

AFRICAN BANK LIMITED (UNDER CURATORSHIP)

(Registration number 1975/002526/06)

(incorporated with limited liability in the Republic of South Africa)

(to be renamed Residual Debt Services Limited (under Curatorship) on or around 4 April 2016)

Issue of ZAR 3,972,899,101.87 Unsecured Transferable Floating Rate Senior Stub Instruments (the "Senior Stub Instruments")

The Senior Stub Instruments are issued by and constitute an unlisted claim against African Bank Limited (under Curatorship) (to be renamed Residual Debt Services Limited (under Curatorship) on or around 4 April 2016) (the "Issuer"). The Senior Stub Instruments are not expected to be rated.

Issuer:	African Bank Limited (under Curatorship) (to be renamed Residual Debt Services Limited (under Curatorship) on or around 4 April 2016), 59, 16 th Road, Midrand, 1685, South Africa.
Form of Senior Stub Instruments:	Unlisted registered transferable Senior Stub Instruments: The Senior Stub Instruments are issued in uncertificated form and held in Strate Proprietary Limited, being a registered central securities depository in terms of the Financial Market Act, 2012, and are capable of being held in Euroclear, Clearstream, Luxembourg or SIS (as applicable) via their respective bridge accounts with their relevant South African central securities depository participant(s).
Issue Date:	4 April 2016.
Interest:	JIBAR plus 300 basis points, capitalised (if unpaid) quarterly, i.e. 10 August, 10 November, 10 February and 10 May of each year commencing on 10 August 2014, calculated on an Actual/365 basis. The Senior Stub Instruments have no fixed interest payment profile. Payments under the Senior Stub Instruments are subject, <i>inter alia</i> , to the discharge in full of prior ranking claims.
Party responsible for calculating amount of principal and interest:	African Bank Limited (under Curatorship) (to be renamed Residual Debt Services Limited (under Curatorship) on or around 4 April 2016).
Assurances:	Pari Passu Clause (for details see condition 5 of Appendix D (Terms and Conditions of the Stub Instruments) of the Exchange Offer Document (as defined below)).
Governing Law and Jurisdiction:	The validity of the Senior Stub Instruments, their interpretation, the respective rights and obligations of the Issuer and the Senior Stub Holders and all other matters arising in any way out of the Senior Stub Instruments or their performance shall be determined in accordance with the laws of the Republic of South Africa. Furthermore, the courts of South Africa shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Senior Stub Instruments or the Terms and Conditions of the Stub Instruments and, accordingly, any suit, action or proceedings arising out of or in connection with the foregoing may be brought only in such courts.
ISIN:	ZAU000014557

GENERAL INFORMATION

This Swiss prospectus (the "**Swiss Prospectus**") shall be read and construed on the basis that the EMTN consent and exchange offer document dated 4 February 2016 (the "**Exchange Offer Document**") which is available on www.africanbank.co.za or <https://www.africanbank.co.za/about-us/investors>, is deemed to be incorporated in, and to form part of, this Swiss Prospectus.

Except as otherwise stated in this Swiss Prospectus, terms defined in the Exchange Offer Document shall have the same meaning in this Swiss Prospectus.

Notice to Investors

The specific terms of the Senior Stub Instruments set out in the Senior Stub Instrument Term Sheet on page 4 hereof must be read in conjunction with the Terms and Conditions of the Stub Instruments included in Appendix D of the Exchange Offer Document.

The Senior Stub Instruments are governed by the laws of the Republic of South Africa. The place of jurisdiction shall be the courts of South Africa (see front page).

Investors are advised to familiarise themselves with the entire content of this Swiss Prospectus (including, for the avoidance of doubt, the Exchange Offer Document and Appendix D thereto).

Authorisation

The Issuer has obtained all necessary approvals and authorisations in connection with the issue and performance of the Senior Stub Instruments. The issue of the Senior Stub Instruments was authorised by a resolution of the Curator of the Issuer on 17 March 2016.

Board of Directors

The board of directors of the Issuer comprises of the following directors (whose powers have been suspended from 10 August 2014, the date curatorship commenced):

Name	Designation	Date resigned
Mutle Constantine Mogase	Independent non-executive chairman	16 October 2015
Nicholas (Nic) Adams	Independent non-executive director	10 November 2015
Mojankunyane Florence (Mojanku) Gumbi	Independent non-executive director	23 February 2015
Jacobus Dorotheus Maria Gerardus (Jack) Koolen (deceased)	Independent non-executive director	
Nomalizo Beryl (Ntombi) Langa-Royds	Independent non-executive director	
Morris Mthombeni	Independent non-executive director	
Robert John (Johnny) Symmonds	Independent non-executive director	19 October 2015

Name	Designation	Date resigned
Nithiananthan (Nithia) Nalliah	Executive director	31 March 2015

Register

The Issuer is registered as a public company under registration number 1975/002526/06 (registration date: 31 July 1975) for an unlimited duration, with the Companies Registration Office, which registration is valid as if it is registered under the Companies and Intellectual Property Commission established under section 185 of the SA Companies Act. With effect from the Transaction Effective Date the banking licence of the Issuer is expected to be cancelled.

