
AMENDED AND RESTATED APPLICABLE PRICING SUPPLEMENT



JASCO ELECTRONICS HOLDINGS LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1987/003293/06)

**jointly and severally, unconditionally and irrevocably, guaranteed by
Jasco Trading Proprietary Limited**

(Incorporated in the Republic of South Africa with limited liability under registration number 1981/005693/07)

and

Jasco Carrier Solutions Proprietary Limited

(Incorporated in the Republic of South Africa with limited liability under registration number 2000/021545/07)

and

Jasco Enterprise Proprietary Limited

(Incorporated in the Republic of South Africa with limited liability under registration number 1983/003209/07)

and

Jasco Cables Investments Proprietary Limited

(Incorporated in the Republic of South Africa with limited liability under registration number 2007/006169/07)

and

Jasco Energy and Industry Solutions Proprietary Limited

(Incorporated in the Republic of South Africa with limited liability under registration number 1987/001083/07)

and

Jasco Networks Proprietary Limited

(Incorporated in the Republic of South Africa with limited liability under registration number 1984/001197/07)

**Issue of ZAR60,000,000 Senior Unsecured Floating Rate Notes due 31 January 2019
Under its ZAR750,000,000 Domestic Medium Term Note Programme**

This amended and restated Applicable Pricing Supplement (the **Applicable Pricing Supplement**) must be read in conjunction with the Programme Memorandum, dated 4 November 2013, prepared by Jasco Electronics Holdings Limited in connection with the Jasco Electronics Holdings Limited ZAR750,000,000 Domestic Medium Term Note Programme, as amended and/or supplemented from time to time (the **Programme Memorandum**).

Any capitalised terms not defined in this Applicable Pricing Supplement (including Appendix "A" headed "*Amended and Additional Terms and Conditions*") shall have the meanings ascribed to them in the section of the Programme Memorandum headed "*Terms and Conditions of the Notes*".

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. The Notes described herein are issued on and subject to the Terms and Conditions as amended and/or supplemented by the Terms and Conditions contained in this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

The Notes to be issued under this Applicable Pricing Supplement are of a speculative nature and prospective subscribers for or purchasers of any Notes should seek independent professional advice in this regard.

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PARTIES

- | | |
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| 1. Issuer | Jasco Electronics Holdings Limited |
| 2. Guarantors | Jasco Trading Proprietary Limited
Jasco Carrier Solutions Proprietary Limited
Jasco Enterprises Proprietary Limited
Jasco Cables Investments Proprietary Limited
Jasco Energy and Industry Solutions Proprietary Limited
Jasco Networks Proprietary Limited |
| 3. Dealers | Vantage Debt Capital Markets Proprietary Limited; and
Acumen Capital Proprietary Limited |
| 4. Manager | Vantage Debt Capital Markets Proprietary Limited |
| 5. Debt Sponsor | Redinkcapital Proprietary Limited |
| 6. Paying Agent | The Standard Bank of South Africa Limited,
acting through its Corporate and Investment Banking division
Specified Office
25 Sauer Street, Johannesburg, 2001 |
| 7. Calculation Agent | The Standard Bank of South Africa Limited,
acting through its Corporate and Investment Banking division
Specified Office
25 Sauer Street, Johannesburg, 2001 |
| 8. Transfer Agent | The Standard Bank of South Africa Limited,
acting through its Corporate and Investment Banking division
Specified Office
25 Sauer Street, Johannesburg, 2001 |

PROVISIONS RELATING TO THE NOTES

- | | |
|-------------------------------|------------------|
| 9. Status of Notes | Senior Unsecured |
| 10. Form of Notes | Listed Notes |
| 11. Series Number | 1 |
| 12. Tranche Number | 1 |
| 13. Aggregate Nominal Amount: | |
| (a) Series | ZAR60,000,000 |
| (b) Tranche | ZAR60,000,000 |



