SCMB YIELD ENHANCED SECURITY
"YES" Application form

SCMB
Standard Corporate and Merchant Bank

Please send to: YES applications, Equity Derivatives, SCMB,
5th floor, entrance 1, 3 Simmonds Street,
Johannesburg 2001 or
P O Box 61309, Marshalltown 2107,
or telefax to (011) 636-2822/ (011) 631-6132.

Series Number (applicant to fill in): ______________________

Broker stamp

APPLICANTS DETAILS

1. INDIVIDUAL

Title:
Surname:
First name:
Address:

Postal address:
(if it is the same as the physical write "as above")

Occupation:
Employer:
Business address:

Telephone: Home: Business: Cell:
E-mail address:
Home language: Male ☐ Female ☐
ID/Passport: *(attach copy)*

2. CORPORATIONS (COMPANIES AND CLOSE CORPORATIONS)

Full name:
Registration no.:
Registered office
Physical address:

Postal address:

Telephone: Fax:
E-mail address:
Authorised representative:
Type of business

Attach Certificate of Incorporation, Memorandum and Articles of Association and Resolution

3. PARTNERSHIP/TRUST

Full name:
Master trust no.:
Physical address:

Postal address:

Telephone: Fax:
E-mail address:
Authorised representative:

Attach partnership agreement, trust deed and resolution

BANK ACCOUNT DETAILS

Bank: Branch:

Branch code (6 digit): Account name:

Account number:

STOCK ACCOUNT DETAILS

Broker:

Account name:

Account number:

(if no stock account, Standard will contact the applicant)

DETAILS OF INVESTMENT

Series number (applicant to fill in): ______________________ (Minimum total investment amount R50,000.00)

Underlying security	JSE code	Minimum application	Investment amount	Interest percentage rate – applicable to the above series number	Purchase price percentage (i.e. 90%)
Anglo American PLC	AGL	R25,000.00			
Amplats	AMS	R25,000.00			
Billiton	BIL	R25,000.00			
BOE	BOE	R25,000.00			
Didata	DDT	R25,000.00			
Datatec	DTC	R25,000.00			
FirstRand	FSR	R25,000.00			
M-Cell	MCE	R25,000.00			
NedCor	NED	R25,000.00			
Old Mutual	OML	R25,000.00			
Richemont	RCH	R25,000.00			
Rand Merchant	RMH	R25,000.00			
Sanlam	SLM	R25,000.00			
Sasol	SOL	R25,000.00			
Venfin	VNF	R25,000.00			
		Total investment amount:			

Please make cheques payable to: SCMB "YES" YLD ENHAN SEC; or pay via direct deposit into: SCMB "YES" YLD ENHAN SEC, BRANCH 0653, Account 00-986-519-5 and fax the deposit confirmation to (011) 631 6132.

MATURITY OPTIONS

One choice must be made for both 1 and 2.

1. If the final price is greater than the purchase price of the security (please tick one only):
   - ☐ **Re-invest** the investment amount and pay the interest into my account

     OR
   - ☐ **Pay** the investment amount and the interest into my account.

2. If the final price is less than the purchase price of the security (please tick one only):
   - ☐ **Pay** the Cash Settlement Amount, including the interest, into my account

     OR
   - ☐ **Deliver** the Underlying Parcel into my stock account and pay the interest into my account.

CHECKLIST

Have you (please tick);

☐ 1. Entered the series number on the application form?

☐ 2. Completed parts 1 and 2 of the "Maturity Options" section?

☐ 3. Completed the investment amount, interest rate and purchase price percentage in the "details of the investment"?

☐ 4. Signed the application form and attached a copy of your ID/ passport and authorising documentation?

☐ 5. Attached a cheque for the application amount made out to: SCMB "YES" YLD ENHAN SEC or deposited the total investment amount into: SCMB "YES" YLD ENHAN SEC, BRANCH 0653, Account 00-986-519-5 and faxed the deposit confirmation to (011) 631 6132.

