



## **REDINK RENTALS (RF) LIMITED**

*(Incorporated in South Africa with limited liability under registration number 2015/090404/06)*

### **Issue of R15,000,000 Secured Class A Notes**

#### **Under its Secured Note Programme**

#### **Transaction No. 3 – Earn-a-Car Facility Agreement**

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described in this Applicable Pricing Supplement.

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum issued by Redink Rentals (RF) Limited, dated 29 May 2015. 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.

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum entitled "*Terms and Conditions of the Notes*" or in the Common Terms Agreement in relation to this Transaction No. 3, dated 15 November 2016. References in this Applicable Pricing Supplement to the Terms and Conditions are to the section of the Programme Memorandum entitled "*Terms and Conditions of the Notes*". References to any Condition in this Applicable Pricing Supplement are to that Condition of the Terms and Conditions.

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from this Applicable Pricing Supplement which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this Applicable Pricing Supplement contains all information required by Applicable Law and the JSE Debt Listings Requirements. The Issuer accepts full responsibility for the information contained in this Applicable Pricing Supplement, the Programme Memorandum and the annual financial report and any amendment to the annual financial report or any supplements from time to time, except otherwise stated therein.

The Issuer certifies that the Principal Amount of the Notes to be issued and described in this Applicable Pricing Supplement together with the aggregate Outstanding Principal Amount of all other Notes in issue at the Issue Date will not exceed the Transaction Limit as specified in item 58 below.

#### **DESCRIPTION OF THE TRANSACTION**

- |   |                   |   |
|---|-------------------|---|
| 1 | Transaction No. 3 | Acquisition by the Issuer from Earn-a-Car Assets 1 Proprietary Limited of all its rights in and to the Sale Assets (as defined below) |
|---|-------------------|---|

2	Seller	Earn-a-Car Assets 1 Proprietary Limited
3	Address, description and significant business activities of the Seller	<p>Earn-a-Car Assets 1 Proprietary Limited was founded in 2011 and its primary business activity involves holding titles to vehicles that are purchased through financing and held as collateral for rental agreements provided by Earn-a-Car Proprietary Limited ("<b>Earn-a-Car</b>")</p> <p>Address: 16 Hyde Place, Toman Lane, Hyde Park, 2196</p>
4	Servicer	N/A
5	Back-up Servicer	N/A
6	Description of the Business Activities of the Administrator	Redinkcapital Proprietary Limited (" <b>Redinkcapital</b> "), a boutique corporate advisory firm, provides independent transaction execution services to corporate entities and financial sponsors on debt financing strategies throughout Africa. For further information please refer to their website, "www.red-inc.co.za"
7	Description of Sale Assets to be acquired	<p>All right, title and interest in and to –</p> <p>(a) each Facility Loan;</p> <p>(b) the Facility Agreement insofar as it relates to each Facility Loan advanced by the Seller to Earn-a-Car under the Facility Agreement; and</p> <p>(c) the Facility Agreement Collateral insofar as it relates to each Facility Loan advanced by the Seller to the Obligor under the Facility Agreement</p>
8	Description of Security to be provided to Secured Creditors of Transaction No. 3	Pursuant to the Security SPV Guarantee, dated on or about 15 November 2016 (" <b>Transaction No. 3 Security SPV Guarantee</b> "), the Security SPV undertakes in favour of each Secured Creditor of Transaction No. 3 to pay to it the full amount then owing to it by the Issuer if an Event of Default should occur under the Notes or the respective Transaction Documents in relation to Transaction No. 3

The liability of the Security SPV pursuant to the Transaction No. 3 Security SPV Guarantee will be limited in the aggregate to the net amount recovered by the Security SPV from the Issuer arising out of the Issuer Indemnity, dated on or about 15 November 2016 ("**Transaction No. 3 Issuer Indemnity**"), in terms of which the Issuer irrevocably and unconditionally indemnifies the Security SPV from and holds the Security SPV harmless against all and any claims arising out of, or in the enforcement of, the Transaction No. 3 Security SPV Guarantee.

