



BAYPORT SECURITISATION (RF) LTD

(Incorporated with limited liability in the Republic of South Africa under Registration Number 2008/003557/06)

Formerly called BAYPORT SECURITISATION (PROPRIETARY) LIMITED Registration Number 2008/003557/07

ZAR10,000,000,000

Under its ZAR10,000,000,000 Asset Backed Note Programme (the "**Programme**"), Bayport Securitisation (RF) LTD (the "**Issuer**") may from time to time issue limited recourse secured registered notes (the "**Notes**") denominated in South African Rand on the terms and conditions (the "**Terms and Conditions**") contained in the Programme Memorandum dated 20 May 2011 as supplemented by the Supplements to the Programme Memorandum dated 22 September 2011, 25 April 2012, 31 July 2012 and 28 June 2013 (the "**Programme Memorandum**") headed "*Terms and Conditions of the Notes*".

This supplement to the Programme Memorandum (the "**Supplement**") is published for the purpose of updating the Programme Memorandum in order to reflect changes which have been made to the Transaction Documents.

This Supplement is supplemental to, and should be read in conjunction with the Programme Memorandum.

Where any term is defined within the context of a particular clause or section in the Programme Memorandum, the term so defined, unless it is clear from the clause or section in question that the term so defined has limited application to the relevant clause or section, shall bear the meaning ascribed to it for all purposes in this Supplement, unless the context otherwise requires. Expressions defined in the Programme Memorandum shall bear the same meaning in this Supplement.

In the event of any conflict between the provisions or definitions of the Programme Memorandum and the provisions or definitions of this Supplement, the provisions or definitions, as the case may be, of this Supplement shall prevail. The remaining provisions of the Programme Memorandum, particularly the Terms and Conditions, shall apply, subject to any amendments required by this Supplement. All references to the Programme Memorandum shall mean the Programme Memorandum as supplemented by this Supplement.

Arranger

Transaction Capital (Proprietary) Limited

Debt Sponsor

Deutsche Bank AG, Johannesburg Branch

Legal Advisers to the Issuer and Arranger

Prinsloo, Tindle & Andropoulos Inc

Supplement dated 10 September 2013 to the Programme Memorandum

GENERAL

Capitalised terms used in this Supplement shall bear the same meanings as used in the section of the Programme Memorandum headed "Glossary of Definitions", except to the extent that they are separately defined in this Supplement or any section thereof or clearly inappropriate from the context.

The Issuer accepts full responsibility for the information contained in this Supplement to 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 the Programme Memorandum, as supplemented hereby, is in accordance with the facts and does not omit anything likely to affect the import of such information.

The JSE:

- takes no responsibility for the contents of the Programme Memorandum, as supplemented hereby, any Applicable Pricing Supplements, or any annual report (as amended or restated from time to time) or the amendments to the annual report,
- makes no representation as to the accuracy or completeness of any of the foregoing documents; and
- expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the Programme Memorandum, as supplemented hereby, any Applicable Pricing Supplements, or the annual report (as amended or restated from time to time) or the amendments to the annual report.

The Issuer certifies that, to the best of its knowledge and belief, there are no facts that have been omitted which would make any statements in the Programme Memorandum, as supplemented hereby, false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the Programme Memorandum, as supplemented hereby, contains all information required by law and the JSE Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum and this Supplement and the financial information incorporated by reference herein as well as in any supplements to the Programme Memorandum from time to time, except as otherwise stated herein and/or therein.

Information contained in the Programme Memorandum, as supplemented hereby, with respect to BFS, the Security Trust and the other parties to the Transaction Documents has been obtained from each of them for information purposes only. The delivery of the Programme Memorandum or the Supplement shall not create any implication that there has been no change in the affairs of BFS, the Security Trust or the other parties to the Transaction Documents since the date hereof or that the information contained or referred to herein is correct as at any time subsequent to its date.

The Programme Memorandum and this Supplement are to be read and construed with any amendment or supplement thereto and in conjunction with any other documents which are deemed to be incorporated herein by reference (see the section headed "*Documents Incorporated by Reference*") and, in relation to any Tranche of Notes, should be read and construed together with the Applicable Pricing Supplement. The Programme Memorandum and this Supplement shall be read and construed on the basis that such documents are incorporated into and form part of the Programme Memorandum and the Supplement, as the case may be.

