

EXCHANGE TRADED NOTE SUPPLEMENT



NEDBANK LIMITED

(incorporated with limited liability under registration number 1951/000009/06 in the Republic of South Africa)

**WARRANT AND EXCHANGE TRADED NOTE PROGRAMME
FOR THE ISSUANCE OF WARRANTS AND
EXCHANGE TRADED NOTES TO BE LISTED ON
JSE LIMITED**

issue of ZAR1,000,000,000 Exchange Traded Notes

This document is the Exchange Traded Note Supplement contemplated in Schedule 2B(III) headed “*Exchange Traded Note Supplement*” of Section 7 of the Programme Memorandum, dated 27 August 2010, as amended and/or rectified and/or supplemented from time to time (the **Programme Memorandum**) prepared in connection with the issue, under the Nedbank Limited Warrant and Exchange Traded Note Programme (the **Programme**), of Series 4 of the Exchange Traded Notes (**this Series of Exchange Traded Notes**).

This Exchange Traded Note Supplement must be read in conjunction with the Programme Memorandum and the supplement contemplated in Schedule 2A(II) headed “*Form of Supplement - Exchange Traded Notes, Protected Share Investments and Share Instalments*” of Section 7 of the Programme Memorandum, attached as annexure “A” to this Exchange Traded Note Supplement (the **Related Supplement**).

To the extent that there is any conflict or inconsistency between the provisions of this Exchange Traded Note Supplement and the Programme Memorandum, the provisions of this Exchange Traded Note Supplement shall prevail.

TERMS AND CONDITIONS**1. INTERPRETATION**

The Exchange Traded Note Conditions (as defined in clause 2) apply to this Series of Exchange Traded Notes issued under the Programme. To the extent that there is any conflict or inconsistency between the provisions of the Exchange Traded Note Conditions and any of the Conditions (as defined in clause 2), the provisions of the Exchange Traded Note Conditions shall prevail, and any reference to “*Conditions*” in the Programme Memorandum shall, for the purpose of this Series of Exchange Traded Notes, be construed accordingly.

2. DEFINITIONS

Capitalised terms not defined in this clause 2 shall have the meaning ascribed to them in Section 1 of the Programme Memorandum headed “*Definitions and Interpretation*”, as read with the Related Supplement. The following expressions shall have the following meanings:

Actual Dividend Period means, in relation to an Underlying Equity, the period commencing on (and including) a Dividend Date and ending on the immediately following Dividend Date;

Adjusted Participation Factor means, in relation to an Underlying Equity, the percentage specified as such in the New Related Supplement, being such adjustment to the Participation Factor of that Underlying Equity as is determined by the Calculation Agent, acting in a reasonable manner, following the occurrence of a Trigger Event, in order, when taken together with all of the adjustments made by the Calculation Agent to the Participation Factors of each of the other Underlying Equities (that is, an adjustment to the weightings of all of the Underlying Equities), will effect an increase in the value of the Consolidated Exchange Traded Note to an amount which exceeds the Threshold Trigger Amount;

Adjusted Threshold Trigger Amount means, in relation to the Consolidated Exchange Traded Notes, the amount (if any) specified as such in the New Related Supplement, failing which the Adjusted Threshold Trigger Amount shall be the Threshold Trigger Amount;

Amended Maturity Date means the date referred to in, as applicable, clause 5.1.1 or clause 5.1.2, as the case may be;

Calculation Date means any date (selected by the Calculation Agent) falling within ten Business Days of the Trigger Event Date;

Cash Settlement Amount has the meaning set out in clause 4.6;

Closing Price means in relation to an Underlying Equity, the closing price of that Underlying Equity, as published by the JSE on each Business Day;

Conditions means the terms and conditions of Exchange Traded Notes set out in Section 4 (Part B) of the Programme Memorandum headed “*Terms and Conditions of Exchange Traded Notes*”;

Consolidated Exchange Traded Notes has the meaning set out in clause 5.1.3;

Deemed Cash Settlement Amount means the amount calculated by the Calculation Agent in terms of clause 5.6;

Deemed Dividend Period means, in relation to an Underlying Equity (where applicable), each successive period commencing on (and including) an Ex Dividend Date and ending on (but excluding) the immediately succeeding Ex Dividend Date; provided that the first Deemed Dividend Period shall commence on (and include) the Issue Date and the last Deemed Dividend Period shall end on (but exclude) the Maturity Date (or the Amended Maturity Date, if applicable);