14. Interest	Interest-bearing
15. Interest Payment Basis	Floating Rate
16. Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	N/A
17. Form of Notes	The Notes in this Tranche are issued in uncertificated form and held by the CSD
18. Issue Date	30 January 2015
19. Nominal Amount per Note	ZAR1,000,000
20. Specified Denomination	ZAR1,000,000
21. Specified Currency	ZAR
22. Issue Price	100 per cent
23. Interest Commencement Date	30 January 2015
24. Maturity Date	31 January 2019
25. Applicable Business Day Convention	Following Business Day
26. Definition of Business Day (if different from that set out in Condition 1) (<i>Interpretation</i>)	N/A
27. Final Redemption Amount	100 per cent of face value of Nominal Amount
28. Last Day to Register	by 17h00 on 19 April, 20 July, 20 October and 20 January of each year until the Maturity Date
29. Books Closed Period(s)	The Register will be closed from 20 April to 29 April, 21 July to 30 July, 21 October to 30 October and from 21 January to 30 January (all dates inclusive) in each year until the Maturity Date
30. Default Rate	N/A
FIXED RATE NOTES	N/A
FLOATING RATE NOTES	
31. (a) Interest Payment Date(s)	30 April, 31 July, 31 October and 31 January of each year until the Maturity Date, with the First Interest Payment Date being on 30 April 2015.
(b) Interest Period(s)	The first interest period shall commence on 30 January 2015 and end on but exclude 30 April 2015. Thereafter each successive interest period shall commence on the applicable Interest Payment Date and

	ending on but exclude the next Interest Payment Date.
(c) Minimum Rate of Interest	N/A
(d) Maximum Rate of Interest	N/A
(e) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision)	Day Count Fraction: Actual/365
32. Manner in which the Rate of Interest is to be determined	Screen Rate Determination
33. Margin	325 basis points to be added to the relevant Reference Rate
34. If ISDA Determination	N/A
35. If Screen Rate Determination:	
(a) Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated)	3 Month JIBAR
(b) Interest Rate Determination Date(s)	30 April, 31 July, 31 October and 31 January of each year until the Maturity Date, with the first Interest Rate Determination Date being 30 January 2015.
(c) Relevant Screen Page and Reference Code	ZAR-JIBAR-SAFEX
36. If Rate of Interest to be calculated otherwise than by ISDA Determination or Screen Rate Determination, insert basis for determining Rate of Interest/Margin/ Fallback provisions	N/A
37. Calculation Agent responsible for calculating amount of principal and interest	The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division
ZERO COUPON NOTES	N/A
PARTLY PAID NOTES	N/A
INSTALMENT NOTES	N/A
MIXED RATE NOTES	N/A
INDEX-LINKED NOTES	N/A
DUAL CURRENCY NOTES	N/A
EXCHANGEABLE NOTES	N/A
OTHER NOTES	N/A

PROVISIONS REGARDING REDEMPTION/MATURITY

38. Redemption at the option of the Issuer Yes
- If yes:
- (a) Optional Redemption Date(s) on any Interest Payment Date until the Maturity Date
 - (b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s) N/A
 - (c) Minimum period of notice (if different from Condition 11.3 (*Redemption at the Option of the Issuer*)) N/A
 - (d) If redeemable in part:
 - Minimum Redemption Amount(s) N/A
 - Higher Redemption Amount(s) N/A
 - (e) Other terms applicable on Redemption N/A
39. Redemption at the Option of the Senior Noteholders No
40. Redemption in the event of a Change of Control at the election of Noteholders pursuant to Condition 11.5 (*Redemption in the event of a Change of Control*) or any other terms applicable to a Change of Control Yes
41. Early Redemption Amount(s) payable on redemption for taxation reasons pursuant to Condition 11.2 (*Redemption for Tax Reasons*) or due to an Event of Default (if required). Yes

GENERAL

42. Financial Exchange Interest Market of the JSE
43. Additional selling restrictions N/A
44. ISIN No. ZAG000123324
45. Stock Code JAS01
46. Stabilising manager N/A
47. Provisions relating to stabilisation N/A
48. Method of distribution Private Placement

- | | |
|--|--|
| 49. Credit Rating assigned to the Issuer | Long Term: BB ^{-(za)}
Short Term: B ^(za) which will be reviewed annually. Next review will be in October 2017 |
| 50. Applicable Rating Agency | Global Credit Rating Co. Proprietary Limited |
| 51. Governing law (if the laws of South Africa are not applicable) | N/A |
| 52. Other provisions | See Appendix "A" for Additional Terms and Conditions relating to the Notes |

DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS

53. **Paragraph 3(5)(a)**

The "ultimate borrower" (as defined in the Commercial Paper Regulations) is the Issuer.

54. **Paragraph 3(5)(b)**

The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.

55. **Paragraph 3(5)(c)**

The auditor of the Issuer is Ernst & Young Incorporated.