None of the Arranger, the Dealer or any of their Affiliates, the Sponsor, other professional advisers or the JSE has separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Arranger and the Dealer or their Affiliates, the Sponsor, other professional advisers or the JSE as to the accuracy or completeness of the information contained in the Programme Memorandum or this Supplement or any other information provided by the Issuer. The Arranger and the Dealer and their Affiliates, the Sponsor, other professional advisers or the JSE do not accept any liability in relation to the information contained in the Programme Memorandum, as supplemented hereby or any other information provided by the Issuer in connection with the Programme.

No person has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with the Programme Memorandum or the Supplement, or any other document entered into in relation to the Programme or any other information supplied by the Issuer in connection with the Programme and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger and the Dealer or their Affiliates, the Sponsor, other professional advisers or the JSE.

Neither the Programme Memorandum nor the Supplement, nor any other information supplied in connection with the Programme is intended to provide a basis for any credit or other evaluation, or should be considered as a recommendation by the Issuer, the Arranger and the Dealer or their Affiliates, the Sponsor, other professional advisers or the JSE that any recipient of the Programme Memorandum, the Supplement or any other information supplied in connection with the Programme should subscribe for, or purchase, any Notes.

Each person contemplating the subscription for, or purchase of, any Notes should determine for itself the relevance of the information contained in the Programme Memorandum and the Supplement and should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and its subscription for, or purchase of, Notes should be based upon any such investigation as it deems necessary. Neither the Programme Memorandum, nor the Supplement nor any Applicable Pricing Supplement nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuer, the Arranger and the Dealer or their Affiliates, the Sponsor, other professional advisers or the JSE to any person to subscribe for or to purchase any Notes.

Neither the delivery of the Programme Memorandum nor the Supplement nor any Applicable Pricing Supplement nor the offering, sale or delivery of any Note shall at any time imply that the information contained herein is correct at any time subsequent to the date hereof or that any other financial statements or other information supplied in connection with the Programme is correct at any time subsequent to the date indicated in the document containing the same. The Arranger and the Dealer and their Affiliates, the Sponsor, other professional advisers and the JSE expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme. Investors should review, *inter alia*, the most recent financial statements, if any, of the Issuer when deciding whether or not to subscribe for, or purchase, any Notes.

Neither the Programme Memorandum nor the Supplement nor any Applicable Pricing Supplement constitutes an offer to sell or the solicitation of an offer to buy or an invitation to subscribe for or purchase any Notes. The distribution of the Programme Memorandum, the Supplement and any Applicable Pricing Supplement and the issue, sale or offer of Notes may be restricted by law in certain jurisdictions. Persons into whose possession the Programme Memorandum, the Supplement or any Applicable Pricing Supplement or any Notes come are required by the Issuer, the Arranger and the Dealer and their respective Affiliates, the Sponsor, other professional advisers and the JSE to inform themselves about, and observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of the Programme Memorandum, the Supplement or any Applicable Pricing Supplement and other offering materially relating to the Notes, see the section of the Programme Memorandum headed "*Subscription and Sale*".

The terms of the Programme Memorandum, as supplemented hereby, if sent to persons resident in jurisdictions outside South Africa, may be affected by the laws of the relevant jurisdiction. Such persons should inform themselves about and observe any applicable legal requirements. It is the responsibility of any such person wishing to subscribe for the Notes to satisfy himself as to the full observance of the laws of the relevant jurisdiction therewith. If and to the extent that the Programme Memorandum, as supplemented hereby, is illegal in any jurisdiction, it is not made in such jurisdiction and this document is sent to persons in such jurisdiction for information purposes only.

None of the Issuer, the Arranger and the Dealer or their Affiliates, the Sponsor, other professional advisers nor the JSE represents that the Programme Memorandum, as supplemented hereby, may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger and the Dealer or their Affiliates, the Sponsor, other professional advisers or the JSE which would permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither the Programme Memorandum, as supplemented hereby, nor any advertisement nor other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. The Dealer has represented that all offers and sales by them will be made in compliance with these restrictions.

The Notes have not been and will not be registered under the United States Securities Act, 1933 (as amended) (the "Securities Act"). Notes may not be offered, sold or delivered within the United States or to U.S. persons except in accordance with Regulation S under the Securities Act.