Dividend Amount means, in relation to an Underlying Equity for an Actual Dividend Period (subject to clause 4.8), the present value (determined by the Calculation Agent acting in a reasonable manner) of the cash dividend declared in respect of that Underlying Equity for that Actual Dividend Period and, in relation to an Underlying Equity for a Deemed Dividend Period (subject to clause 4.8), the present value (determined by the Calculation Agent acting in a reasonable manner) of the cash dividend declared in respect of that Underlying Equity for the corresponding Actual Dividend Period adjusted *pro rata* to the number of days in that Deemed Dividend Period and as adjusted in relation to the relevant Participation Factor relating to that Underlying Equity, and **Net Dividend Amount** means, in relation to all of the Underlying Equities, the netted aggregate of the relevant Dividend Amounts;

Dividend Date means, in relation to an Underlying Equity, the date on which a cash dividend is declared in respect of that Underlying Equity;

Exchange Traded Note Conditions means the terms and conditions of this Series of Exchange Traded Notes set out in this section of the Exchange Traded Note Supplement headed "*Terms and Conditions*", as read with the Related Supplement and, subject to clause 1, the applicable Conditions;

Ex Dividend Date means, in relation to an Underlying Equity, the date on which the right to the dividend in respect of that Underlying Equity no longer accompanies that Underlying Equity;

Existing Exchange Traded Notes means all of the Exchange Traded Notes in this Series held by the Holder on the Trigger Event Date;

Final Price means, in relation to an Underlying Equity, the Closing Price of that Underlying Equity as published by the JSE on the Maturity Date;

Holder means, in relation to an Exchange Traded Note, the person who is the owner of the beneficial interest in that Exchange Traded Note, as contemplated in the CSD Procedures and, subject to the Conditions, the person reflected in the Register as the registered holder of that Exchange Traded Note;

Initial Price means, in relation to an Underlying Equity, the Closing Price of that Underlying Equity as published by the JSE on the Business Day immediately preceding the Issue Date;

Interest Amount means:

- a) in relation to a Net Dividend Amount that is positive, the amount of interest that would have accrued on that Net Dividend Amount had that Net Dividend Amount borne interest at the rate per annum equal to the Interest Rate; or
- b) in relation to a Net Dividend Amount that is negative, the amount of interest that would have been paid to fund that Net Dividend Amount had that Net Dividend Amount been financed at the rate per annum equal to the Interest Rate plus the Margin,

for the period, in each of (a) and (b), commencing on (and including) the first day of the relevant Actual Dividend Period or the relevant Deemed Dividend Period, as the case may be, and ending on (but excluding) the Maturity Date (or the Amended Maturity Date, if applicable), calculated on the basis of the actual number of days in such period divided by 365;

Interest Rate means the interest rate specified as such in the Related Supplement;

Issue Date means the date specified as such in the Related Supplement;

Issue Price means, in relation to an Exchange Traded Note, the amount specified as such in (or calculated in accordance with the provisions set out in) the Related Supplement;

Long Equity means an Underlying Equity where, if the Closing Price of that Underlying Equity increases, the value of the Exchange Traded Note will increase and, if the Closing Price of that Underlying Equity decreases, the value of the Exchange Traded Note will decrease;

Margin means the margin specified as such in the Related Supplement;

Maturity Date means the date specified as such in the Related Supplement;

Maturity Period means the period commencing on (and including) the Issue Date and ending on (but excluding) the Maturity Date;

New Related Supplement means, in relation to the Consolidated Exchange Traded Notes, the Related Supplement amended (subject to clause 5.7) to set out the Adjusted Participation Factor and the Adjusted Threshold Trigger Amount (if applicable);

Participation Factor means, in relation to an Underlying Equity, the percentage specified as such in the Related Supplement;

Redemption Exchange Traded Note/s has the meaning set out in clause 5.1.2;

Related Supplement means the supplement contemplated in Schedule 2A(II) headed “*Form of Supplement - Exchange Traded Notes, Protected Share Investments and Share Instalments*” of Section 7 of the Programme Memorandum, attached as annexure “A” to this Exchange Traded Note Supplement;

Series means those Exchange Traded Notes which are identical in all respects (including as to listing) and in respect of which the same Exchange Traded Note Supplement and Related Supplement apply, identified by way of a unique numeral (such as Series 2);

Short Equity means an Underlying Equity where, if the Closing Price of that Underlying Equity decreases, the value of the Exchange Traded Note will increase and, if the Closing Price of that Underlying Equity increases, the value of the Exchange Traded Note will decrease;