56. **Paragraph 3(5)(d)**

As at the date of this issue:

- (i) the Issuer has not issued Commercial Paper (as defined in the Commercial Paper Regulations); and
- (ii) the Issuer estimates that it may not issue any further Commercial Paper during the current financial year, ending 30 June 2015.

57. **Paragraph 3(5)(e)**

All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in the Notes is contained in the Programme Memorandum and the Applicable Pricing Supplement.

58. **Paragraph 3(5)(f)**

There has been no material adverse change in the Issuer's financial position since the date of its last audited financial statements.

59. **Paragraph 3(5)(g)**

The Notes issued will be listed.

60. **Paragraph 3(5)(h)**

The funds to be raised through the issue of the Notes are to be used by the Issuer for the redemption of a preference share and otherwise for its general corporate purposes.

61. **Paragraph 3(5)(i)**

The obligations of the Issuer in respect of the Notes are unsecured, however guaranteed by the

Guarantors.

62. **Paragraph 3(5)(i)**

Ernst & Young Incorporated, the statutory auditors of the Issuer, have confirmed that nothing has come to their attention to indicate that this issue of Notes issued under the Programme will not comply in all material respects with the relevant provisions of the Commercial Paper Regulations.

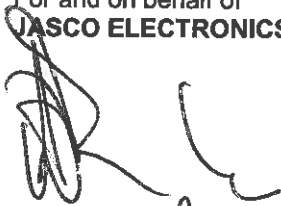
Responsibility:

The Issuer accepts full responsibility for the information contained in this Applicable Pricing Supplement and the Programme Memorandum. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case) the information contained in this Applicable Pricing Supplement and the Programme Memorandum is in accordance with the facts and does not omit anything which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made. This Applicable Pricing Supplement and the Programme Memorandum contains all information required by law and the debt listings requirements of the JSE.

Application was made to list this issue of Notes on 30 January 2015.

SIGNED at MIDRAND on this 16TH day of MAY 2017

For and on behalf of
JASCO ELECTRONICS HOLDINGS LIMITED



Name: W A PRINSLOO
Capacity: Director
Who warrants his/her authority hereto



Name: A M DA SILVA
Capacity: Director
Who warrants his/her authority hereto

AMENDED AND ADDITIONAL TERMS AND CONDITIONS

*The following are additional Terms and Conditions (the **Additional Terms and Conditions**) which apply to the JAS01 Notes (the **Notes**) which will be incorporated by reference into each Note.*

In addition to the below, all references in the Programme Memorandum to Senior Notes shall be deemed to be references to the Notes.

ADDITIONAL TERMS AND CONDITIONS

1. Financial Covenants

1.1 The Issuer shall, for as long as any Note remains Outstanding, ensure that:

1.1.1 the Interest Cover Ratio is not less than 2 : 1 (two to one);

1.1.2 the Debt to EBITDA Ratio does not exceed 3.5 : 1 (three point five to one); and

1.1.3 the Debt to Equity Ratio does not exceed 60% (sixty percent),

(each a **Financial Covenant** and collectively the **Financial Covenants**).

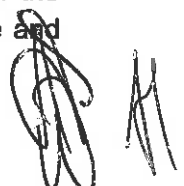
1.2 The Issuer shall be required to test the Financial Covenants on each Measurement Date and provide each Noteholder with a Financial Covenant compliance certificate signed by any two directors of the Issuer (a **Financial Covenant Compliance Certificate**) with respect to each Financial Covenant together with the calculations thereof within 60 days after each Measurement Date.

1.3 If a breach of a Financial Covenant occurs while any Note remains Outstanding, then the Issuer shall redeem all the Notes at the Early Redemption Amount calculated in accordance with Condition 11.6 (*Early Redemption Amounts*) together with accrued interest (if any) within 15 (fifteen) days of having received written notice from the Noteholders to redeem the Notes in accordance with Condition 19 (*Notices*).

1.4 In the event of any dispute in respect of any calculation relating to any Financial Covenant, such dispute shall be determined by the Issuer's independent auditors, acting as experts and not as arbitrators (taking into account the Terms and Conditions), whose determination will, in the absence of manifest error, be final and binding on the Issuer and the Noteholders. The cost of such independent auditors in resolving such dispute shall be borne by the Issuer.

