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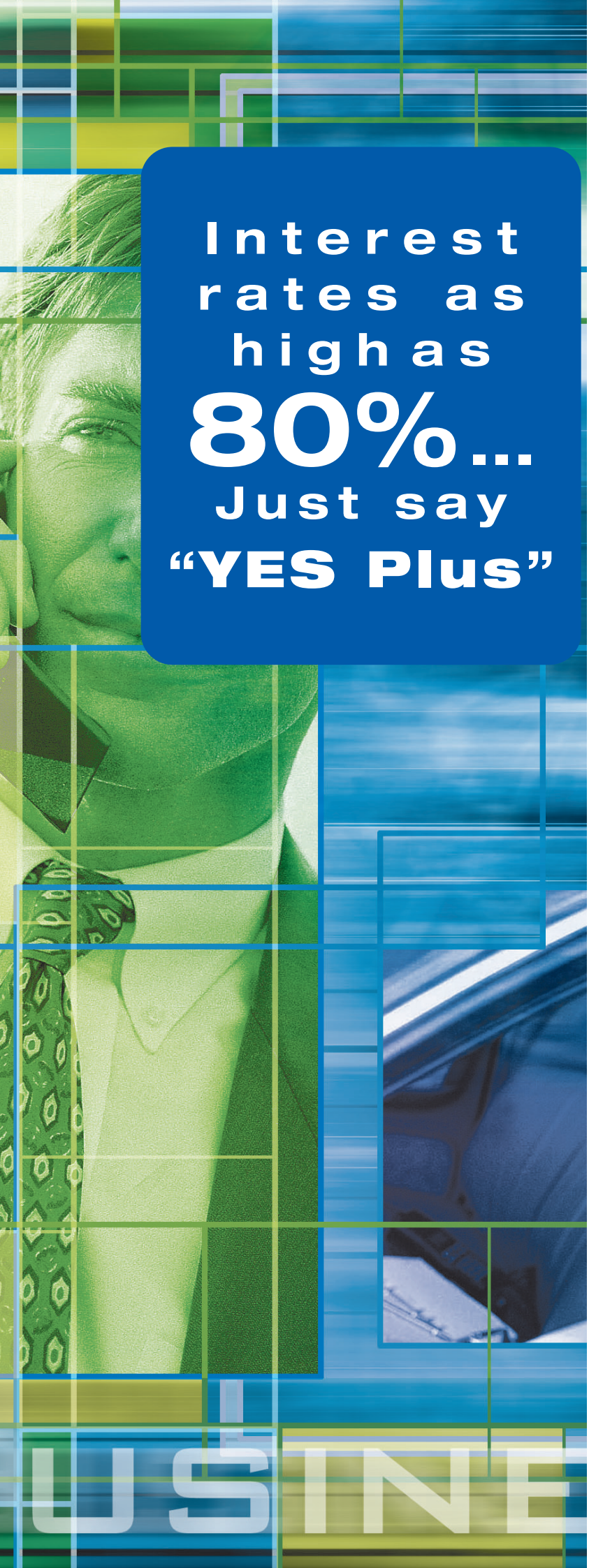
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Yield Enhanced Security Plus ("YES Plus")



SCMB
Standard Corporate and Merchant Bank

Just say "YES Plus"



What is the SCMB Yield Enhanced Security Plus ("YES Plus")?

Offered by Standard Corporate and Merchant Bank, the Yield Enhanced Security "Plus" "YES Plus" is an exciting variation to SCMB's popular Yield Enhanced Security "YES" product which will appeal to investors looking for extra yield.

The new "YES Plus" as with the original "YES" gives investors the chance to earn very attractive rates of interest especially during times of consolidation in a particular stock or the share market.

For investors who believe that the market is unlikely to move significantly in either direction in the short term, "YES Plus" will provide an investment that may outperform cash and direct shares.

Key benefits

- Earn a fixed interest rate of approximately 15% to 80% a year.
- Choose from an extensive range of leading South African shares and indices.
- New series available fortnightly.
- Reinvestment option available.

Risks

"YES Plus" is a very high yielding investment. As such, generally higher yields bring increased risks. If the market price of the underlying share at maturity is below the purchase price or above the capped price of the investment then holders may lose money on their investment.

A more comprehensive description of the risks appears in the terms and conditions published with the SCMB "YES Plus" application form.

How does it work?

1. Apply for the Yield Enhanced Security Plus ("YES Plus") with a minimum investment of R50 000.
2. Link your investment to a choice of approximately 15 different leading South African companies or the ALSI40.
3. Invest for either 42 days or 84 days.
4. The purchase price of the security is at a discount to the market price of the shares (typically 90%) on the issue date.
5. The capped price of the security is at a premium to the market price of the shares (typically 110%) on the issue date.
6. If, when the investment matures, the share price is at or above the purchase price and at or below the capped price of the "YES Plus", you'll receive your principal amount back plus interest. You may choose to reinvest the principal amount.
7. If the shares are trading below the purchase price of the "YES Plus" at maturity, you'll receive either a reduced maturity payment or the equivalent value in shares, plus your interest.

