement, substitution or modification of the security constituted by the Security Documents without the prior written consent of the Secured Noteholder;
- 10.4 not take any action which impairs or may be expected to impair the value of the security constituted by the Security Documents;



- 10.5 not cede its rights nor delegate its obligations under the Counter-Indemnity and/or Security Documents without the Secured Noteholder's prior written consent;
- 10.6 not agree to the cession of rights or delegation of obligations by the Issuer and/or Listant under the Counter-Indemnity and/or Security Documents without the Secured Noteholder's prior written consent.

11 CERTIFICATE

A certificate under the hand of any officer or director of the Secured Noteholder as to the existence and amount of the indebtedness of the Security SPV to the Secured Noteholder at any time, as to the fact that such amount is due and payable, the amount of interest accrued thereon, the rate of interest applicable thereto and/or as to any other fact, matter or thing relating to the indebtedness of the Security SPV ~~to the Secured Noteholder and/or stating that the Security SPV has acted or failed~~ to act in a particular manner shall, in the absence of manifest error, be -

- 11.1 *prima facie* proof of its contents and of their correctness for all purposes;
- 11.2 valid as a liquid document for purposes of any provisional sentence, summary judgment or other proceedings instituted by the Secured Noteholder against the Security SPV; and
- 11.3 deemed to be sufficiently particular for the purposes of pleading or trial in any action or other proceedings instituted by the Secured Noteholder against the Security SPV.

It shall not be necessary to prove the authority and/or appointment of the person signing any such certificate.

12 CESSION AND DELEGATION

- 12.1 The Security SPV shall not be entitled to cede its rights nor delegate its obligations under this Agreement, the Counter-Indemnity and/or Security Documents to any other party without the prior written consent of the Secured Noteholder.



- 12.2 The Secured Noteholder shall be entitled to cede its rights and/or delegate its obligations in terms of this Agreement, to any party to whom it transfers the Secured Notes, without the consent of the Security SPV. The Security SPV Irrevocably and unconditionally consents to any splitting of claims arising in connection with such cession and/or delegation.

13 DOMICILIUM AND NOTICES

- 13.1 The parties choose the *domicilium citandi et executandi* ("**Domicillium**") for all purposes relating to this Guarantee, including the giving of any notice, the payment of any sum, or the serving of any process, as follows -

13.1.1 Security SPV -

Physical	3rd Floor 200 on Main Cnr Main and Bowwood Roads Claremont, 7708 South Africa
Telefax	+27 86 649 2700
Attention	Managing Director

13.1.2 Secured Noteholder -

Physical	1 Ameshoff Street Braamfontein Johannesburg 2001
Telefax	+2711 408 3020
Attention	Liberty Credit Support

- 13.2 A party shall be entitled from time to time, by giving written notice to the other(s), to vary its physical Domicilium to any other physical address (not being a post office box or poste restante) within South Africa, and to vary its facsimile Domicillium to any other facsimile number.



- 13.3 Any notice given or payment made by a party to the other(s) which is delivered by hand between the hours of 09:00 and 17:00 on any Business Day to the physical Domicilium of such other(s) for the time being shall be deemed to have been received at the time of delivery.
- 13.4 Any notice given by a party to the other(s) which is successfully transmitted by facsimile to the facsimile Domicilium of the other(s) for the time being shall be deemed (unless the contrary is proved) to have been received on the day immediately succeeding the date of successful transmission thereof.
- 13.5 This 11 shall not operate so as to invalidate the giving or receipt of any written notice which is actually received by a party other than by a method referred to in this 11.
- 13.6 Any notice in terms of or in connection with this Guarantee shall be valid and effective only if in writing and if received or deemed to be received by the party receiving such notice.

14 SEVERABILITY

All provisions of this Guarantee are, notwithstanding the manner in which they have been grouped together or linked grammatically, severable from each other. Any provision of this Guarantee which is or becomes unenforceable, whether due to voidness, invalidity, illegality, unlawfulness or for any other reason whatever, shall, only to the extent that it is so unenforceable, be treated as *pro non scripto* and the remaining provisions of this Guarantee shall remain of full force and effect. The parties declare that it is their intention that this Guarantee would be executed without such unenforceable provision if they were aware of such unenforceability at the time of the execution hereof.