ACKNOWLEDGEMENT

I, the undersigned, agree that I have read the terms and conditions attached to this application and agree to be bound by them.

Signature: ______________________

Print Name: ______________________

Date: ______________________

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Unless the context otherwise requires in these terms and conditions:

"**Accruals**" means all rights, accruals and entitlements attaching to the Securities after the Transaction Date including, without limitation, all voting rights, all dividends and all rights to receive dividends and other distributions or shares, notes, options or other securities exercisable, declared paid or issued in respect of the Securities;

"**Agreement**" means the agreement between the Applicant and Standard constituted by these terms and conditions together with the Application Form in respect of the Applicant;

"**Applicant**" means the person specified as such in the Application Form;

"**Application Form**" means an application form in relation to the Yield Enhanced Security Investment executed by or on behalf of the Applicant;

"**Business Day**" means any day, not being a Saturday, Sunday or public holiday, on which banks are open for business in Johannesburg;

"**Cash Settlement Amount**" means the amount determined in accordance with clause 4.1;

"**Closing Price**" means the closing price of one Security announced by the JSE on the relevant Business Day or where an adjustment took place in terms of clause 5 or the sum of:

(a) in the case of shares which are traded on the JSE, the closing price of such shares announced by the JSE on the relevant Business Day;
(b) in the case of other types of property, the fair market value of that property determined by Standard; and
(c) in the case of cash, the amount of cash;

"**Closing Value**" means the Investment Amount divided by the Purchase Price multiplied by the Final Price;

"**Purchase Price**" means the Closing Price multiplied by the Purchase Price Percentage on the Transaction Date and set out in the confirmation;

"**Final Price**" means the Closing Price of the Security on the Maturity Date;

"**Final Value**" means the lower of the Investment Amount or the Closing Value;

"**Future Value**" in relation to an amount paid in respect of a Security means the amount increased at a market related rate determined by Standard taking into account the remaining term to Maturity Date and the Investment Amount;

"**Investment Amount**" means the total amount to be invested by the Applicant and specified as such in the Application Form, provided it is not less than R50 000 and a minimum amount of R25 000 per Security;

"**JSE**" means the Johannesburg Securities Exchange South Africa;

"**Interest Percentage**" means the percentage published by Standard on its website www.scmb.co.za/yes before the Transaction Date and specified by the Applicant in the Application Form;

"**Interest Amount**" means the Investment Amount multiplied by the Interest Percentage payable from the Transaction Date to the Maturity Date;

"**Maturity Date**" means the date specified as such in the confirmation, if the Maturity Date falls on a day which is not a Business Day, the Maturity Date will be adjusted to the first preceding day that is a Business Day;

"**Purchase Price Percentage**" means the percentage specific to the Security and specified in the Application Form;

"**Security**" means, subject to adjustment under clause 5, one share (or other property) of the class as accepted by the Applicant and specified as such in the Application Form;

"**Standard**" means The Standard Bank of South Africa Limited, trading through its division Standard Corporate and Merchant Bank;

"**Transaction Date**" means the date specified as such in the confirmation;

"**Underlying Parcel**" means the number of Securities as stipulated in the confirmation or as adjusted in terms of clause 5.

1.2 Interpretation

In this Agreement unless the context indicates a contrary intention any reference to:

(a) the singular includes the plural and vice versa;
(b) the word "person" includes a firm, a body corporate, a trust, an association not incorporated and a statutory authority; and
(c) one gender includes the other genders.

The clause headings in this Agreement have been inserted for convenience only and shall not be taken into account in its interpretation.

Where appropriate, any other part, speech or other grammatical form of words and phrases given a defined meaning shall have a corresponding meaning.

2. TERMS OF INVESTMENT

2.1 The Investment

Subject to the terms and conditions of this agreement, the Applicant makes an irrevocable offer to invest the Investment Amount specified in the Application Form and Standard may accept such investment with effect from the Transaction Date. Standard undertakes to notify the Applicant in writing, on or before the Transaction Date, if the offer is not acceptable to Standard. If the Applicant has made payment of the Investment Amount prior to the notification, Standard will return the Investment Amount within 5 Business Days from receipt of cleared funds by Standard.