2 General Undertakings

2.1 If the Issuer fails to perform or observe any of its obligations or undertakings under this paragraph 2 (*General Undertakings*) and such failure continues for a period of 21 (twenty one) Business Days after receipt by the Issuer of a notice from the Noteholders (in accordance with Condition 19 (*Notices*)) specifying the failure and



requesting the Issuer to remedy same, the Issuer shall redeem all the Notes at the Early Redemption Amount calculated in accordance with Condition 11.6 (*Early Redemption Amounts*) together with accrued interest (if any) within 15 (fifteen) days of having received written notice from the Noteholders to redeem the Notes in accordance with Condition 19 (*Notices*).

3 Black Ownership

3.1 For so long as any Note remains Outstanding, the Issuer shall ensure that it is at least 40% (forty per cent) owned by Black Persons (applying the Flow-through Principle as defined in the Codes).

3.2 If a breach of the undertaking (a **Black Ownership Breach**) set out in paragraph 3.1 above occurs while any Note remains Outstanding, then the Issuer shall within 90 (ninety) days (the **Black Ownership Remedy Period**) of such breach, take steps to remedy such Black Ownership Breach.

3.3 Should the Issuer:

3.3.1 remedy the Black Ownership Breach within the Black Ownership Remedy Period, the Black Ownership Breach shall be deemed not to have occurred; and

3.3.2 fail to remedy the Black Ownership Breach within the Black Ownership Remedy Period, the Issuer shall redeem all the Notes at the Early Redemption Amount calculated in accordance with Condition 11.6 (*Early Redemption Amounts*) together with accrued interest (if any) within 15 (fifteen) days of having received written notice from the Noteholders to redeem the Notes in accordance with Condition 19 (*Notices*).

4 Negative Undertakings

4.1 The Issuer undertakes that whilst any Note remains Outstanding, it shall not, without the prior written consent of Noteholders of at least 50.1% (fifty point one per cent) of the nominal amount of the Notes Outstanding:

4.1.1 incur any Financial Indebtedness other than Permitted Financial Indebtedness;

4.1.2 enter into or grant any guarantee or suretyship or otherwise become liable for any Financial Indebtedness of any member of the Group, other than pursuant to a Permitted Guarantee or Permitted Financial Indebtedness;

4.1.3 make any Distribution other than a Permitted Distribution;

4.1.4 make any Investments other than Permitted Investments;

4.1.5 dispose of any Asset other than pursuant to a Permitted Disposal; or

4.1.6 through a single transaction or through a series of transactions, consolidate or merge with any Person unless it delivers Financial Covenant Compliance Certificate to the Noteholders at least 14 (fourteen) days prior to any such



consolidation or merger, confirming that it will comply with Financial Covenants immediately after such consolidation or merger.

- 4.2 If the Issuer fails to perform or observe any of its obligations or undertakings under this paragraph 4 (*Negative Undertakings*) and such failure continues for a period of 21 (twenty one) Business Days after receipt by the Issuer of a notice from the Noteholders (in accordance with Condition 19 (*Notices*)) specifying the failure and requesting the Issuer to remedy same, the Issuer shall redeem all the Notes at the Early Redemption Amount calculated in accordance with Condition 11.6 (*Early Redemption Amounts*) together with accrued interest (if any) within 15 (fifteen) days of having received written notice from the Noteholders to redeem the Notes in accordance with Condition 19 (*Notices*).

5 Rating Downgrade

- 5.1 Upon the occurrence of a Rating Downgrade in relation to the Issuer:
- 5.1.1 the Issuer shall promptly give notice to the Noteholders in accordance with Condition 19 (*Notices*) specifying the nature and particulars of the Rating Downgrade; and
- 5.1.2 the Margin to be added to the Reference Rate shall be increased by amount equal to 20% (twenty percent) of such Margin (the **Step-up Margin**) effective from the immediately following Interest Payment Date.
- 5.2 The Step-up Margin shall prevail until such date as the Rating in relation to the Issuer as at the Issue Date is restored (the **Rating Reset Date**).
- 5.3 With effect from the Interest Period immediately following the Rating Reset Date, the Margin shall be as set out in item 33 of the Applicable Pricing Supplement.