The Programme Memorandum, as supplemented hereby, has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes under the Programme Memorandum, as supplemented hereby, as completed by an Applicable Pricing Supplement in relation to the offer of those Notes may only do so (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the

Prospectus Directive, provided that any such prospectus has subsequently been completed by final terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State, such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of such offer. Except to the extent sub-paragraph (ii) above may apply, neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer. The expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression 2010 PD Amending Directive means Directive 2010/73/EU.

In connection with the issue and distribution of any Tranche of Notes under the Programme, the Dealer, if any, that is specified in the Applicable Pricing Supplement as the Stabilising Manager (or any person acting for the Stabilising Manager) may, if specified in that Applicable Pricing Supplement and only if such stabilising is permitted by the JSE Listings Requirements and in accordance with the Securities Services Act and approved by the JSE, over-allot or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period. However, there may be no obligation on the Stabilising Manager (or any agent of the Stabilising Manager) to do this. Such stabilising, if commenced, may be discontinued at any time and must be brought to an end after a limited period. Such stabilising shall be in compliance with all applicable laws, regulations and rules.

References in the Programme Memorandum and this Supplement to “Rands” are to the lawful currency for the time being of South Africa.

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DOCUMENTS INCORPORATED BY REFERENCE

Words used in this section headed "Documents Incorporated by Reference" shall bear the same meanings as used in the section of this Programme Memorandum headed "Glossary of Definitions", except to the extent that they are separately defined in this section or clearly inappropriate from the context.

The following documents shall be deemed to be incorporated in, and to form part of, this Programme Memorandum:

- (a) in respect of any issue of Notes under the Programme, the audited annual financial statements (together with reports and notes thereto) of the Issuer for its three financial years prior to the date of such issue (provided that the earliest audited annual financial statements available shall be 31 March 2009 being the date of the first financial year end after the Issuer's incorporation, which year end has subsequently been moved to 30 September of each year), and the audited annual financial statements (together with reports and notes thereto) of the Issuer for all financial years post the date of such issue as and when such statements become available;
- (b) the Transaction Documents, other than Applicable Pricing Supplements in respect of Notes which are not listed on the Interest Rate Market or the Main Board of the JSE;
- (c) each Applicable Pricing Supplement relating to any Tranche of Notes issued under the Programme and listed on the Interest Rate Market or the Main Board of the JSE;
- (d) all amendments and supplements to this Programme Memorandum prepared by the Issuer from time to time; and
- (e) all information pertaining to the Issuer which is relevant to the Programme and/or this Programme Memorandum which will be submitted electronically through the Securities Exchange News Service ("**SENS**") or similar service established by the JSE, to SENS subscribers, if required,

save that any statement contained in this Programme Memorandum or in any of the documents incorporated by reference in and forming part of this Programme Memorandum shall be deemed to be modified or superseded for the purpose of this Programme Memorandum to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

The documents listed in paragraph (b) above are available for inspection by investors, during normal office hours, at the Specified Offices of the Issuer as set out in the section at the end of this Programme Memorandum headed "*Corporate Information*".

Copies of this Programme Memorandum and of the documents referred to in paragraphs (a), (c) and (d) above will, as and when such documents are approved and become available:

- be available for inspection, by investors, during normal office hours, at the Specified Offices of the Issuer;
- be available on www.transactioncapital.co.za/BaySecDebt.aspx;
- be available for inspection by investors on the JSE's website.

The Issuer will, for so long as any Note remains outstanding and listed on the Interest Rate Market or the Main Board of the JSE, update the Programme Memorandum within six months of the financial year end of the Issuer, in the event of any of the information contained therein being outdated in a material respect. The amendments shall be subject to the approval of the JSE. No update or new Programme Memorandum or supplement to this Programme Memorandum, as the case may be, is required in respect of the Issuer's annual financial statements if such annual financial statements are incorporated by reference into this Programme Memorandum and such annual financial statements are published, as required by the Companies Act, and submitted to the JSE within six months after the financial year end of the Issuer.

Any update or new Programme Memorandum or Programme Memorandum as supplemented, as the case may be, will be deemed to have substituted the previous Programme Memorandum from the date of issue of the new Programme Memorandum or Programme Memorandum as supplemented, as the case may be.