In the absence of notification, this Agreement shall be concluded on the Transaction Date. Standard shall issue a confirmation to the Applicant or its representative, which records the relevant terms agreed between the parties, within 5 Business Days of receipt of cleared funds from the Applicant or the Transaction Date, whichever day is the later.

Applications may be submitted to Standard from publication on Standard's website www.scmb.co.za/yes of the Interest Percentage and Purchase Price Percentage per Security. The Closing Price will be determined on the Transaction Date. Application Forms may be submitted until close of business on the Transaction Date. Application Forms not received in time will not be considered for acceptance and will be returned by Standard within 5 Business Days of the Transaction Date.

Application Forms must be submitted to Equity Derivatives, SCMB, 5th Floor, Reception 1, 3 Simmonds Street, Johannesburg 2001, posted to PO Box 61309, Marshalltown, 2107, or telefaxed to (011) 636-2822/ (011) 631-6132, or e-mailed to yes@scmb.co.za.

2.2 Payment of the Investment Amount

The Applicant must pay the Investment Amount to Standard, in full and in cleared funds by close of business on the Transaction Date. Proof of payment must be faxed to (011) 636-2822 or (011) 631-6132 by the close of business on the Transaction Date.

2.3 Effect of non-payment

If the Applicant fails to pay the full amount required under clause 2.2 within the time required then:

(a) such failure is a material breach of this Agreement;
(b) Standard has the right (but not the obligation) to terminate this Agreement and notify the Applicant of the termination at any time thereafter;
(c) following such termination Standard will refund any amount actually paid by the Applicant under this Agreement in cleared funds less any losses or costs incurred by Standard as a result of this Agreement and/or the default of the Applicant; and
(d) the Applicant undertakes to indemnify Standard for any losses or costs incurred by Standard as a result of this Agreement and/or the default of the Applicant.

3. MATURITY OF THE INVESTMENT

3.1 Payment of the Cash Settlement Amount

Standard undertakes to pay the Cash Settlement Amount, in cleared funds within 5 Business Days from Maturity Date, to the Applicant if:

(a) the Final Price is greater than the Purchase Price and the Cash Settlement Amount is not reinvested by the Applicant in accordance with clauses 3.2 and 4.1; or
(b) the Final Price is less than the Purchase Price and delivery of the Securities comprising the Underlying Parcel is not required in accordance with clauses 3.2 and 4.2.

3.2 Elections

The Applicant must instruct Standard in the Application Form, if the Final Price is greater than the Purchase Price to:

(a) re-invest the Final Value and pay the Interest Amount to the Applicant; or
(b) pay the Cash Settlement Amount to the Applicant.

AND

if the Final Price is less than the Purchase Price to:

(a) pay the Cash Settlement Amount to the Applicant; or
(b) deliver the Securities comprising the Underlying Parcel and pay the Interest Amount to the Applicant.

The Applicant's elections in the Application Form will be executed by Standard, unless the Applicant notifies Standard in writing not less than two Business Days before Maturity Date of the current investment.

3.3 Re-investment

The re-investment applies to the same Security specified in the Application Form. The Applicant acknowledges that the Interest Percentage will be recorded in the confirmation for each reinvestment and may vary and will bind the Applicant during any re-investment. Standard will issue confirmations to the Applicant recording the re-investment terms. Standard may decline the Applicant's instruction to re-invest. In this event Standard will notify the Applicant and pay the Cash Settlement Amount.

3.4 Interest Amount

Standard will pay the Interest Amount to the Applicant within 5 Business Days from Maturity Date, if the Applicant requires reinvestment of the Final Value or delivery of the Securities comprising the Underlying Parcel. The reasonable costs incurred by Standard in procuring the Securities comprising the Underlying Parcel shall be deducted from the Interest Amount.

4. SETTLEMENT

4.1 Calculation of Cash Settlement Amount

The Cash Settlement Amount will be the Final Value plus the Interest Amount.