Stock Borrowing Costs means, in relation to a Short Equity, the market-related costs incurred by the Issuer in covering that Short Equity position, determined by the Calculation Agent acting in a reasonable manner;

Stock Borrowing Event means, in relation to an Exchange Traded Note on any Business Day, that the Issuer is unable to source sufficient Short Equity/ies, at current market rates and prices, to enable the Issuer to cover the Short Equity/ies position on that Business Day, determined by the Calculation Agent acting in a reasonable manner;

Threshold Trigger Amount means, in relation to an Exchange Traded Note on any Business Day, the amount specified as such in the Related Supplement;

Threshold Trigger Event means, in relation to an Exchange Traded Note on any Business Day, that the Threshold Trigger Amount of that Exchange Traded Note on that Business Day is greater than the Deemed Cash Settlement Amount, as determined by the Calculation Agent;

Total Cash Settlement Amount has the meaning set out in clause 4.6;

Trigger Event means, as applicable, a Threshold Trigger Event and/or a Stock Borrowing Event;

Trigger Event Date means, in relation to an Exchange Traded Note, the Business Day following the occurrence of a Trigger Event;

Underlying Equities means, in relation to an Exchange Traded Note, the Shares relating to that Exchange Traded Note, identified as such in the Related Supplement, and **Underlying Equity** means each such Share;

Unwinding Costs means the amount calculated by the Calculation Agent in terms of clause 5.4.

3. MATURITY OF EXCHANGE TRADED NOTE

Exchange Traded Notes shall, subject to clause 5, mature on the Maturity Date.

4. CALCULATION OF THE CASH SETTLEMENT AMOUNT

4.1 Subject, where applicable, to clause 5, the Calculation Agent shall, on the Maturity Date, calculate the Cash Settlement Amount (if any) payable to the Holder, in respect of each Exchange Traded Note, in accordance with the provisions of this clause 4.

4.2 If an Underlying Equity is a Long Equity and, on the Maturity Date the Final Price of that Long Equity is equal to or lower than the Initial Price of that Long Equity, the amount reflecting the performance of that Long Equity shall (subject, where applicable, to clause 4.8) be the amount calculated in accordance with the following formula:

$$[[A - B] \times C] + D + E$$

where:

| | | |
|----------|---|--|
| A | = | the Initial Price of that Long Equity; |
| B | = | the absolute difference between the Initial Price of that Long Equity and the Final Price of that Long Equity; |
| C | = | the Participation Factor (expressed as a positive); |
| D | = | the aggregate of each Dividend Amount deemed to have accrued on that Long Equity during the Maturity Period; |
| E | = | the aggregate of each Interest Amount deemed to have accrued on each such Dividend Amount. |

4.3 If an Underlying Equity is a Long Equity and, on the Maturity Date the Final Price of that Long Equity is higher than the Initial Price of that Long Equity, the amount reflecting the performance of that Long Equity shall (subject, where applicable, to clause 4.8) be the amount calculated in accordance with the following formula:

$$[(A + B) \times C] + D + E$$

where:

| | | |
|----------|---|--|
| A | = | the Initial Price of that Long Equity; |
| B | = | the absolute difference between the Final Price of that Long Equity and the Initial Price of that Long Equity; |
| C | = | the Participation Factor (expressed as a positive); |
| D | = | the aggregate of each Dividend Amount deemed to have accrued on that Long Equity during the Maturity Period; |
| E | = | the aggregate of each Interest Amount deemed to have accrued on each such Dividend Amount. |

- 4.4 If an Underlying Equity is a Short Equity and, on the Maturity Date the Final Price of that Short Equity is higher than the Initial Price of that Short Equity, the amount reflecting the performance of that Short Equity shall (subject, where applicable, to clause 4.8) be the amount calculated in accordance with the following formula:

$$[(A + B) \times C] - [D + E + F]$$

where:

| | | |
|----------|---|--|
| A | = | the Initial Price of that Short Equity; |
| B | = | the absolute difference between the Final Price of that Short Equity and the Initial Price of that Short Equity; |
| C | = | the Participation Factor (expressed as a negative); |
| D | = | the aggregate of each Dividend Amount deemed to have accrued on that Short Equity during the Maturity Period; |
| E | = | the aggregate of each Interest Amount deemed to have accrued on each such Dividend Amount; |
| F | = | the Stock Borrowing Costs incurred in respect of that Short Equity. |

