
SUBORDINATED 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 620 892 414.57 Subordinated Unsecured

Transferable Floating Rate Stub Instruments

Under the Stub Instrument Terms and Conditions

This document constitutes the Stub Instrument Term Sheet relating to the issue of Subordinated 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 Subordinated Stub Instruments described in this Subordinated Stub Instrument Term Sheet are subject to the Stub Instrument Terms and Conditions and this Subordinated 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 Subordinated Stub Instrument Term Sheet and the Stub Instrument Terms and Conditions, the provisions of this Subordinated Stub Instrument Term Sheet shall prevail.

DESCRIPTION OF SUBORDINATED STUB INSTRUMENTS

1. Issuer	Residual Debt Services Limited (under Curatorship)
2. ISIN No.	ZAU000014532
3. Nominal Amount	ZAR3 620 892 414.57
4. Status of Subordinated Stub Instruments	Subordinated Unsecured
5. Series	Transferable Series
6. Tranche Number	1
7. Transferability	Transferable
8. Form of Subordinated Stub Instruments	Unlisted registered Subordinated Stub Instruments: The Subordinated Stub Instruments in this Tranche are issued in uncertificated form in the CSD
9. Issue Date	4 April 2016
10. Interest Commencement Date	The Issue Date
11. Quarter Commencement Dates	each of 4 April, 4 July, 4 October and 4 January of each year commencing on 4 April 2016
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)

Signed by Thomas Winterboer on 4 April 2016.

Name: Thomas Winterboer

Title: Curator

Date: 4 April 2016