Capital Structure

The Issuer's equity share capital is ZAR 14.404 billion and it has issued 121,251,512 ordinary par value shares (at a par value of ZAR 1 each).

Dividends paid by the Issuer for the Financial Years 2011, 2012, 2013, 2014 and 2015 (ZAR)

During the previous five years, the Issuer has paid the following dividends in the following total amounts per year:

2011	2012	2013	2014	2015
ZAR 377 million	ZAR 234 million	ZAR nil	ZAR nil	ZAR nil

Audited Annual Financial Statements

The audited annual financial statements of the Issuer for the year ended 30 September 2015 shall be deemed to be incorporated in, and to form part of, this Swiss Prospectus.

Copies of the audited annual financial statements incorporated by reference in this Swiss Prospectus are available for viewing on www.africanbank.co.za or <https://www.africanbank.co.za/about-us/investors>.

Availability of Documents

Copies of this Swiss Prospectus and the documents incorporated by reference will be available, free of charge, at www.africanbank.co.za or <https://www.africanbank.co.za/about-us/investors> and Bär & Karrer AG, Brandschenkestrasse 90, 8027 Zurich, Switzerland (telephone: +41 58 261 50 00, facsimile: +41 58 263 50 01 or email: till.spillmann@baerkarrer.ch) and African Bank Limited (under Curatorship) (to be renamed Residual Debt Services Limited (under Curatorship) on or around 4 April 2016) (telephone: +2711 2569000 or email: treasury@africanbank.co.za).

African Bank Limited (under Curatorship) (to be renamed Residual Debt Services Limited (under Curatorship) on or around 4 April 2016)

SENIOR STUB INSTRUMENT TERM SHEET

SENIOR STUB INSTRUMENT TERM SHEET

RESIDUAL DEBT SERVICES LIMITED

(Under Curatorship)

(formerly known as African Bank Limited (under Curatorship), incorporated with limited liability in the Republic of South Africa under Registration Number 1975/002526/06)

Issue of ZAR3 972 899 101.87 Unsecured Transferable Floating Rate Senior Stub Instruments Under the Stub Instrument Terms and Conditions

This document constitutes the Stub Instrument Term Sheet relating to the issue of Senior Stub Instruments 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 document titled **TERMS AND CONDITIONS OF THE STUB INSTRUMENTS** dated 4 April 2016 as amended or supplemented from time to time as available on the following websites: www.africanbank.co.za or <http://www.africanbank.co.za/about-us/investors> (the "**Stub Instrument Terms and Conditions**"). The Senior Stub Instruments described in this Senior Stub Instrument Term Sheet are subject to the Stub Instrument Terms and Conditions and this Senior Stub Instrument Term Sheet must be read in conjunction with such Terms and Conditions. To the extent that there is any conflict or inconsistency between the contents of this Senior Stub Instrument Term Sheet and the Stub Instrument Terms and Conditions, the provisions of this Senior Stub Instrument Term Sheet shall prevail.

DESCRIPTION OF SENIOR STUB INSTRUMENTS

1. Issuer	Residual Debt Services Limited (Under Curatorship)
2. ISIN No.	ZAU000014557
3. Nominal Amount:	ZAR3 972 899 101.87
4. Status of Senior Stub Instruments	Senior Unsecured
5. Series	Transferable Series
6. Tranche Number	1
7. Transferability	Transferable
8. Form of Senior Stub Instruments	Unlisted registered Senior Stub Instruments: The Senior Stub Instruments in this Tranche are issued in uncertificated form in the CSD
9. Issue Date	4 April 2016
10. Interest Commencement Date	10 August 2014
11. Quarter Commencement Dates	each of 10 August, 10 November, 10 February and 10 May of each year commencing on the Interest Commencement Date
12. Party responsible for calculating amount of principal and interest	Residual Debt Services Limited (Under Curatorship)
13. Day Count Fraction	Actual/365

SIGNED at Midrand, South Africa, on 4 April 2016

For and on behalf of

RESIDUAL DEBT SERVICES LIMITED formerly known as **African Bank Limited**
(Under Curatorship)

Name: Thomas Winterboer

Title: Curator

Date: 4 April 2016