- 4.5 If an Underlying Equity is a Short Equity and, on the Maturity Date the Final Price of that Short Equity is equal to or lower than the Initial Price of that Short Equity, the amount reflecting the performance of that Short Equity shall (subject, where applicable, to clause 4.8) be the amount calculated in accordance with the following formula:

$$[(A - B) \times C] - [D + E + F]$$

where:

| | | |
|----------|---|--|
| A | = | the Initial Price of that Short Equity; |
| B | = | the absolute difference between the Initial Price of that Short Equity and the Final Price of that Short Equity; |
| C | = | the Participation Factor (expressed as a negative); |
| D | = | the aggregate of each Dividend Amount deemed to have accrued on that Short Equity during the Maturity Period; |
| E | = | the aggregate of each Interest Amount deemed to have accrued on each such Dividend Amount; |
| F | = | the Stock Borrowing Costs incurred in respect of that Short Equity. |

- 4.6 Subject to clause 4.8, the Calculation Agent shall, on the Maturity Date, calculate the amount (positive or negative) reflecting the performance of each Underlying Equity in accordance with, as applicable, clauses 4.2 and/or 4.3 and/or 4.4 and/or 4.5. The higher of (i) the aggregate of each such amount (positive or negative) and (ii) zero (the **Cash Settlement Amount**) multiplied by the number of Exchange Traded Notes in this Series held by the Holder on the Maturity Date (the **Total Cash Settlement Amount**) shall be the total amount (if any) payable to that Holder in respect of his Exchange Traded Note(s).
- 4.7 Subject, where applicable, to clause 5, the Issuer shall pay the Total Cash Settlement Amount (if any) to the Holder, as contemplated in the CSD Procedures, on the fifth Business Day following the Maturity Date.
- 4.8 Without derogating from the provisions of clause 8, if, in relation to an Underlying Equity, a dividend *in specie* (but not a cash dividend) is declared in respect of that Underlying Equity for an Actual Dividend

Period and/or a Deemed Dividend Period, as applicable, the Calculation Agent shall, acting in a reasonable manner, determine an amount that, so far as is practicable, will place the Issuer and the relevant Holder in the same economic position each would have been in had a cash dividend been declared in the place of that dividend *in specie*, and all references in the Exchange Traded Note Conditions to "Dividend Amount" shall be construed as references to the amount so calculated by the Calculation Agent in terms of this clause 4.8.