The Issuer's obligations in terms of the Transaction No. 3 Issuer Indemnity are secured by the cession in *securitatem debiti* agreement, dated on or about 15 November 2016, ("**Transaction No. 3 Security Cession Agreement**") in terms of which the Issuer cedes *in securitatem debiti* to and in favour of the Security SPV all of the Ceded Rights, where "**Ceded Rights**" means all the Issuer's rights, title and interests in and to -

- (d) the bank account opened in the name of the Issuer with Nedbank Limited, account number 1110818742, into which all monies received or to be received by the Issuer in relation to Transaction No. 3 will be deposited ("**Transaction No. 3 Transaction Account**");
- (e) all monies held from time to time in the name of or on behalf of the Issuer in the Transaction No. 3 Transaction Account;
- (f) any Permitted Investment (as defined in the Programme Memorandum) to be made by the Issuer (or the Administrator on behalf of the Issuer) with cash standing to the credit of the Transaction No. 3 Transaction Account from time to time;
- (g) the Transaction Documents (as

set out below) in relation to Transaction No. 3; and

- (h) the Sale Assets (as set out above),

in relation to Transaction No. 3, whether actual, prospective or contingent, direct or indirect, common law or statutory, whether a claim to payment of money or to performance of any other obligation, and whether or not the said rights and interests were within the contemplation of the parties at the Date of Signature of the Security Agreement

9 Transaction Documents

The documents constituting the transaction titled "Transaction No. 3 Earn-a-Car Facility Agreement", being –

- (a) the Facility Agreement;
- (b) the Borrower Security Cession in terms of which Earn-a-Car cedes *in securitatem debiti* the Ceded Rights (as defined therein) in favour of the Seller, as security for its obligations to the Seller under the Facility Agreement;
- (c) the Earn-a-Car Pledge and Cession in terms of which Earn-a-Car pledges all its shares in the Seller in favour of the Issuer, as security for its obligations to the Issuer under the Facility Agreement acquired by the Issuer;
- (d) the Seller Security Cession in terms of which the Seller cedes *in securitatem debiti* the Ceded Rights (as defined therein) in favour of the Issuer, as security for its obligations under the limited guarantee provided by the Seller in favour of the Issuer;
- (e) the Transaction No. 3 Issuer Indemnity;
- (f) the Transaction No. 3 Security SPV Guarantee;
- (g) the Transaction No. 3 Security

Cession Agreement;

- (h) each Note;
- (i) the Master Sale Agreement;
- (j) the Preference Share Subscription Agreement; and
- (k) the Common Terms Agreement

## DESCRIPTION OF THE NOTES

10	Issuer	Redink Rentals (RF) Limited
11	Status and Class of the Notes	Secured Class A Notes
12	Tranche number	1
13	Series number	3
14	Aggregate Principal Amount of this Tranche	R15,000,000
15	Issue Date	16 November 2016
16	Minimum Denomination per Note	R1,000,000
17	Issue Price	99,733%
18	Applicable Business Day Convention	Following Business Day
19	Determination Date	the last day of each calendar month
20	Interest Commencement Date	16 November 2016
21	Repayment of Principal	Principal on the Notes will be repaid in instalments in the amounts and on the dates specified in the schedule attached as Annexure B. The first repayment of principal will occur on 16 December 2018
22	Final Redemption Date	16 September 2021
23	Final Redemption Amount	100% of nominal amount
24	Use of Proceeds	The net proceeds of the issue of this Tranche will be used to purchase Sale Assets as described under paragraph 7 above
25	Specified Currency	Rand

