Yield Enhanced Security

SCMB
Standard Corporate
and Merchant Bank

Just say "YES"

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

Offered by Standard Corporate and Merchant Bank, the Yield Enhanced Security "YES" is an exciting innovation in the South African share market and will appeal to a wide range of investors.

The product gives investors the chance to earn very attractive rates of interest especially during times of consolidation in the share market.

For investors who believe that the market is unlikely to move significantly in either direction in the short term, "YES" provides an investment that may outperform cash and direct shares. Investors may also consider "YES" as a lower risk alternative to directly investing in shares.

Key benefits

- Earn a fixed interest rate of approximately 13% to 30% a year.
- Choose from an extensive range of leading South African shares.
- New series available fortnightly.
- Reinvestment option available.

Risks

Whilst offering lower risk than a direct investment in the underlying shares, the performance of the "YES" depends on movements in those shares. If the market price of the underlying share at maturity is below the purchase price of the investment then holders may lose money on their investment.

A more comprehensive description of the obligations and risks appears in the terms and conditions published with the SCMB Yield Enhanced Security application form.

How does it work?

1. Apply for the Yield Enhanced Security ('YES') with a minimum investment of R50 000.
2. Link your investment to a choice of approximately 15 different leading South African companies.
3. Invest for approximately three months.
4. The purchase price of the security is 90% of the market price of the shares on the issue date.
5. If, when the investment matures, the share price is above the purchase price of the "YES", you'll receive

your principal amount back plus interest. You may choose to reinvest your principal.

6. If the shares are trading below the purchase price of the “YES”, you’ll receive either a reduced maturity payment or the equivalent value in shares.
7. In either event, at maturity you’ll 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 10% below 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.

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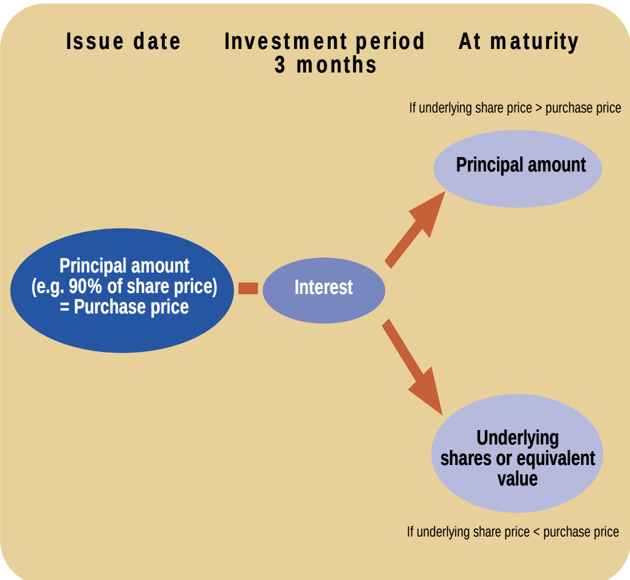

What happens when your investment matures?

The investment will mature about three months from purchase. There are two possible outcomes when the security matures:

1. The value of the underlying shares is at or above the purchase price of the investment and you get your principal investment back (which can be reinvested).
2. The value of the underlying shares is below the purchase price and you get either the underlying shares or a reduced maturity payment equal to that value.

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

Flexibility to reinvest

To continue earning attractive interest rates on your investment you may reinvest for another three months when your current investment matures.

The reinvestment option is only available if you receive your principal investment amount back at maturity.

An example

Underlying share:	Dimension Data Holdings plc (DDT)
Investment:	R50 000
Interest rate:	24,44% p.a.
Investment term:	84 days
Share price on issue date:	R55,60
Purchase price percentage:	90%
Principal amount (purchase price):	R50,04 (R55,60 x 90%)
Securities purchased:	999 (R50 000/R50,04)

- The investor can buy 999 securities at R50,04 each.
- At maturity, the investor receives R2 812 interest for the period regardless of the underlying share price at maturity.
- In addition to the interest, if the underlying share price is at or above R50,04 the full investment of R50 000 is returned.
- However, if the underlying share price is below R50,04 the investor will receive a maturity payment equal to the value of 999 DDT shares plus the interest. The maturity payment may be used to acquire 999 DDT 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.

Sample interest rates

Underlying share	JSE Code	Interest rate (%P.A.)
Anglo American plc	AGL	16,49%
Anglo American Platinum Corporation Ltd	AMS	19,01%
Billiton plc	BIL	20,49%
BOE Ltd	BOE	18,79%
Dimension Data Holdings plc	DDT	24,44%
Datatec Ltd	DTC	31,84%
First Rand Ltd	FSR	14,30%
M-Cell Ltd	MCE	25,93%
Nedcor Bank Ltd	NED	13,74%
Old Mutual plc	OML	13,91%
Richemont Securities AG	RCH	13,25%
RMB Holdings Ltd	RMH	15,24%
Sanlam Ltd	SLM	15,24%
Sasol Ltd	SOL	16,75%
Venfin Ltd	VNF	21,56%

This sample is based on market conditions as at the 6th of February, 2001 for a series that would mature 30 April 2001.

A term sheet with the current interest rates is published for each share in a new series.
These are available on our Internet web site 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.

How to apply

Applications for the Yield Enhanced Security 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 0860 121 161 or visit our web site at www.scmb.co.za/yes

Great ideas don't keep office hours.

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