PROPOSED AMENDMENTS TO THE “GLOSSARY OF DEFINITIONS” AND “TERMS AND CONDITIONS” SECTIONS OF THE PROGRAMME MEMORANDUM AND TO APPENDIX 1 TO THE PROGRAMME MEMORANDUM

1. The required consent of Noteholders was obtained on or about 4 September 2013 to make certain amendments to the Transaction Documents *inter alia*, to:
 - 1.1 amend the financial covenant relating to the Cellular Contracts;
 - 1.2 provide clarification on interest rates and payment dates;
 - 1.3 provide clarification on repayment of notes:
 - 1.3.1 during the Scheduled Amortisation Period;
 - 1.3.2 at the instance of the Issuer;
 - 1.3.3 upon delivery of an Early Amortisation Notice, and
 - 1.3.4 upon delivery of a Guarantee Notice;
 - 1.4 introduce an additional Credit Event based on the funding of the Arrears Reserve;
 - 1.5 amend the Credit Granting Criteria of the Originator;
 - 1.6 reduce the maximum cap on management fees capable of being charged by the Originator to 1% from 1.35%;
 - 1.7 ensure that the Standby Administrator takes over all of the Management Functions should the Manager cease to provide the Management Services instead of just the administration and collection of the Loan Claims forming part of the Portfolio; and
 - 1.8 provide the Issuer with the right to oblige the Originator to repurchase from the Issuer any Loan Claims sold by the Originator to the Issuer and in respect of which any warranty provided by the Originator prove to have been incorrect when provided.
2. Permission of the Noteholders to make such changes was sought under the requirements of Conditions 10.3.7, 11.1.1.17 and 18.2 of the Terms and Conditions. The required consent of Noteholders was obtained on or about 4 September 2013.
3. The amendments to the Transaction Documents require amendments to the “*Glossary of Definitions*” and “*Terms And Conditions*” sections of the Programme Memorandum and to Appendix 1 to the Programme Memorandum as set out in paragraphs 4 to 6 below. The required consent of Noteholders to make such changes was also obtained on or about 4 September 2013. 2013.

4. **Glossary of Definitions**

The terms and expressions set out below shall become the new definitions incorporated in the Glossary of Definitions section of the Programme Memorandum in substitution for the existing definitions or as new definitions, as the case may be, bearing the same name and number. The text underlined below reflects the additions to such definitions and by the strikethrough text below reflects the deletions from such definitions.

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| "3.31 | "Ceded Rights" | <i>all present and future claims in the Issuer's favour, without restriction or exception (whether as to the identity of the debtors, the cause of debt, the nature of the claim or anything else whatsoever), including but not limited to –</i> |
| 3.31.1 | | <i>the Issuer's right, title and interest (both present and future) in and to the Bank Accounts;</i> |
| 3.31.2 | | <i>the Issuer's right, title and interest (both present and future) under and in terms of the Loan Agreements;</i> |
| 3.31.3 | | <i>the Issuer's right, title and interest (both present and future) in and to the Ancillary Contracts;and</i> |

- 3.31.4 *the Issuer's right, title and interest (both present and future) under and in terms of the Transaction Documents; and*
- 3.31.5 *the Issuer's right, title and interest to the proceeds of the sale of any Ineligible Loan Claim.;*
- "3.70" **"Financial Covenants"** *the financial covenants to be maintained by the Issuer as follows –*
- 3.70.1 *a Senior Debt Cashflow Cover Ratio of not less than 1,50 times;*
- 3.70.2 *a Senior Debt Interest Cover Ratio of not less than 3,50 times;*
- 3.70.3 *a ratio of Senior Debt to Net Qualifying Asset Value of not more than 72,5%;*
- 3.70.4 *a Bad and Doubtful Debt Ratio not exceeding 17,5% of the value of the Portfolio during any 12 month rolling period;*
- 3.70.5 *Equity invested in the Issuer by the Originator with an aggregate value of not less than:*
- 3.70.5.1 *18% of the Portfolio, in respect of the period ending 30 June 2011;*
- 3.70.5.2 *19% of the Portfolio, in respect of the period from 1 July 2011 to 30 September 2012;*
- 3.70.5.3 *20% of the Portfolio, in respect of the period from 1 October 2012;*
- 3.70.6 *the value of the Cellular Contracts held by the Issuer to the aggregate value of the Portfolio is no more than 1029%;*
- "3.88A" **"Ineligible Loan Claim"** *a Loan Claim in respect of which there is, as at the corresponding Transfer Date, a breach of any of the warranties and representations in the clause of the Sale of Claims Agreement titled "Warranties and Representations";;*
- "3.92" **"Interest Payment Date(s)"** *~~bears the same meaning as "one or more Payment Date(s)" and will be Dates as specified in respect of a Tranche of Notes in the Applicable Pricing Supplement save in respect of the Class C Notes, where interest shall become due and payable on the date(s) contained in the Applicable Pricing Supplement;~~;*
- "3.181" **"Security Trust Deed"** *the trust deed executed by and between the Issuer (in its capacity as founder) and the Security Trustee (in its capacity as first trustee) on or about 15 April 2008 in terms of which the Issuer established the Security Trust, as amended, and/or consolidated and/or novated and/or substituted from time to time in accordance with its terms;*
- "13. Any reference in this Programme Memorandum to an agreement shall be a reference to that agreement as amendment and/or consolidated and/or novated and/or substituted from time to time.".