26	Set out the relevant description of any additional Terms and Conditions relating to the Notes and/or amendments to the Priority of Payments	For purposes of this Transaction No. 3 Earn-a-Car Facility Agreement –  (a) the term "Senior Expense Reserve Required Amount" referred to in item 8 of the Post-Enforcement Priority of Payments shall mean <i>"the amount equal to 12 months of Senior Expenses as determined by the Administrator in accordance with the provisions of the Administration Agreement"</i> ;  (b) for purposes of payments to be made in accordance with the Pre-Enforcement Priority of Payments, funds standing to the credit of the Transaction No. 3 Transaction Account on the relevant Payment Date will be applied and not funds standing to the credit of such account on the relevant Determination Date
27	Hedge Counterparty	N/A
28	Safe Custody Agent	Nedbank Limited
29	Senior Expense Facility Provider(s)	N/A
30	Account Bank	Nedbank Limited
31	Calculation Agent, if not Redinkcapital	N/A
32	Specified Office of the Calculation Agent	No 2 Sandton Drive Sandton 2196
33	Transfer Agent, if not Redinkcapital	N/A
34	Specified Office of the Transfer Agent	No 2 Sandton Drive Sandton 2196
35	Paying Agent, if not Redinkcapital Limited	N/A
36	Specified Office of the Paying Agent	No 2 Sandton Drive Sandton 2196

## FLOATING RATE NOTES

37	Payment Date(s)	16 March, 16 June, 16 September and 16 December, or if such a day is not a Business Day, the immediately following Business Day, provided that the first Payment Date shall be 16 March 2017
38	Interest Commencement Date	16 November 2016
39	Interest Period	<p>each period of three months from (and including) 16 March to (but excluding) 16 June, from (and including) 16 June to (but excluding) 16 September, from (and including) 16 September to (but excluding) 16 December of each year, from (and including) 16 December to (but excluding) 16 March of each year, provided that –</p> <p>(a) the first Interest Period shall commence on (and shall include) the Issue Date and shall terminate on 16 March 2017; and</p> <p>(b) the last Interest Period shall terminate on the Final Redemption Date, notwithstanding that such period may not be a complete three month period</p>
40	Manner in which the Interest Rate is to be determined	Screen Rate Determination
41	Margin/Spread for the Interest Rate	450 basis points to be added to the Reference Rate
42	If ISDA Determination	
	(a) Floating Rate Option	N/A
	(b) Designated Maturity	N/A
	(c) Reset Date(s)	N/A
43	If Screen Determination	
	(a) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated)	3 month JIBAR
	(b) Rate Determination Date(s)	The first Business Day of each Interest Period

	(c) Relevant Screen page and Reference Code	ZAR-JIBAR-SAFEX
44	If Interest Rate to be calculated otherwise than by reference to the previous two sub-clauses above, insert basis for determining Interest Rate/Margin/Fall back provisions	N/A
45	If different from the Calculation Agent, agent responsible for calculating amount of interest	N/A
46	Any other terms relating to the particular method of calculating interest	N/A
<b>GENERAL</b>		
47	Additional selling restrictions	N/A
48	International Securities Numbering (ISIN)	ZAG000140575
49	Stock Code	RED301
50	Financial Exchange	JSE Interest Rate Market
51	Dealer(s)	Absa Bank Limited, acting through its Corporate and Investment Banking division
52	Method of distribution	Private Placement
53	Rating assigned to this Tranche of Notes (if any)	N/A
54	Rating Agency	N/A
55	Governing Law	South Africa
56	Last Day to Register	By 17h00 on 10 March, 10 June, 10 September and 10 December of each year.
57	Books Closed Period	The Register will be closed from 11 March to 15 March (both days inclusive), 11 June to 15 June (both days inclusive), 11 September to 15 September (both days inclusive) and 11 December to 15 December (both days inclusive) in each year until the Final Redemption Date.
58	Transaction Limit	R10,000,000,000