5. OCCURRENCE OF A TRIGGER EVENT

- 5.1 Following the occurrence of a Trigger Event, the Issuer shall be entitled, in its sole and absolute discretion, either:
- 5.1.1 to advance the Maturity Date of all of the Existing Exchange Traded Notes to any date (selected by the Issuer) falling within ten Business Days of the Trigger Event Date, in which event the provisions of clauses 5.2 and 5.4 shall apply; OR
- 5.1.2 to advance the Maturity Date, to any date (selected by the Issuer) falling within ten Business Days of the Trigger Event Date, of such number of the Existing Exchange Traded Note/s (the **Redemption Exchange Traded Note/s**) as is/are determined by the Calculation Agent in accordance with clause 6.3, in which event the provisions of clauses 5.3 and 5.4 shall apply; OR
- 5.1.3 to reduce the number of Existing Exchange Traded Notes to (and consolidate the Existing Exchange Traded Notes into) such number of Exchange Traded Note/s (the **Consolidated Exchange Traded Note/s**) as is/are determined by the Calculation Agent in accordance with the formula set out in clause 5.5, in which event the provisions of clauses 5.5, 5.6 and 5.7 shall apply.
- 5.2 If the Issuer elects to advance the Maturity Date of all of the Existing Exchange Traded Notes in terms of clause 5.1.1, the Issuer shall pay to the Holder, on the Amended Maturity Date, the Total Cash Settlement Amount (if any) of all of the Existing Exchange Traded Notes, calculated by the Calculation Agent subject to (and *mutatis mutandis* in accordance with) the applicable provisions of clause 4 but as if (a) all references to "Final Price" in clauses 4.2 and/or 4.3 and/or 4.4 and/or 4.5 were references to the Unwinding Costs, on the Trigger Event Date, of the relevant Underlying Equity referred to in clauses 4.2 and/or 4.3 and/or 4.4 and/or 4.5 and (b) all references to "Maturity Period" in clauses 4.2 and/or 4.3 and/or 4.4 and/or 4.5 were references to the period commencing on (and including) the Issue Date and ending on (but excluding) the Trigger Event Date.
- 5.3 If the Issuer elects to advance the Maturity Date of the Redemption Exchange Traded Note/s in terms of clause 5.1.2, the Calculation Agent shall, on the Trigger Event Date, calculate the number of Redemption Exchange Traded Note/s (rounded down by the Calculation Agent to the nearest whole number) in respect of which the Issuer is not able to source sufficient Short Equity/ies, at current market rates and prices on the Trigger Event Date, to enable the Issuer to cover the relevant Short Equity/ies position/s. The Issuer shall pay to the Holder, on the Amended Maturity Date, the Total Cash Settlement Amount (if any) of all of the Redemption Exchange Traded Notes, calculated by the Calculation Agent subject to (and *mutatis mutandis* in accordance with) the applicable provisions of clause 4 but as if (a) all references to "Final Price" in clauses 4.2 and/or 4.3 and/or 4.4 and/or 4.5 were references to the Unwinding Costs, on the Trigger Event Date, of the relevant Underlying Equity referred to in clauses 4.2 and/or 4.3 and/or 4.4 and/or 4.5 and (b) all references to "Maturity Period" in clauses 4.2 and/or 4.3 and/or 4.4 and/or 4.5 were references to the period commencing on (and including) the Issue Date and ending on (but excluding) the Trigger Event Date.
- 5.4 For purposes of clauses 5.2 and 5.3, the Unwinding Costs shall, in relation to the relevant Underlying Equity referred to in clauses 4.2 and/or 4.3 and/or 4.4 and/or 4.5, be the market-related costs incurred (or to be incurred) by the Issuer in unwinding the hedge transaction/s entered into by the Issuer in respect of the relevant Underlying Equity referred to in clauses 4.2 and/or 4.3 and/or 4.4 and/or 4.5, determined by the Calculation Agent acting in a reasonable manner, it being recorded, for purposes of clarification, that such costs shall include, but not be limited to, the market prices at which the relevant equity hedge transaction/s is/are unwound, all associated and/or related costs such as scrip lending and funding costs, and all taxes and/or penalties incurred (or to be incurred) as a consequence of, or in relation to, the relevant unwinding.
- 5.5 If the Issuer elects to reduce the number of Existing Exchange Traded Notes to (and consolidate the Existing Exchange Traded Notes into) the Consolidated Exchange Traded Note/s in terms of clause 5.1.3, the number of Consolidated Exchange Traded Note/s shall be determined by the Calculation Agent, on the Calculation Date, in accordance with the following formula:

$$[A \times B] \div [(C \times D) + [L^1] + [E \times F] + [S^2]]$$

where:

| | | |
|----------|---|---|
| A | = | the Deemed Cash Settlement Amount; |
| B | = | the number of Existing Exchange Traded Notes held by the Holder on the Trigger Event Date; |
| C | = | in relation to the 1 st Long Equity (if any) specified in the Related Supplement, the market-related costs that would be incurred by the |

| | | |
|----------------------|---|---|
| | | Issuer, on the Trigger Event Date, if the Issuer were to cover that Long Equity position, determined by the Calculation Agent acting in a reasonable manner; |
| D | = | the Adjusted Participation Factor of the Long Equity (if any) referred to in C above; |
| L¹ | = | the aggregate of [C x D] above calculated with reference to each additional Long Equity (if any) specified in the Related Supplement; |
| E | = | in relation to the 1 st Short Equity (if any) specified in the Related Supplement, the market-related costs that would be incurred by the Issuer, on the Trigger Event Date, if the Issuer were to cover and/or hedge that Short Equity position, determined by the Calculation Agent acting in a reasonable manner; |
| F | = | the Adjusted Participation Factor of the Short Equity (if any) referred to in E above; |
| S² | = | the aggregate of [E x F] above calculated with reference to each additional Short Equity (if any) specified in the Related Supplement. |