6 Interpretation

In these Additional Terms and Conditions, unless inconsistent with the context, the following expressions shall have the following meanings:

- 6.1 **Asset** means an asset as defined in and for purposes of IFRS;
- 6.2 **BEE Act** means the Broad-Based Black Economic Empowerment Act, 53 of 2003, as amended, together with any regulations promulgated thereunder, the Codes, and any relevant sector charter(s) or codes applicable to the business of the Issuer published in terms thereof, all as amended from time to time;
- 6.3 **Black Persons** means Africans, Coloureds and Indians, as defined in the BEE Act and the Codes;
- 6.4 **Codes** means the Codes of Good Practice on Broad-Based Black Economic Empowerment published by the Department of Trade and Industry in terms of the BEE Act, as amended from time to time;

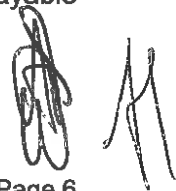
- 6.5 **Debt** means, in respect of the Issuer only, the aggregate amount of interest bearing debt including, for the avoidance of doubt, *inter alia*:
- 6.5.1 redeemable preference shares;
 - 6.5.2 unsubordinated interest bearing shareholder loans;
 - 6.5.3 debentures;
 - 6.5.4 the capital element of any finance lease, hire purchase, credit sale or conditional sale agreement, to the extent such item is treated as debt in the balance sheet;
 - 6.5.5 the capital element of any amount raised under any other transaction, having as a primary and not as an incidental effect, the commercial effect of borrowing; and
 - 6.5.6 any other obligation which exhibits an interest bearing nature, including any payment which may become due as part of any interest rate hedge strategy;
- but specifically excluding any interest bearing debt incurred:
- 6.5.7 under any Permitted Working Capital Facility Agreement; and
 - 6.5.8 in respect of Project Finance Borrowings;
- 6.6 **Debt to EBITDA** means the ratio of Debt to EBITDA in respect of any Measurement Period;
- 6.7 **Debt to Equity Ratio** means the ratio of Debt to Equity in respect of any Measurement Period;
- 6.8 **Disposal** means a sale, lease, licence, transfer, loan or other disposal by a Person of any Asset, undertaking or business (whether by a voluntary or involuntary single transaction or series of transactions);
- 6.9 **Distribution** means in relation any Person, dividend or capital contribution (in whatever form, including a share buy-back and repayment of interest and/or capital on loan accounts), including any "*distribution*" as defined in the Companies Act, made directly or indirectly to or for the account of the members or shareholder of or holders of beneficial interests in the capital of that Person;
- 6.10 **EBIT** means, in respect of any Measurement Period, the consolidated net operating income of the Issuer before the inclusion of the following items:
- 6.10.1 interest charged or received per the income statement;
 - 6.10.2 taxation per the income statement;
 - 6.10.3 the fair value adjustments of financial instruments and impairments;
 - 6.10.4 any amount attributable to the impairment and subsequent revaluation of goodwill; and



- 6.10.5 any Special Items,
- but after inclusion of depreciation in respect of fixed assets and amortisation in respect of intangible assets, all as determined in accordance with the IFRS in each case during such Measurement Period;
- 6.11 **EBITDA** means, in respect of any Measurement Period, EBIT plus depreciation in respect of fixed assets and amortisation in respect of intangible assets, as determined in accordance with IFRS in each case during such Measurement Period;
- 6.12 **Equity** means in respect of the Issuer only, the total shareholders' equity, including any subordinated shareholder loans and retained earnings;
- 6.13 **Finance Documents** means:
- 6.13.1 the Programme Memorandum;
- 6.13.2 the Terms and Conditions applicable to the Notes;
- 6.13.3 the Permitted Working Capital Facility Agreements;
- 6.13.4 the Permitted Hedging Agreements; and
- 6.13.5 any other document designated as a Finance Document by written agreement between the Issuer and the Noteholders;
- 6.14 **Financial Indebtedness** means any indebtedness including that, for or in respect of:
- 6.14.1 moneys borrowed;
- 6.14.2 any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- 6.14.3 any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- 6.14.4 the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with IFRS, be treated as a finance or capital lease;
- 6.14.5 receivables sold, discounted or securitised (other than any receivables to the extent they are sold on a non-recourse basis);
- 6.14.6 any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- 6.14.7 any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of that derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative



