

Residual Debt Services Limited (in curatorship)

RESIDUAL DEBT SERVICES LIMITED ("RDS") - STUB INSTRUMENTS FACE VALUES

Introduction

The exchange offer, as detailed in the Offering Information Memorandum ("OIM") issued on 4 February 2016, was successfully implemented on 4 April 2016. The OIM, inter alia, detailed the creation of a new bank (African Bank Limited) and the transfer of the core assets and business to the new African Bank Limited, which received an injection of R10 billion from its new parent, African Bank Holdings Limited (the "Transaction").

The material liabilities of Residual Debt Services Limited ("RDS") were exchanged, as part of the Transaction, for new instruments held in African Bank Limited, together with certain residual claims on the assets of RDS – "senior stub instruments" and "sub-ordinated stub instruments" and a partial cash settlement.

Stub instruments' carrying values

In terms of the exchange offer executed on 4 April 2016, three distinct tranches of stub instruments were issued with specific terms and conditions and applicable term sheets.

In order to assist holders of the various types of stub instruments to calculate their contractual carrying values for their respective holdings, the detailed calculations below have been provided for this purpose. The three categories of stub instruments are:

1. Transferable senior stub instruments (ZAU000014557) with a nominal value of R3 972 899 102 and an interest commencement date of 10 August 2014;
2. Non-transferable senior stub instruments (ZAU000014540) with a nominal value of R1 326 100 and an interest commencement date of 10 August 2014; and
3. Transferable subordinated stub instruments (ZAU000014532) with a nominal value of R3 620 892 415 and an interest commencement date of 4 April 2016.

Please note that the values disclosed are the contractual carrying values and **do not** necessarily represent the fair values or market values of these instruments.

Senior stub holders (transferable and non-transferable) instruments issued as part of the exchange offer effected on 4 April 2016 represent their proportionate share of the total transferable instrument value of R3 972 899 102 and total non-transferable instrument value of R1 326 100 respectively, being the nominal values as at 10 August 2014. So for example if you received, as part of the exchange offer, R1 000 000 transferable senior stub instruments (ZAU000014557), your holding has a contractual face value of R1 375 686 (R1 000 000/3 972 899 102 multiplied by R5 465 461 245 (30 November 2017 total face value)).

The three distinct contractual face values are updated on a monthly basis and posted on the RDS webpage.

Disclaimer:

This release must be read in conjunction with the OIM. Nothing in this statement should be considered to alter the legal terms and conditions agreed to and detailed in the OIM and pursuant to the Transaction. The curator of RDS does not make any representation that all relevant information has been disclosed in this release, nor does he accept any responsibility for the accuracy, completeness, validity or correctness of the statements made in this release or any other document

T Winterboer was appointed as curator of Residual Debt Services Limited ("RDS"), previously named African Bank Limited on 10 August 2014 by the Minister of Finance of the Republic of South Africa and pursuant to the Banks Act No. 94 of 1990 (as amended) to manage the affairs of RDS subject to the supervision of the Registrar of Banks.

prepared in connection with this release or any omissions therefrom. Holders should seek their own independent financial, legal and tax advice on the merits and on the consequences of this release.

1. Transferable senior stub instruments (ZAU000014557)

						Transferable Senior Stub (ZAU000014557)	
						Nominal as at 10 Aug'14	3 972 899 102
						Spread Over 3m Jibar	300
						Today's Date	01-Dec-17
Reset/Value Date	Weekday	Jibar Reset	3M Jibar plus Spread	CashFlows (PMT)	Capitalised Principal		
10-Aug-14	08-Aug-14						3 972 899 102
10-Nov-14	10-Nov-14	6.025%	9.025%				4 063 274 393
10-Feb-15	10-Feb-15	6.092%	9.092%				4 156 391 729
10-May-15	11-May-15	6.100%	9.100%				4 249 654 327
10-Aug-15	11-Aug-15	6.125%	9.125%				4 347 396 376
10-Nov-15	10-Nov-15	6.300%	9.300%				4 448 196 419
10-Feb-16	10-Feb-16	6.333%	9.333%				4 552 837 010
04-Apr-16	04-Apr-16	6.983%	9.983%				4 620 079 544
10-May-16	10-May-16	6.983%	9.983%	-			4 664 907 899
10-Aug-16	10-Aug-16	7.308%	10.308%	-			4 786 110 642
10-Nov-16	10-Nov-16	7.358%	10.358%	-			4 911 065 632
10-Feb-17	10-Feb-17	7.358%	10.358%	-			5 039 282 926
10-May-17	10-May-17	7.350%	10.350%	-			5 166 459 240
10-Aug-17	10-Aug-17	7.342%	10.342%	-			5 301 135 952
10-Nov-17	10-Nov-17	7.058%	10.058%	-			5 435 528 608
30-Nov-17	30-Nov-17	7.050%	10.050%	-			5 465 461 245

2. Non-transferable senior stub instruments (ZAU000014540)

						Non-Transferable Senior Stub (ZAU000014540)	
						Nominal as at 10 Aug'14	1 326 100
						Spread Over 3m Jibar	300
						Today's Date	01-Dec-17
Reset/Value Date	Weekday	Jibar Reset	3M Jibar plus Spread	CashFlows (PMT)	Capitalised Principal		
10-Aug-14	08-Aug-14						1 326 100
10-Nov-14	10-Nov-14	6.025%	9.025%				1 356 266
10-Feb-15	10-Feb-15	6.092%	9.092%				1 387 347
10-May-15	11-May-15	6.100%	9.100%				1 418 477
10-Aug-15	11-Aug-15	6.125%	9.125%				1 451 102
10-Nov-15	10-Nov-15	6.300%	9.300%				1 484 748
10-Feb-16	10-Feb-16	6.333%	9.333%				1 519 675
04-Apr-16	04-Apr-16	6.983%	9.983%				1 542 120
10-May-16	10-May-16	6.983%	9.983%	-			1 557 083
10-Aug-16	10-Aug-16	7.308%	10.308%	-			1 597 539
10-Nov-16	10-Nov-16	7.358%	10.358%	-			1 639 247
10-Feb-17	10-Feb-17	7.358%	10.358%	-			1 682 045
10-May-17	10-May-17	7.350%	10.350%	-			1 724 494
10-Aug-17	10-Aug-17	7.342%	10.342%	-			1 769 448
10-Nov-17	10-Nov-17	7.058%	10.058%	-			1 814 306
30-Nov-17	30-Nov-17	7.050%	10.050%	-			1 824 297

3. Transferable subordinated stub instruments (ZAU000014532).

Subordinated Stub (ZAU000014532)					
				Bal on 04 April 2016	3 620 892 415
				Spread Over 3m Jibar	500
				Today's Date	01-Dec-17
Reset/Value Date	Weekday	Jibar Reset	3M Jibar plus Spread	CashFlows (PMT)	Capitalised Principal
04-Apr-16	04-Apr-16				3 620 892 415
04-Jul-16	04-Jul-16	7.233%	12.233%		3 731 324 971
04-Oct-16	04-Oct-16	7.358%	12.358%		3 847 551 757
04-Jan-17	04-Jan-17	7.358%	12.358%		3 967 398 883
04-Apr-17	04-Apr-17	7.358%	12.358%		4 088 292 592
04-Jul-17	04-Jul-17	7.375%	12.375%		4 214 427 619
04-Oct-17	04-Oct-17	7.350%	12.350%		4 345 617 555
30-Nov-17	30-Nov-17	6.992%	11.992%		4 426 998 947