5. Terms and Conditions

- 5.1 Condition 7.1.1 of the Terms and Conditions shall be amended by the introduction of the underlined text below into such Condition and the deletion of the strikethrough text below from such Condition:

"7.1.1 Unless previously redeemed and cancelled or unless the Notes become repayable earlier as a result of the operation of Condition 7.2, Condition 7.3 or Condition 11 (Credit Event/Guarantee Notice), the Issuer shall partially redeem the Nominal Amount of each Tranches of Notes in respect of which the Stated Date has occurred in the instalments set out in the Applicable Pricing Supplement, ~~on~~ provided that the repayment profile in respect of each Note shall be such that (i) each relevant scheduled repayment is made on a Payment Date during the Scheduled Amortisation Period applicable to such Note, being the amount necessary to reduce and (ii) the Nominal Amount of such Note will be reduced to zero on the Maturity Date of such Note, limited to the extent permitted by and in all circumstances in accordance with the Priority of Payments."

- 5.2 Condition 7.1.2.2 of the Terms and Conditions shall be amended by the introduction of the underlined text in the text below and the deletion of the strikethrough text from the text below:

"7.1.2.2 in the case of a receipt by the Issuer of an Early Amortisation Notice, the Issuer shall use all excess cash (after discharge of prior ranking claims under the Post-Enforcement Priority of Payments) to amortise the outstanding balance of each Note to zero as soon as the available cash flow will allow, whether or not such Notes are due and payable, but in the order they become due and payable in accordance with the Post-Enforcement Priority of Payments, on each Payment Date thereafter apply all excess cash in accordance with Condition 12.2.A ."."

- 5.3 Condition 7.3.2 of the Terms and Conditions shall be amended by the introduction of the underlined text below into such Condition:

"7.3.2 Notwithstanding the foregoing, the Issuer may, having given not less than 20 Business Days (nor more than 40 Business Days) irrevocable notice to the Noteholders in accordance with Condition 17, redeem all (but not only some) of the Notes of a particular class out of the excess amounts collected from time to time under the Loan Agreements, (provided that all prior ranking Notes have been settled in full), whereupon the Issuer shall be obliged to effect payment to the Noteholders in question of the full amount calculated in accordance with the provisions of Condition 7.6."

- 5.4 Condition 11.1.1 of the Terms and Conditions shall be amended by the introduction of a new Credit Event as 11.1.1.33 as follows:

"11.1.1.33 on any Payment Date, the Arrears Reserve is not fully funded at its required level (as per the formula described in Appendix 3 hereto)."

- 5.5 Condition 11.1.3 of the Terms and Conditions shall be amended by the introduction of the underlined text below into such Condition and the deletion of the strikethrough text below from such Condition:

"11.1.3 Upon receipt of an Early Amortisation Notice, the Issuer shall forthwith cease purchasing any further Loan Claims from the Originator in terms of the Sale of Claims Agreement, and shall thereafter be required to apply the proceeds of the Loan Claims it owns towards the discharge of its obligations to the Secured Creditors (whether then due for payment or not) in accordance with the provisions of Condition 12.2.A below. ~~the Post-Enforcement Priority of Payments. The Issuer will then use all excess cash (after discharge of prior ranking claims under the Post-Enforcement Priority of Payments) to amortise the outstanding balance of each Note to zero as soon as the available cash flow will allow whether or not such Notes are due and payable, but in the order they become due and payable in accordance with the Post-Enforcement Priority of Payments. The Issuer will then, on each Payment Date thereafter, use all excess cash in accordance with Condition 12.2.~~"