4.2 Delivery of the Underlying Parcel

Standard shall within 5 Business Days after the Maturity Date and in accordance with the normal settlement procedures for the JSE, or as soon as reasonably practicable thereafter, take all steps necessary or desirable to effect transfer to the Applicant of the full legal and beneficial ownership of the Securities comprising the Underlying Parcel. The Applicant must elect delivery of the Securities and specify the appropriate securities account where the Securities have to be delivered in the Application Form. In the event that the Securities are delivered to the Applicant, the Applicant will not be entitled to the Cash Settlement Amount.

5. ADJUSTMENTS TO SECURITIES

5.1 Automatic Variation

Where an event specified in clauses 5.2 to 5.3 occurs in respect of the Securities during the investment the description and quantity of property which constitutes a "Security" and the Closing Price under this Agreement is automatically and immediately varied in accordance with this clause 5.

5.2 Reconstruction of Capital, Takeovers and Compulsory Acquisitions

If Securities are divided into a greater number of securities or consolidated into a lesser number of securities or are subject to a similar reconstruction:

(a) the description of the Securities becomes that of the securities issued in substitution by reason of the reconstruction;

(b) the quantity of securities which constitutes a Security becomes the number of new securities issued in substitution for or arising from one Security before the reconstruction; and

(c) where the reconstruction involves a choice of outcomes, the outcome shall be chosen for the purposes of this clause by Standard in its absolute discretion.

Where an offer is made in respect of the Securities of the Applicant in terms of the Companies Act, 1973, the Securities shall be substituted by the property or the Future Value of the cash which would be received by the holder of a Security. If the offer provides for alternative considerations, Standard may act in its sole discretion which alternative is selected.

5.3 Cash Return of Capital

If there is a pro rata cash distribution in respect of the Securities which is not a dividend:

(a) the Future Value of the amount of cash distributed in respect of one Security is added to the property which constitutes a Security after the payment of the return of capital;

(b) if the distribution does not involve the cancellation or repurchase of any securities within the Underlying Parcel, the number of securities which constitutes a Security is unchanged; and

(c) if the distribution involves the cancellation or repurchase of any securities within the Underlying Parcel, the number of securities which constitutes a Security is reduced by the percentage calculated as the total number of securities canceled or repurchased divided by the total number of Securities in issue before the cancellation or repurchase.

5.4 Bonus Issues and Rights Issues

Standard hereby notifies the Applicant that it will not participate in bonus and right issues relating to the Securities.

5.5 Purpose of Adjustments

(a) The purpose of the adjustment mechanisms under this clause 5 is to preserve, as nearly as practicable, immediately after the corporate actions referred to in clause 5.2 and 5.3, as the case may be, the value of the rights under this Agreement and therefore the relative financial positions of the parties as they were immediately prior to the corporate action taking place.

(b) The adjustment to a Closing Price will be determined by Standard in accordance with best market practice. The adjustment will be made in good faith in order to protect the interests of both Standard and the Applicant.

5.6 Extraordinary Events

If prior to the date for delivery of the Underlying Parcel:

(a) the issuer of the Securities is wound up or placed into liquidation or judicial management or proceedings are commenced for such winding up, liquidation or judicial management; or

(b) the Securities are de-listed or are suspended from trading on the JSE for a continuous period of more than 10 Business Days.

Standard determines that it is impossible to deliver the Underlying Parcel in accordance with this Agreement, Standard may by notice to the Applicant at any time prior to the Maturity Date terminate this Agreement and thereafter refund the investment amount under this Agreement in cleared funds less any losses or costs incurred by Standard as a result of the entry into of this Agreement.

5.7 Accruals Including Dividends

Accruals including dividends conferred in respect of a Security do not, except as provided in this clause 5, fall within the description of a Security and are not subject to this Agreement.