59	Aggregate Outstanding Principal Amount of Notes in issue on the issue Date of this Tranche	R0, excluding this Tranche of Notes and any other Tranche(s) of Notes to be issued on the Issue Date
60	Other provisions	N/A
61	Additional Information	
	(a) number and value of assets	R15,000,000
	(b) the seasoning of the assets	N/A
	(c) rights of recourse against the originator to the extent allowed in law, including a list of material representations and warranties given to the Issuer relating to the assets	See clauses 7, 8 and 9 of the Master Sale Agreement  <b><u>Please see Annexure A, which contains the relevant extracts from the Master Sale Agreement</u></b>
	(d) rights to substitute the assets and the qualifying criteria	N/A
	(e) the treatment of early amortisation of the assets	N/A
	(f) level of concentration of the obligors in the asset pool, identifying obligors that account for 10% or more of the asset value	100%  Earn-a-Car Proprietary Limited
	(g) where there is no concentration of obligors above 10%, the general characteristics and descriptions of the obligors	N/A
	(h) risk factors	N/A
62	Legal jurisdiction where the Sale Assets are situated	South Africa
63	Eligibility Criteria	The general criteria that each Sale Asset must satisfy in order to qualify for acquisition by the Issuer include the following -  1 the Seller has sole and exclusive legal title to the Finance Documents, and is entitled to enforce its rights and obligations thereunder;  2 the sale and transfer by the Seller of its right, title and interest in and to the Finance Documents does not

breach the provisions thereof;

- 3 the Finance Documents may be sold and transferred without the consent of the Obligor under such agreement;
- 4 the Finance Documents constitute an unconditional, irrevocable valid, binding and enforceable obligation of the Obligor to pay such amounts as are due and payable from time to time thereunder in accordance with the terms thereof;
- 5 payments or instalments due thereunder are not subject to set-off, counterclaim, withholding or reduction;
- 6 Facility Agreement Payments under the Facility Agreement are required to be paid periodically over the term of such agreement;
- 7 The Finance Documents are not in arrears at the time of sale to the Issuer;
- 8 unless this requirement is otherwise waived by the Issuer in writing, the Finance Documents are denominated in Rand;
- 9 the Finance Documents have not been modified, except in writing, and copies of all such amendments and modifications, if any, are reflected in or attached to the relevant agreement; and
- 10 the Finance Documents are not subject to the provisions of the National Credit Act, 2007.

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

- 11 At the date of this Applicable Pricing Supplement:
- 12 Paragraph 3(5)(a)  
The ultimate borrower is the Issuer.
- 13 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.
- 14 Paragraph 3(5)(c)  
The auditor of the Issuer is Sizwe Ntsaluba Gobodo.
- 15 Paragraph 3(5)(d)  
As at the date of this issue:  
the Issuer has R43,869,732 aggregate Outstanding Principal Amount of Notes in issue on the Issue Date of this Tranche (excluding Notes issued under this Applicable Pricing Supplement); and  
it is anticipated that the Issuer will issue R500,000,000 Notes during its current financial year (including Notes issued under this Applicable Pricing Supplement).
- 16 Paragraph 3(5)(e)  
Prospective investors in the Notes are to consider this Applicable Pricing Supplement, the Programme Memorandum and the documentation incorporated therein by reference in order to ascertain the nature of the financial and commercial risks of an investment in the Notes. In addition, prospective investors in the Notes are to consider the latest audited financial statements of the Issuer which are incorporated into the Programme Memorandum by reference and which may be requested from the Issuer.
- 17 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.
- 18 Paragraph 3(5)(g)  
The Notes issued will be listed.
- 19 Paragraph 3(5)(h)  
The funds to be raised through the issue of the Notes are to be used by the Issuer for its general corporate purposes and / or to refinance the amounts outstanding under existing Notes in issue.

20 Paragraph 3(5)(i)

The Notes are secured.

21 Paragraph 3(5)(j)

Sizwe Ntsaluba Gobodo, the auditor of the Issuer, has confirmed that nothing has come to its attention to indicate that this issue of Notes issued under the Programme will not comply in all respects with the relevant provisions of the Commercial Paper Regulations.


The Transaction Documents are available for inspection by Noteholders, during normal office hours, at the Specified Office of the Issuer.

Investor reports will be made available at [www.redinkrentals.co.za](http://www.redinkrentals.co.za).