15 COSTS

The Issuer shall immediately indemnify the Security SPV against the amount of any costs, charges and expenses of whatever nature incurred by the Security SPV in its sole and absolute discretion in securing or endeavouring to secure fulfilment of the Issuer's Obligations or in otherwise exercising the Security SPV's rights in terms of this Guarantee, including collection commission, tracing charges and legal costs on the scale as between an attorney and his own client, insurance premiums, storage



charges, stamp duties, taxes and other fiscal charges, agent's and auctioneer's commissions and all other reasonable and actual costs and expenses of valuation, maintenance, advertising and realisation.

16 GOVERNING LAW AND JURISDICTION

- 16.1 This Guarantee shall in all respects (including its existence, validity, interpretation, implementation, termination and enforcement) be governed by the laws of South Africa.
- 16.2 The parties hereby consent and submit to the non-exclusive jurisdiction of the High Court of South Africa Gauteng Local Division, Johannesburg in respect of any dispute or claim arising out of or in connection with this Guarantee.

17 GENERAL

- 17.1 ~~This Guarantee constitutes the sole record of agreement between the parties~~ thereto in relation to the subject matter thereof. No party shall be bound by any express, tacit or implied term, representation, warranty, promise or the like not recorded in this Guarantee. Accordingly this Guarantee supersedes and replaces all prior commitments, undertakings or representations, whether oral or written, between the parties to this Guarantee in respect of the subject matter thereof.
- 17.2 No addition to, variation, novation or agreed cancellation of any provision of this Guarantee shall be binding upon the parties unless reduced to writing and signed by or on behalf of the parties.
- 17.3 No indulgence or extension of time which a party may grant to the other party shall constitute a waiver of or, whether by estoppel or otherwise, limit any of the existing or future rights of the grantor in terms thereof, save in and to the event that the grantor has signed a written document expressly waiving or limiting such right.
- 17.4 Without prejudice to any other provision of this Guarantee, any successor-in-title, including any executor, heir, liquidator, business rescue practitioner, curator or trustee, of a party shall be bound by the provisions of this Guarantee.



- 17.5 This Guarantee may be executed in any number of counterparts and the signature by a party of a counterpart of this Guarantee shall be as effective as if that party had signed the same document as the other party/ies to the Guarantee.
- 17.6 Each of the parties acknowledge that it has been free to secure independent legal and/or other advice as to the nature and effect of and all of the provisions of this Guarantee and that it has either taken such Independent legal and/or other advice or has dispensed with the necessity of doing so. Further, each of the parties acknowledge that all of the provisions of this Guarantee and the restrictions therein contained are fair and reasonable in all the circumstances and are part of the overall intention of the parties in connection with this Guarantee.

Signed at Cape Town on 23 November 2015
For Investec Property Fund Security SPV
(RF) Proprietary Limited


who warrants that he is duly
authorised hereto

Signed at _____ on _____ 2015
For Liberty Group Limited, acting through
its Libfin division

who warrants that he is duly
authorised hereto



- 17.5 This Guarantee may be executed in any number of counterparts and the signature by a party of a counterpart of this Guarantee shall be as effective as if that party had signed the same document as the other party/ies to the Guarantee.
- 17.6 Each of the parties acknowledge that it has been free to secure independent legal and/or other advice as to the nature and effect of and all of the provisions of this Guarantee and that it has either taken such independent legal and/or other advice or has dispensed with the necessity of doing so. Further, each of the parties acknowledge that all of the provisions of this Guarantee and the restrictions therein contained are fair and reasonable in all the circumstances and are part of the overall intention of the parties in connection with this Guarantee.

Signed at _____ on _____ 2015
For Investec Property Fund Security SPV
(RF) Proprietary Limited

who warrants that he is duly
authorised hereto

Signed at BRAAMFONTEIN on 23 NOVEMBER 2015
For Liberty Group Limited, acting through
its Libfin division

who warrants that he is duly
authorised hereto



Signed at *Braunfels*

on *23 November* 2015

For Liberty Group Limited, acting through
its Libfin division

M. Humerick
who warrants that he is duly
authorised hereto

ad
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