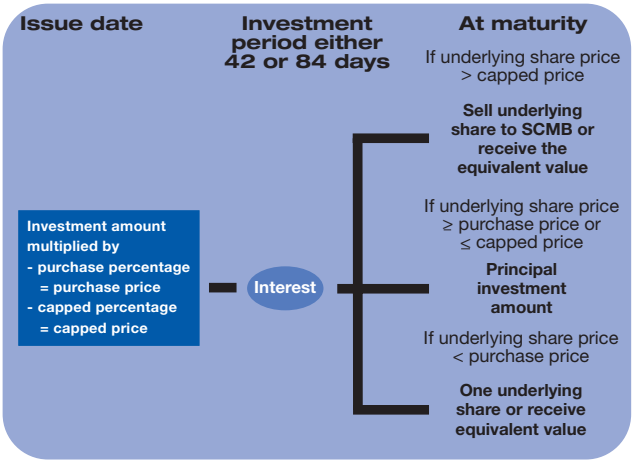
8. If the shares are trading above the capped price of the "YES Plus" at maturity, you'll receive either a reduced maturity payment or you may sell the underlying shares to SCMB at the capped price. The ALSI 40 "Yes Plus" is cash settled only. You also receive your interest.
9. In either event, at maturity you will receive your fixed interest amount.

Is this investment suited to you?

The Yield Enhanced Security ("YES") suits investors who:

- Would like to earn a very attractive rate of interest on their investment.
- Have a mildly negative short-term view of the market (or a stock) but want to earn higher interest and are prepared to purchase shares for their long-term portfolio at a discount to current market values.
- Have a neutral view on the market (or a stock) but want to earn higher interest on their cash until they establish a stronger directional view of the market.
- Have a mildly positive short-term view of the market (or a stock) and would like to earn above-market yields on their cash. They believe the income generated would be greater than that achieved from an investment in shares at current market values over the term of the investment.
- The investor may also believe that levels above the current market price would constitute a good sale price for stock already held.

SCMB Yield Enhanced Security Plus



What happens when your investment matures?

Dependant on the investment period chosen "YES Plus" will mature in either 42 days or 84 days from purchase. There are only three possible outcomes when the security matures:

1. The value of the underlying shares is at or above the purchase price or at or below the capped price of the investment; you get your principal investment back; plus your interest amount.
2. The value of the underlying shares is below the purchase price; you receive either a reduced maturity payment equal to that value or the underlying shares; plus your interest amount.
3. The value of the underlying shares is above the capped price; you receive either a reduced maturity payment or can sell the underlying shares to SCMB at the capped price; plus your interest amount.

Regardless of the underlying share price, you'll receive your interest at maturity (less costs if you are purchasing or selling the underlying shares).

Flexibility to reinvest

To continue earning attractive interest rates on your investment you may reinvest for another investment period when your current investment matures, either 42 days or 84 days.

The reinvestment option is only available if you receive your principal amount back at maturity and will be invested into the same underlying security unless notice is given to SCMB, this reinvestment may be at different interest rates.

"YES Plus" example 1

Underlying share:	AGL (Anglo American PLC)
Investment:	R50 000
Interest rate:	36,17% p.a.
Investment term:	42 days
Share price on issue date:	R150,00
Purchase price percentage:	90%
Purchase price:	R135.00 (R150,00 x 90%)
Capped price percentage:	110%
Capped price:	R165,00 (R150,00 x 110%)
Securities purchased:	370 (R50 000/R135,00)

- The investor buys 370 securities at R135,00 each.
- At maturity, the investor receives R2 081,00 interest for the 42 day period regardless of the underlying share price at maturity.
- In addition to the interest, if the underlying share price is at or above R135,00, and, at or below R165,00, the full investment amount of R50 000 is returned or can be reinvested.
- However, if the underlying share price is below R135,00, the investor should receive a maturity payment equal to the value of 370 AGL shares plus the interest. The maturity payment may be used to acquire 370 AGL shares after the purchase order. As with standard share purchases any transaction costs associated with the product is subtracted from interest payable on the securities.
- Further, if the underlying share price is above R165,00, the investor will receive a maturity payment equal to R50 000 less the difference of the underlying share price and the capped price, multiplied by 370. The investor may also in this case choose to sell the underling parcel of 370 shares to SCMB at the capped price and receive back his investment amount.

“YES Plus” example 2

Underlying index:	ALSI40
Investment:	R50 000
Interest rate:	27,52% p.a.
Investment term:	42 days
Index level on issue date:	9 000
Purchase price percentage:	95%
Purchase price (level):	8 550 (9 000 x 95%)
Capped price percentage:	105%
Capped price (level):	9 450 (9 000 x 105%)
Contracts purchased:	5,8480 (R50 000/8 550)

- The investor buys 5,8480 contracts at an index level of 8 550 each.
- At maturity, the investor receives R1 583,34 interest for the 42 day period regardless of the ALSI40 level at maturity.
- In addition to the interest, if the ALSI40 is at or above 8 550, and at or below 9 450, the full investment amount of R50 000 is returned or can be reinvested.
- However, if the ALSI40 is below 8 550, the investor will receive a maturity payment equal to 5,8480 contracts multiplied by the ALSI40 level on maturity, plus the interest.
- Further, if the ALSI40 level is above 9 450, the investor will receive a maturity payment equal to R50 000 less the difference of the ALSI40 maturity level and the capped price, multiplied by 5,8480 contracts.

Where do I get the interest rates from?

A term sheet with the current interest rates is published for each share in a new series. This is available on our Internet web site at ***www.scmb.co.za/yes***.

How to apply

Applications for the Yield Enhanced Security Plus “YES Plus” must be made on the application form. This application form is available through your stockbroker, financial advisor, our web site or SCMB directly.

Need more info?

Please contact your stockbroker or financial advisor for more information, a current term sheet and application forms.

Contact

You may also call us on 0800 111 780 or visit our web site at www.scmb.co.za/yes.

A term sheet with the current interest rates is published for each share in a new series. These are available on our Internet website at www.scmb.co.za/yes. It is the opinion of SCMB that interest earned from “YES” is fully taxable. Of course, each individual should receive their own independent tax advice.

Great ideas don’t keep office hours.

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