- transaction, that amount) shall be taken into account);
- 6.14.8 any amount raised by the issue of shares which are redeemable;
- 6.14.9 any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- 6.14.10 the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs 6.14.1 to 6.14.9 above;
- 6.15 **Financial Year End** means 30 June;
- 6.16 **Financial Lease** means any lease or hire purchase contract which would, in accordance with IFRS, be treated as a finance or capital lease;
- 6.17 **Interest Cover Ratio** means the ratio of EBIT to Net Finance Charges in respect of any Measurement Period;
- 6.18 **Investment** means the act of:
- 6.18.1 acquiring, subscribing for, taking transfer of, holding or beneficially owning (directly or indirectly) any security (as defined in the Companies Act) issued by any Person which is not a Subsidiary or any share in any Joint Venture;
- 6.18.2 making (directly or indirectly) any loans, capital contributions or investments, or anything that would be classified as investments under IFRS (including any acquisition of any companies, Shares or other establishment of a Subsidiary of Joint Venture);
- 6.19 **Joint Venture** means a "joint venture" for purposes of IFRS;
- 6.20 **Measurement Date** means each of 30 June and 31 December of each financial year, save that the first Measurement Date shall be 30 June 2015;
- 6.21 **Measurement Period** means each period of 6 (six) months ending on a Measurement Date;
- 6.22 **Net Finance Charges** means, without double counting, in relation to any Measurement Period, the aggregate of:
- 6.22.1 all interest and other financing charges payable by the Issuer to any person who is not a member of the Jasco Group; and
- 6.22.2 all amounts payable by the Issuer under any interest rate protection agreement (less any amounts receivable by the Issuer under any interest rate protection agreement); and
- 6.22.3 the interest element of all rentals or, as the case may be, other amounts payable under any finance lease entered into by the Issuer; and

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- 6.22.4 any dividends paid and/or accrued in respect of any redeemable preference shares,
less any;
- 6.22.5 interest receivable (other than interest receivable from any other member of the Jasco Group) by the Issuer ignoring any foreign currency and fair value adjustments; and
- 6.22.6 breakage costs associated with the early repayment of debt obligations;
- 6.23 **Permitted ABF Facility** means any asset backed finance facility financing movable assets of the nature and type financed by the Issuer under asset backed facilities up to an aggregate amount of ZAR10,000,000 (Ten Million Rand) (excluding accrued interest, fees, commissions and other amounts due and payable under such facility) entered into by the Issuer in accordance with current business practices as at the Issue Date and which is secured solely by the movable assets which it finances;
- 6.24 **Permitted Disposal** means:
- 6.24.1 any Disposal of trading stock by the Issuer in the ordinary course of trading of the Issuer and on arm's length terms
- 6.24.2 any Disposal of obsolete or redundant vehicles, plant and equipment not required for the business of the Jasco Group, in each case on arm's length terms;
- 6.24.3 any Disposal of fixed assets on arm's length terms where the aggregate book value of such assets disposed of in any Financial Year does not exceed ZAR1,000,000 (One Million Rand);
- 6.24.4 any Disposal of Jasco Electrical Manufacturers, a division of Jasco Trading Proprietary Limited (registration number 1981/005693/07);
- 6.24.5 any Disposal of Jasco Systems Proprietary Limited (registration number: 1987/001123/07);
- 6.24.6 any Disposal of assets by the Issuer to a lessor for the purposes of the Issuer leasing such assets back from the lessor by way of Finance Lease on arm's length terms and at fair market value and where such Financial Lease constitutes Permitted Financial Indebtedness;
- 6.24.7 any Disposal by way of an Encumbrance which is a Permitted Encumbrance;
- 6.24.8 any Disposal of an Asset by the Issuer for any other Asset of similar or superior quality as to type, value, quality and title on market related and arm's length terms at fair value, pursuant to a decision of by the board of directors of the Issuer;

- 6.24.9 any Disposal of an Asset made for cash on market related and arm's length terms at fair value where the net proceeds of any such Disposal(s) in aggregate does not exceed an amount of ZAR20,000,000 (Twenty Million Rand), over the period commencing on the Issue Date and ending on the Maturity Date;
- 6.24.10 any Disposal of an Asset by the Issuer which complies with the following requirements:
- 6.24.10.1 the Disposal is made for cash on market related and arm's length terms at fair market value, as confirmed by an independent valuator; and
- 6.24.10.2 the net proceeds of such Disposal are reinvested in replacing the Asset Disposed of with an Asset of a similar or superior quality pursuant to a decision by the board of directors of the Issuer made within 90 (ninety) days of the effective date of the Disposal, and where the Issuer acquires ownership of the replacement Asset within 6 (six) months from the date of receipt of the net proceeds of the Disposal;
- 6.25 **Permitted Distribution** means:
- 6.25.1 any Distribution made by the Issuer in accordance with and pursuant to the Finance Documents;
- 6.25.2 any Distribution made by the Issuer after the Issue Date, provided that:
- 6.25.2.1 immediately prior to the making of the Distribution no Event of Default has occurred or is continuing;
- 6.25.2.2 no Event of Default would occur or be continuing as a result of making such Distribution;
- 6.25.2.3 the Issuer shall, immediately after having made such Distribution or completed such action, still be entitled to incur ZAR1 (One Rand) of additional Financial Indebtedness under paragraph 4.1.1;
- 6.25.2.4 at least 14 days prior to the proposed Distribution, the Issuer delivers to the Noteholders a Financial Covenant Compliance Certificate confirming that it will comply with the Financial Covenants immediately after making the proposed Distribution;
- 6.25.2.5 the aggregate of i) all Distributions (including any proposed Distributions), made to any person other than a Guarantor, and (ii) all Investments, made during the period from the Issue Date until (and including) the date of such Distribution, does not exceed an amount equal to 50% (fifty per cent) of the net income calculated in accordance with IFRS and on a cumulative basis from the period beginning on the Issue Date and ending at the end of the most recent Financial Year End prior to such proposed Distribution being made, less the aggregate amount of any Investments and Distributions made during the period beginning on the Issue Date and ending at the end of the