- 5.6 For purposes of clause 5.5, the Deemed Cash Settlement Amount shall, in relation to one Existing Exchange Traded Note, be the aggregate amount in respect of the performance of each Underlying Equity, calculated by the Calculation Agent *mutatis mutandis* in accordance with, as applicable, clauses 4.2 and/or 4.3 and/or 4.4 and/or 4.5 (and clause 4.6) but as if (a) all references to “Final Price” in clauses 4.2 and/or 4.3 and/or 4.4 and/or 4.5 were references to the Closing Price, on the Trigger Event Date, of the relevant Underlying Equity referred to in clauses 4.2 and/or 4.3 and/or 4.4 and/or 4.5 and (b) all references to “Maturity Period” in clauses 4.2 and/or 4.3 and/or 4.4 and/or 4.5 were references to the period commencing on (and including) the Issue Date and ending on (but excluding) the Trigger Event Date.
- 5.7 The number of Consolidated Exchange Traded Note/s calculated by the Calculation Agent in accordance with the formula set out in clause 5.5 shall be rounded down by the Calculation Agent to the nearest whole number and the Existing Exchange Traded Notes shall, on and with effect from the Calculation Date, be consolidated into such number of Consolidated Exchange Traded Note/s. The Consolidated Exchange Traded Note/s shall have the identical Exchange Traded Note Conditions as the Existing Exchange Traded Notes which have been consolidated into such Consolidated Exchange Traded Note/s, save that (i) the Participation Factor shall be construed as the Adjusted Participation Factor, (ii) the Threshold Amount shall be construed as the Adjusted Threshold Amount and (iii) the New Related Supplement shall replace the Related Supplement.
- 5.8 If, following any calculation and rounding down by the Calculation Agent in terms of this clause 5, the Calculation Agent determines that any surplus cash is payable to the Holder, the Issuer shall pay such amount to the Holder, within fifteen Business Days following the Trigger Event Date or, in the case of Consolidated Exchange Traded Note/s, within fifteen Business Days following the Calculation Date, as the case may be, but otherwise *mutatis mutandis* in accordance with clause 4.7.
- 5.9 The Holders acknowledge and agree that no provision of this clause 5 shall be construed in any way as an amendment of the Exchange Traded Note Conditions which requires the consent of any Holder/s, and that the Issuer is not required to obtain the consent of any Holder/s in order to exercise its rights under this clause 5 and/or to give effect to the provisions of this clause 5.
- 5.10 Without derogating from the provisions of clause 5.9, the provisions of this clause 5 shall apply to, and be repeated in respect of, the Consolidated Exchange Traded Notes, on each occasion on which a Trigger Event occurs in relation to such Consolidated Exchange Traded Notes, until such time (if any) as the Issuer elects to advance the Maturity Date of all of the (or all of the remaining) Consolidated Exchange Traded Notes pursuant to clause 5.1.1.

6. NO RIGHTS OR TITLE IN OR TO THE UNDERLYING EQUITIES

The Holder shall have no rights or title of whatsoever nature in or to any of the Underlying Equities including, without limitation, any rights to receive dividends, any rights to receive annual reports and notices of meetings, and any rights to attend, speak and vote at any meetings.

7. TRANSFER OF EXCHANGE TRADED NOTE

A Holder may transfer his Exchange Traded Note in accordance with the Conditions. For the avoidance of doubt it is recorded that, on and with effect from the date on which the transferor Holder duly transfers his Exchange Traded Note to the transferee Holder in accordance with the Conditions, all of the rights and obligations of the transferor Holder in terms of the Exchange Traded Note Conditions shall be deemed to have been ceded and assigned to the transferee Holder, and the transferee Holder shall be entitled to the benefits of all such rights and be bound by all such obligations.

8. ADJUSTMENTS

The Exchange Traded Note Conditions may be adjusted from time to time by the Issuer, or the Calculation Agent, as set out in the Conditions. In the event that there are material changes made to the structure or method of calculation provided for in the Exchange Traded Note Conditions, an adjustment may be made to the Exchange Traded Note Conditions, subject to the approval of the JSE (where required), so as to reflect, as far as possible, the structure and method of calculation provided for in the Exchange Traded Note Conditions at the Issue Date of this Series of Exchange Traded Notes. Such adjustments shall be designed with the intention that neither the Holders nor the Issuer will be disadvantaged by such adjustments.

9. **DETERMINATIONS OF THE CALCULATION AGENT**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the Exchange Traded Note Conditions by the Calculation Agent shall (in the absence of wilful deceit, bad faith or manifest error) be binding on the Issuer, the Calculation Agent and the Holders and no liability to the Issuer or the Holders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to the Exchange Traded Note Conditions.