6. GENERAL

6.1 Notices

Every notice or other communication of any nature whatsoever required to be given, served or made under or arising from this Agreement:

(a) must be in writing in order to be valid;

(b) where the party is a corporation must be executed on behalf of the party giving, serving or making the same by any attorney or director of that party;

(c) will be deemed to have been duly given, served or made in relation to a party if it is delivered to the address of that party set out in this Agreement or sent by facsimile to the number notified in writing by that party to the other party or sent by email to the email address notified in writing by that party to the other party from time to time. Standard's details are as follows – 5th Floor, Entrance 1, 3 Simmonds Street, Johannesburg, Fax (011) 636-2822, e-mail yes@scmb.co.za and

(d) will be deemed to be given, served or made:

    (i) in the case of facsimile, on receipt of a transmission report confirming successful transmission at the conclusion of the transmission;

    (ii) in the case of email, 24 hours after the time of sending provided that no notice of non-receipt is received at any time; or

    (iii) in the case of delivery by hand on delivery;

provided that if any notice is given, served or made outside of normal business hours it will not be deemed to be given, served or made until the commencement of business on the next Business Day.

6.2 Governing Law and Submission to Jurisdiction

(a) This Agreement will be governed by and construed in accordance with the laws of the Republic of South Africa.

(b) Each party irrevocably submits to and accepts, generally and unconditionally, the non-exclusive jurisdiction of the courts of the Republic of South Africa (and courts hearing appeals from those courts) which may be brought at any time relating in any way to this Agreement. Each party irrevocably waives any objection it may now or in the future have to the venue of any such action or proceeding has been brought in an inconvenient forum.

6.3 Severability

Any part of this Agreement, which is illegal, void or unenforceable, will be ineffective to the extent only of that impediment mentioned above, without invalidating the remaining parts of this Agreement.

6.4 Waiver

A failure to exercise or enforce or a delay in exercising or enforcing or the partial exercise or enforcement of any right, remedy, power or privilege under this Agreement by Standard shall not in any way preclude or operate as a waiver of any further exercise or enforcement thereof or the exercise or enforcement of any other rights, remedy, power or privilege under this Agreement or provided by law.

6.5 Whole Agreement and Variation

(a) These terms and conditions together with the Application Form signed by the Applicant constitute the whole agreement between Standard and the Applicant and no agreements, representations or warranties between the parties regarding the subject matter hereof other than those set out herein are binding on them; and

(b) Standard may vary the terms and conditions in the Application Form on written notice to the Applicant.

6.6 Transfer Taxes

The Applicant must pay all Stamp Duty, Marketable Securities Tax or other taxes or imposts incurred in connection with this Agreement or the delivery of Securities under this Agreement.

6.7 Early Termination and Transfer of Rights

Nothing in this Agreement gives the Applicant the right to require the early termination or unwinding of this Agreement. The Applicant may not transfer its rights or obligations in respect of this Agreement to any other person without the prior written consent of Standard.

6.8 Calculations and Securities in this Agreement

(a) All calculations and determinations will be made by Standard;

(b) All calculations will be done to not less than two decimal places;

(c) No rounding of the number of Securities will occur until delivery of Securities or payment of the Cash Settlement Amount, in which case the number of shares will be rounded to the nearest whole number; and

(d) Each kind of property which constitutes a Security is to be treated separately, and each adjustment required by clause 5 is to be made to each kind of property separately and the term Securities is to be construed accordingly in this Agreement.

6.9 Representations

Each party represents to the other party that:

(a) it is acting for its own account, and it has made its own independent decisions to enter into this Agreement and as to whether this Agreement is appropriate or proper for it based upon its own judgment and upon advice from such advisors as it has deemed necessary. It is not relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into this Agreement.

(b) it is capable of evaluating and understanding (on its own behalf or through independent professional advice), and understands and accepts the terms, conditions and risks of this Agreement. It is also capable of assuming, and assumes the financial and other risks of this Agreement.

(c) neither party assumes any fiduciary obligations or acts as an advisor to the other in respect of this Agreement and each party represents to the other party that it will be liable as principal for its obligations under this Agreement.