most recent Financial Year End prior to such proposed Distribution being made;

6.25.3 any Distribution otherwise expressly permitted pursuant to these Additional Terms and Conditions;

6.26 **Permitted Financial Indebtedness** means the incurrence of any Financial Indebtedness:

6.26.1 in the form of Notes issued in compliance with these Terms and Conditions on the Issue Date;

6.26.2 in respect of Project Finance Borrowings;

6.26.3 incurred under Permitted Working Capital Facility Agreements;

6.26.4 arising under Permitted Treasury Transactions;

6.26.5 incurred under any other Finance Document and subject always to the terms of the relevant Finance Document(s);

6.26.6 arising under Permitted Trade Credit;

6.26.7 incurred under Permitted ABF Facilities;

6.26.8 incurred by the Issuer to a Guarantor by way of a Permitted Loan or Permitted Guarantee;

6.26.9 by the Issuer pursuant to any indebtedness granted to it, provided that such indebtedness constitutes subordinated debt;

6.26.10 which was incurred prior to the Issue Date and which has been disclosed:

6.26.10.1 in writing to the Noteholders prior to the Issue Date; or

6.26.10.2 in the financial statements of the Issuer for the Financial Year ending on 30 June 2015,

provided the principal amount outstanding at the Issue Date or the amount of the original facility is not increased after the Issue Date;

6.26.11 arising under a Permitted Guarantee;

6.26.12 arising under workers' compensation and claims arising under similar legislation;

6.26.13 incurred by the Issuer provided that:

6.26.13.1 following the incurrence of such Financial Indebtedness, a Rating Agency provides a certificate to the Noteholders confirming that after the incurrence of such Financial Indebtedness, the credit rating of the Notes will remain at least "BB-" (or its equivalent) on a national scale basis;

- 6.26.13.2 immediately prior to the incurrence of such Financial Indebtedness, no Event of Default has occurred or is continuing; and
- 6.26.13.3 no Event of Default would occur or be continuing as a result of the incurrence of such Financial Indebtedness;
- 6.26.14 in addition to any Financial Indebtedness permitted under paragraphs 6.26.1 to 6.26.13 (both inclusive), any Financial Indebtedness which in aggregate does not at any time exceed ZAR5,000,000 (Five Million Rand);
- 6.27 **Permitted Guarantee** means a guarantee (which shall include a suretyship):
- 6.27.1 given pursuant to the Finance Documents;
- 6.27.2 granted prior to the Issue Date and which has been disclosed in writing to the Noteholders prior to the Issue Date provided the principal amount of such guarantee as at the Issue Date is not increased after the Issue Date;
- 6.27.3 given pursuant to any Permitted Working Capital Facility Agreement;
- 6.27.4 given in favour of the provider of any utility services in the ordinary course of business;
- 6.27.5 in the form of a guarantee granted by the Issuer in the ordinary course of business in accordance with current business practice and on arm's length terms in favour of a Person with whom a member of the Jasco Group has concluded a contract for the performance of services or the delivery of goods, guaranteeing the performance of the obligations of that member of the Jasco Group in accordance with terms and conditions of such contract, up to a maximum aggregate amount not exceeding ZAR5,000,000 (Five Million Rand);
- 6.28 **Permitted Investment** means:
- 6.28.1 any Investment made in good faith and on arm's length terms, provided that:
- 6.28.1.1 such Investment is not an Investment in a partnership or an interest in a partnership, whether an *en commandite* partnership or any other partnership;
- 6.28.1.2 immediately prior to making such Investments, no Event of Default has occurred or is continuing;
- 6.28.1.3 no Event of Default would occur or be continuing as a result of the making of such Investment;
- 6.28.1.4 the Issuer shall, after having made such Investment or completed such action, still be entitled to incur ZAR1 (One Rand) of additional Financial Indebtedness under paragraph 4.1.1;
- 6.28.1.5 the company in respect of which the Investment has been made does not, at the time the Investment is made, have any Financial Indebtedness other than Permitted Financial Indebtedness;