ANNEXURE “A”**RELATED SUPPLEMENT**

This document is the supplement contemplated in Schedule 2A(II) headed “*Form of Supplement - Exchange Traded Notes*” of Section 7 of the Programme Memorandum (the **Related Supplement**):

A. General

| | | |
|-----|--|---|
| 1. | Issuer | Nedbank Limited |
| 2. | Series Number | 4 |
| 3. | ISIN Number | ZAE000161592 |
| 4. | a) Long name of the Exchange Traded Notes | NB ANGLO STUB OCT12 |
| | b) Short name of the Exchange Traded Notes | NBAGLSTUB |
| 5. | Type of Exchange Traded Notes | Basket Equity-Linked Exchange Traded Notes |
| 6. | Alpha Code | NBAGL4 |
| 7. | Number of Exchange Traded Notes | 8 000 000 |
| 8. | Issue Price per Exchange Traded Note | ZAR125.00 |
| 9. | Issue Date | 26 October 2011 |
| 10. | Maturity Date | 25 October 2012 |
| 11. | Interest Rate | the Overnight Deposit Rate, being, as at any date, the mid-market offer rate per annum, in respect of South African banks, for overnight deposits in Rand which appears on the Reuters Screen SAFETY Page as “SFX-ZAR-OND” at or about of 11h00 (Johannesburg time) on that date, as determined by the Calculation Agent. |
| 12. | Margin | 0.50% |
| 13. | Threshold Trigger Amount | ZAR40.00 |

B. Settlement Provisions

| | | |
|----|------------------------|--|
| 1. | Type of settlement | Cash Settlement |
| 2. | Cash Settlement Amount | See clause 4 of the Exchange Traded Note Supplement. |

C. Underlying Equities

| | | |
|----|---|--|
| 1. | a) Name of Underlying Equity | ordinary Share in the issued share capital of Anglo American PLC (AGL) |
| | b) Short Equity/Long Equity | Long Equity |
| | c) Participation Factor | 1 |
| | d) Number of Underlying Equity/ies to which one of Exchange Traded Note relates | 1 |
| | e) Exchange on which Underlying Equity is listed | JSE Limited |
| 2. | a) Name of Underlying Equity | ordinary Share in the issued share capital of Anglo American Platinum Limited (AMS) |
| | b) Short Equity/Long Equity | Short Equity |
| | c) Participation Factor | 0.1508 |
| | d) Number of Underlying Equity/ies to which one of Exchange Traded Note relates | 1 |

- | | | | |
|----|----|--|---|
| | e) | Exchange on which Underlying Equity is listed | JSE Limited |
| 3. | a) | Name of Underlying Equity | ordinary Share in the issued share capital of Kumba Iron Ore Limited (KIO) |
| | b) | Short Equity/Long Equity | Short Equity |
| | c) | Participation Factor | 0.1608 |
| | d) | Number of Underlying Equity/ies to which one of Exchange Traded Note relates | 1 |
| | e) | Exchange on which Underlying Equity is listed | JSE Limited |
| 4. | a) | Name of Underlying Equity | ordinary Share in the issued share capital of Exxaro Resources Limited (EXX) |
| | b) | Short Equity/Long Equity | Short Equity |
| | c) | Participation Factor | 0.0267 |
| | d) | Number of Underlying Equity/ies to which one of Exchange Traded Note relates | 1 |
| | e) | Exchange on which Underlying Equity is listed | JSE Limited |

D. Information about the Companies

1. **AGL**

| | | |
|----|--------------------|---|
| a) | Name of Company | Anglo American PLC |
| b) | Nature of Business | Anglo American PLC is a global mining and natural resources company, which has interests in platinum, gold, diamonds, coal, base metals, ferrous metals and industrial minerals. The Group is geographically diverse, with operations in Africa, Europe, North and South America, Australia and Asia. |
| c) | Directors | Cynthia Blum Carroll, David J Challen, Chow Chung Kong, Rene Medori, Raymond Gabriel O'Rourke, Sir John Parker, Mampela Aletta Ramphela, Jack Edward Thompson, Phillip Hampton, Phutama Nhleko, Nicky Oppenheimer and Peter L Woicke. |
| d) | Registered Office | 20 Carlton House Terrace, London, SW1Y 5AN, United Kingdom. |
2. **AMS**

| | | |
|----|--------------------|---|
| a) | Name of Company | Anglo American Platinum Limited |
| b) | Nature of Business | Anglo American Platinum Limited is the holding company for a group of companies which operate platinum mines. In addition to platinum, the Group mines and produces platinum group metals such as palladium, rhodium, iridium, ruthenium, osmium, nickel, copper and cobalt. |
| c) | Directors | Wendy Elizabeth Lucas-Bull, Douglas John Alison, Brian Richard Beamish, Godfrey Gregory Gomwe, Bongani Augustine Khumalo, Rene Medori, Cynthia Blum Carroll, Peter Graeme Whitcutt, Richard Mathew Wingfield Dunne, Mohammed Valli Moosa, Sonja Sebotsa, Neville Francis Nicolau, Bongani Nqwababa and Thomas Alexander Wixley. |
| d) | Registered Office | 55 Marshall Street, P.O. Box 621, Marshalltown, 2107, Johannesburg, 2001, South Africa. |
3. **KIO**