- 5.6 Condition 11.2.3 of the Terms and Conditions shall be amended by the introduction of the underlined text below into such Condition and the deletion of the strikethrough text below from such Condition:

"11.2.3 Upon delivery of a Guarantee Notice, all amounts owing to the Secured Creditors shall become immediately due and payable and shall be paid in accordance with the Post-Enforcement Priority of Payments. Unless the Issuer discharges all amounts owing to the Secured Creditors within five Business Days of the date of receipt of a Guarantee Notice from the Security Trustee, or if any other Guarantee Event occurs, the Security Trustee is required, in terms of the Security Trust Deed, to realise the Ceded Rights pursuant to the Security ~~Cession~~ and, out of the proceeds thereof, pay to each

Secured Creditor the amount owing to it under the Guarantee, subject to the Guarantee Conditions and the Post-Enforcement Priority of Payments.".

- 5.7 The insertion of the following Conditions as new Conditions 12.2A and 12.2B after the existing Condition 12.2:

"12.2A *Following delivery of an Early Amortisation Notice, but prior to the occurrence of a Guarantee Event, no payment shall be made by the Issuer, on any date which is not a Payment Date, and all such payments shall be made strictly in accordance with the Post-Enforcement Priority of Payments, on the basis that –*

12.2A.1 *all amounts scheduled for payment on that Payment Date in respect of the Senior Debt and all prior ranking claims in terms of the Post-Enforcement Priority of Payments ("the Scheduled Payments") shall first be discharged, provided that if there is insufficient cash available to settle all the Scheduled Payments, then –*

12.2A.1.1 *the Scheduled Payments shall rank and be settled in the order in which they appear in the Post-Enforcement Priority of Payments; and*

12.2A.1.2 *the Scheduled Claims ranking pari passu in the Post-Enforcement Priority of Payments shall, to the extent that they cannot be settled in full, be discharged pro rata to their respective values;*

12.2A.2 *thereafter the Issuer shall use all excess cash to pay to the Secured Creditors all further amounts then owing to them by the Issuer regardless of the due date for payment thereof, provided that if there is insufficient cash available to settle all the remaining claims of the Secured Creditors (after settlement of the Scheduled Claims) ("the Remaining Claims"), then -*

12.2A.2.1 *the Remaining Claims shall rank and be settled in the order in which they appear in the Post-Enforcement Priority of Payments; and*

12.2A.2.2 *the Remaining Claims ranking pari passu in the Post-Enforcement Priority of Payments shall, to the extent that they cannot be settled in full, be discharged pro rata to their respective outstanding balances.*

12.2B *Following the occurrence of a Guarantee Event, all payments shall be made strictly in accordance with the Post-Enforcement Priority of Payments on the basis that (regardless of the scheduled date for payment thereof) the Issuer shall use all available cash to discharge all amounts owing to the Secured Creditors, whether then due or not, provided that if there is insufficient cash to settle all outstanding claims, then –*

12.2B.1 *the claims shall be settled in the order in which they appear in the Post-Enforcement Priority of Payments; and*

12.2B.2 *claims ranking pari passu in the Post-Enforcement Priority of Payments shall, to the extent that they cannot be settled in full be discharged pro-rata to their respective outstanding balances."*

6. Credit Granting Criteria

The replacement of Appendix 1 to the Programme Memorandum which sets out the Credit Granting Criteria by the annexure attached to this document as Appendix 1.

OTHER CHANGES TO INFORMATION IN THE PROGRAMME MEMORANDUM ARISING FROM CHANGES TO THE TRANSACTION DOCUMENTS

1. The third paragraph of the "Investment Considerations" section of the Programme Memorandum which is headed "Transfer of the Rights to the Loan Claims" be amended by the introduction of the underlined text below into such paragraph and the deletion of the strikethrough text below from such paragraph:

"The Originator has warranted that, as a result of the sale of each Loan Claim sold to the Issuer, the Issuer will acquire full legal and beneficial ownership of such Loan Claim free of any Encumbrances in favour of any person. If any warranty provided by the Originator in respect of any Loan Claim sold to the Issuer proves to have been incorrect when provided, ("an Ineligible Loan Claim"), the Issuer will be entitled to ~~enforce any common law remedies it has for breach of warranty by~~ oblige the Originator to repurchase the Ineligible Loan Claim at an amount equal to the outstanding balance of the Ineligible Loan Claim."