- 6.28.2 any Loans made by the Issuer to any member of the Jasco Group.
- 6.29 **Permitted Trade Credit** means a trade credit extended to the Issuer which has an original credit term of not more than 180 (one hundred and eighty) days entered into in the ordinary course of the day to day business of the Issuer and is on the relevant supplier's standard terms and conditions (unless the terms and conditions are more favourable to the Issuer than those standard terms in respect of the relevant supplier);
- 6.30 **Permitted Treasury Transaction** means
- 6.30.1 any Treasury Transaction entered into under a Permitted Working Capital Facility Agreement;
- 6.30.2 any Treasury Transaction entered into in the ordinary course of business (and not for investment or speculative purposes) on market related and arm's length terms where used as a hedge to protect against an actual exposure or risk incurred or to be incurred by the Issuer as a result of:
- 6.30.2.1 interest rate exposure in relation to any payment obligations on interest bearing Financial Indebtedness in the ordinary course of business; or
- 6.30.2.2 currency exchange rate exposure in respect of payments due under import or export contracts; or
- 6.30.2.3 commodity price fluctuations or fluctuation in the price of any other material used in the ordinary course of the production of the business of a member of the Jasco Group;
- 6.31 **Permitted Working Capital Facility Agreements** means:
- 6.31.1 the working capital facility agreement concluded between the Issuer and FirstRand Bank Limited (acting through its First National Bank division) (FNB) on or about 4 May 2012, in terms of which FNB makes available a working capital facility to the Issuer for a maximum principal amount of ZAR29,000,000 (Twenty Nine Million Rand);
- 6.31.2 the working capital facility agreement concluded between the Issuer and The Standard Bank of South Africa Limited (SBSA) on or about 11 March 2013, in terms of which SBSA makes available a working capital facility to the Issuer for a maximum principal amount of ZAR65,000,000 (Sixty Five Million Rand); and
- 6.31.3 any other working capital facility agreement concluded or to be concluded by the Issuer, which replaces the working capital facilities referred to in this paragraph 6.31 in whole or in part, provided the principal amount of any working capital facilities provided pursuant to this paragraph 6.31.3 and the principal amount of the working capital facilities referred to in paragraph 6.31 does not exceed in aggregate an amount equal to 15% (fifteen per cent) of the revenue of the Issuer as disclosed in the latest annual financial statements of the Issuer (plus any

accrued but unpaid interest, fees, commissions and other amounts due and payable under any Permitted Working Capital Facility Agreement), at any time.

For the avoidance of doubt, reference to a “*working capital facility*” for purposes of this paragraph 6.31.3 includes general banking facilities, short and long term guarantee facilities, forward exchange contract facilities, standby facilities and letters of credit required by the Issuer in the ordinary course of business;

- 6.32 **Person** shall be construed as a reference to any person, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing;
- 6.33 **Restricted Payment** means any payment or distribution made directly or indirectly to or for the account of the shareholders of the Issuer or any payment of debt which is subordinated to the Notes;
- 6.34 **Special Items** means any extraordinary, exceptional or unusual gain, loss or charge on the disposal of property, investments, businesses, asset impairments, financial impacts of natural disasters (including fire, flood, storm and related events) and non-cash gains or losses or any charges, or reserves directly related to any restructuring, redundancy, integration or severance or any expenses, charges, reserves or transaction costs directly related to acquisitions; and
- 6.35 **Treasury Transaction** means any currency or interest purchase, cap or collar agreement, forward rate agreements, interest rates or currency future or option contracts, foreign exchange or currency purchase or sale agreement, interest rate swap, currency swap or combined interest rate and currency swap agreement and any other similar agreement in each case entered into in connection with any fluctuation in any rate or price.

Handwritten signature or initials in black ink, consisting of a large, stylized 'A' followed by a vertical line and a small flourish.