| | | |
|----|--------------------|---|
| a) | Name of Company | Kumba Iron Ore Limited |
| b) | Nature of Business | Kumba Iron Ore Limited mines and produces iron ore. |
| c) | Directors | Zarina B M Bassa, Godfrey Gregory Gomwe, Gert Stephanus Gouws, Christopher Ivan Griffith, Vusani F Malie, Peter Bambatha Matlare, Dolly Doreen Mokgatle, Allen John Morgan, Vincent Patrick Uren, David Maxwell |

- Weston and Polelo Lazarus Zim.
- d) Registered Office Centurion Gate Building, Corner John Vorster & Akkerboom Street, Centurion, 0157, South Africa.
4. EXX
- a) Name of Company Exxaro Resources Limited
- b) Nature of Business Exxaro Resources Limited is the holding company for a group of companies which extract and process a range of minerals, including coal, mineral sands, base metals and industrial minerals. Exxaro Resources Limited holds a 20% interest in Sishen Iron Ore Company (Proprietary) Limited which extracts and processes iron ore reserves.
- c) Directors Siphon Abednego Nkosi, William Abraham de Klerk, Jurie Johannes Geldenhuys, Ufikile Khumalo, Deenadayalen Konar, Vincent Zwelibanzi Mntambo, Richard Peter Mohring, Nkululeko Leonard Sowazi, Jeffrey van Rooyen, Dalikhaya Zihlangu, Noluthando Langeni, Christopher Ivan Griffith and Maria Susanna Viljoen.
- d) Registered Office Roger Dyason Road, Pretoria West, 0002, South Africa.
5. Corporate actions in the Companies Condition 13 (*Adjustments*) of Part A (*Terms and Conditions of the Warrants*) of Section 4 of the Programme Memorandum headed "*Terms and Conditions*" (as read with Condition 19.1 (*Application of certain Conditions of Part A*) of Part B (*Terms and Conditions of Exchange Traded Notes*) of Section 4 of the Programme Memorandum headed "*Terms and Conditions*") shall apply in respect of corporate actions in each Company.
6. Dividends See clause 6 of the Exchange Traded Note Supplement.
- E. Details of the Calculation Agent**
1. Calculation Agent Nedbank Capital, a division of Nedbank Limited
2. Registered office of the Calculation Agent 135 Rivonia Road, Sandown, Sandton, 2196, Republic of South Africa.
- F. Selling Restrictions**
1. General See paragraph 14 (*Offering and Sale*) of Section 6 of the Programme Memorandum headed "*General Information*".
2. United States Securities Act, 1933 The Exchange Traded Notes have not been and will not be registered under the United States Securities Act of 1933, as amended.
3. Rule 144A The Exchange Traded Notes are not eligible for sale in the United States of America under Rule 144A of the United States Securities Act of 1933.
4. Additional selling restrictions Not applicable
- G. Other**
1. Tax implications See paragraph 8 (*Taxation*) of Section 6 of the Programme Memorandum headed "*General Information*".
2. Amendments to the Exchange Traded Note Conditions Subject to Condition 8.2 (*Amendments*) of Part A (*Terms and Conditions of the Warrants*) of Section 4 of the Programme Memorandum headed "*Terms and Conditions*" (as read with Condition 17 (*Application of certain Conditions of Part A*) of Part B (*Terms and Conditions of Exchange Traded Notes*) of Section 4 of the Programme Memorandum headed "*Terms and Conditions*") and clause 5.9 of the Exchange Traded Note Supplement, the Issuer may, with the consent of at least 75% of the Holders present, whether in person or by proxy, and voting at a meeting of the Holders (excluding the votes of the Issuer and any of its associates), amend or supplement or substitute any of the Exchange Traded Note Conditions. For this purpose, each Holder shall be entitled to one vote for each one Exchange Traded Note held by such Holder.
3. Effect of any corporate actions or restructuring by the Issuer See clause 8 of the Exchange Traded Note Supplement.
4. Other special conditions and modifications Not applicable

Application is hereby made to list Series 4 of the Exchange Traded Notes on JSE Limited, as from 26 October 2011, pursuant to the Nedbank Limited Warrant and Exchange Traded Note Programme.

The Issuer accepts responsibility for the information contained in this Related Supplement.