2. In the section headed "The Sale of Claims Agreement" of the Programme Memorandum, the following paragraph be added as the penultimate paragraph to paragraph 4 of such section:

"If any warranty provided by the Originator in respect of any Loan Claim sold to the Issuer proves to have been incorrect when provided ("an Ineligible Loan Claim"), the Issuer will be entitled to oblige the Originator to repurchase the Ineligible Loan Claim at an amount equal to the outstanding balance of the Ineligible Loan Claim. Notwithstanding the sale of an Ineligible Loan Claim to the Originator as described above, ownership of each Ineligible Loan Claim shall remain vested in the Company until such time as the repurchase price in respect thereof has been discharged in full. In addition to the repurchase price of the Ineligible Loan Claim, the Originator has undertaken to pay such damages (whether civil, criminal or administrative) to the Issuer as the Issuer may have suffered as a result of or arising out of or in connection with such breach to the extent to which those damages have not been extinguished by the purchase or replacement of the Ineligible Loan Claim in question."

3. In the section headed "The Manager and the Management Agreement" of the programme memorandum the following change is made reflected by the introduction of the underlined text below into such final paragraph and the deletion of the strikethrough text below from such paragraph:

"The management fee is capped at ~~1.35%~~ 1.00% per month of the aggregate value of the Portfolio (as reflected in the monthly management accounts of the Issuer (excluding VAT)) less any amount paid to the Originator during the month in question in respect of employees seconded by the Originator to the Issuer for whose costs the Issuer reimburses the Originator."

4. The Programme Memorandum contains a section headed "Standby Administrator". The final paragraph of the "Standby Administrator" section of the programme memorandum which is headed "The Manager and the Management Agreement" be amended by the introduction of the underlined text below into such final paragraph and the deletion of the strikethrough text below from such paragraph:

"Standby Administrator

MBD has agreed, in terms of the Standby Administration Agreement, to ~~administer and collect the Loan Claims forming part of the Portfolio~~ perform the Management Functions, with effect from the first Business Day after the date on which MBD receives written notice from the Originator or the Issuer that the Originator's appointment under the Management Agreement has been terminated."

GENERAL INFORMATION

Documents Available

In addition to the documents available for inspection as listed in the Programme Memorandum, for so long as the Programme remains in effect or any Notes are outstanding under the Programme, a copy of this Supplement will be available for inspection at the Specified Office of the Issuer as set out in the section at the end of the Programme Memorandum and this Supplement headed "*Corporate Information*".

Material Change

The Issuer hereby confirms that, as at 10 September 2013, there has been no material change in the financial or trading condition of the Issuer since the date of the Issuer's latest audited financial statements. This statement has not been confirmed nor verified by the auditors of the Issuer.

BAYPORT SECURITISATION (RF) LTD

This Supplement to the Programme Memorandum was signed by **PETER KATZENELLENBOGEN** on 10 September 2013. Copies of the version bearing such signature are available for inspection at the Specified Office of the Issuer as set out at the end of this Supplement.

By: _____

Director, duly authorised

Date: 10 September 2013

This Supplement to the Programme Memorandum was signed by **RISHENDRIE THANTHONY** on 10 September 2013. Copies of the version bearing such signature are available for inspection at the Specified Office of the Issuer as set out at the end of this Supplement.

By: _____

Director, duly authorised

Date: 10 September 2013

Basic Credit Granting Criteria

The criteria outlined below form the basic credit granting criteria that will be applied by Bayport Financial Services (Pty) Ltd (“Bayport”) in the determination of a potential client’s application for a loan.

| Area | Detail |
|----------------------|---|
| Applicant | <p>Applicant must be a South African citizen.</p> <p>Applicant must be 18 years of age or older. All applicants may not exceed the retirement age at the time of application.</p> <p>Exception: A retirement age of over 60 years of age may be considered under the following conditions:</p> <ul style="list-style-type: none"> i. The employer can provide confirmation in writing that the applicant will be employed after reaching 60 years of age. ii. The term of the credit product must expire 6 (six) month’s before the applicant’s retirement age or date. |
| Documentation | <p>The applicant must provide the following supporting documentation on application:</p> <ol style="list-style-type: none"> 1. Payslip 2. South African ID Document 3. Bank Statements <p><u>Payslip</u></p> <ul style="list-style-type: none"> • A recent payslip containing the basic applicant details as well as income and deductions. • All payslips submitted must not be older than 31 days from the date of application for non-persal applicants and not older than 62 days for persal applicants. • Minimum information required on payslip <ul style="list-style-type: none"> i. Payslip date ii. Payment period iii. Earnings iv. Nett Salary v. Applicant’s personal information for confirmation thereof vi. Company name vii. Minimum statutory deductions (Tax and UIF) <p><u>ID Document</u></p> <ul style="list-style-type: none"> • An original South African ID document. • Drivers’ licenses or passports will not be accepted. • A certified temporary ID will be accepted if the document validity date has not expired and it has a valid Home Affairs stamp. <p><u>Bank Statements</u></p> <ul style="list-style-type: none"> • Bank statements reflecting 3 salary payments need to be supplied. <p>Exceptions to supporting documentation requirements: Bayport does not require the above supporting documentation when a credit transaction is concluded with an existing applicant or when a transaction is concluded via the call centre. To mitigate against this risk, the following is required:</p> <ul style="list-style-type: none"> • Data – The IT system is to display all relevant external bureau information to enable Bayport to confirm and assess the risk profile of applicants. • All calls are to be voice recorded for legal purposes or Bayport credit agreements are to be signed by the applicants to verify and confirm the credit details. |
| Application | <p>A Bayport credit application form is either required to be completed in respect of each application in writing, or electronically (including via a telephonic application).</p> <p>The applicant must sign all areas indicated on the contract (not required for a telephonic application).</p> <p>The applicant must agree to the terms, conditions and declarations of the contract.</p> |

| | |
|-----------------------|---|
| | <p>The pre-agreement must be signed by the applicant on acceptance of the offer or sent to the applicant in writing to confirm in the event of a telephonic application..</p> <p>The applicant must be sent or given a copy of the Pre-Agreement</p> |
| Employment | <p>Applicant must be permanently employed for a minimum period of six months.</p> <p>All employers will have to be approved by Bayport before any of the company's employees will be eligible for a credit product.</p> <p>An offer to an applicant may be restricted dependant on the risk associated with the applicant's employer.</p> |
| Credit vetting | <p>All applications will be vetted for prior defaults, judgements and payment history through a reputable Credit Bureau.</p> <p>All applications will be checked against the NLR/CPA database in order to determine the applicant's additional exposure and payment performance.</p> <p>All credit products issued as well as the performance history and current status of the Bayport credit product book will be updated on the NLR database on a regular basis as determined by the NCR.</p> <p>Applicant must be scored against a Bayport application or behavioral scorecard.</p> |
| Affordability | <p>Approval will be subject to the determination of the applicant's affordability as prescribed by the National Credit Act.</p> <p>The applicant must be able to meet his necessary living expenses and be able to make the required payments over the term of the agreement.</p> <p>The applicant's credit commitments will be checked against an approved credit bureau.</p> |
| Exclusions | <p>All applicants must not be:</p> <ul style="list-style-type: none"> • under administration, intend to go under administration or have applied to go under administration. • under, or have applied for, debt review. • sequestrated or have applied to be sequestrated. • under the influence of alcohol or other mind altering substances. • making application under duress or not have the mental capacity to comprehend the contract terms and conditions. • Applicants whose primary income is derived from medical grants or insurance benefits will not be eligible for credit products. • Self employed persons. • Unemployed persons. • Contract workers, seasonal workers, or any part-time employees. |
| Disbursement | <p>All disbursements will be made through an EFT payment.</p> <p>The account disbursed into needs to match the account details as authorised in the Debit Order instruction.</p> <p>Prior to disbursement, applications will pass through a specialist forensic authentication process.</p> |
| Repayment | <p>The applicant must have a bank account with a Bayport approved financial institution.</p> <p>Applicant must agree to repay the loan through either payroll deduction, debit order instruction.</p> <p>Applicant's payment frequency and pay date must be determined and must only be weekly or monthly paid.</p> |
| Option period | <p>The applicant is entitled to the right to enter into the credit agreement for five business days as per section 92(3) of the National Credit Act</p> |

CORPORATE INFORMATION

ISSUER

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Contact: Ms S Gross

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