Application is hereby made to list this Tranche of Notes, as from 16 November 2016, pursuant to the **Redink Rentals (RF) Limited** Secured Note Programme.

**REDINK RENTALS (RF) LIMITED**

By:   
Director, duly authorised

By:   
Director, duly authorised

Date: 14 November 2016

Date: 14/11/16

## **ANNEXURE A – EXTRACTS FROM MASTER SALE AGREEMENT**

### **1 WARRANTIES**

1.2 The Seller warrants, represents and undertakes in favour of the Issuer that -

#### **sale asset warranties**

1.2.14 as at each relevant Transfer Date and in relation to those Sale Assets sold, ceded and assigned to the Issuer with effect from such relevant Transfer Date -

1.2.14.1 the Seller is the sole legal and beneficial owner of all right, title and interest in and to each of all of the Sale Assets sold, ceded and assigned to the Issuer on such relevant Transfer Date, all of which will validly be transferred to the Issuer in terms of this Agreement;

1.2.14.2 none of the Sae Assets (or any portion or part thereof) sold, ceded and assigned to the Issuer on such relevant Transfer Date is subject to any lien, pledge, hypothec, mortgage, notarial or other bond, servitude, cession in security or other encumbrance of whatsoever nature nor does any third party have any right whatsoever in or to any of such Sale Assets (or any portion or part thereof);

1.2.14.3 no person or entity is a party to any agreement (other than a Finance Document) in terms of which such person or entity will or may acquire any option, preferential or other right of any kind to acquire, claim delivery, ownership or transfer or the use, occupation, possession or enjoyment of any of the Sale Assets (or any portion or part thereof) sold, ceded and assigned to the Issuer on such Transfer Date;

1.2.14.4 each of the Sale Assets sold, ceded and assigned to the Issuer on such Transfer Date complies with the Eligibility Criteria and the Seller, having made all reasonable enquiries, is not aware of any fact or circumstance which would or is likely to result in any such Sale Asset ceasing to comply with the Eligibility Criteria;

1.2.14.5 the Seller is not in breach of any of its obligations in terms of any of the Eligible Assets sold, ceded and assigned to the Issuer on such Transfer Date and, having made all reasonable enquiries, the Seller is not aware of any failure by any of the Obligors to comply with their obligations in terms of any of such Sale Assets;

1.2.14.6 the Facility Agreement -

1.2.14.6.1 fully and correctly reflects the terms of the agreement set out therein;

1.2.14.6.2 constitutes a legal valid and binding agreement between the parties thereto on the terms and conditions set out in such agreement;

1.2.14.6.3 is in compliance with all Applicable Laws;

- 1.2.14.6.4 has not been varied or supplemented in any way whatsoever (other than as reflected in the agreement) and is and continues to be valid, enforceable and binding in accordance with its terms;
- 1.2.14.7 each Facility Loan constituting the basis of the Sale Assets is due and payable by the Obligor to the Seller in accordance with the provisions of the Facility Agreement;
- 1.2.14.8 all Facility Agreement Collateral given by the Obligor or other security providers to the Seller in respect of the Facility Agreement is legal, valid and enforceable in accordance with its terms and has been validly transferred to the Issuer in terms of this Agreement and will, subsequent to such transfer, remain legal, valid, binding and enforceable by the Issuer against the Obligor and/or security provider; and
- 1.2.14.9 full legal title in and ownership of all the Sale Assets sold and ceded to the Issuer on each Transfer Date will, on the relevant Transfer Date, be transferred to the Issuer in terms of 3 and the Issuer will become the sole legal and beneficial owner thereof, the Seller will not, after such Transfer Date, retain any title therein or ownership thereof and will not, after such relevant Transfer Date, assert or seek or attempt to assert any right or claim in regard to those Sale Assets;
- 1.2.15 the Facility Agreement was entered into in South Africa and all amounts payable in terms of such agreements are payable in Rand.

## **2 BREACH OF SELLER WARRANTIES**

- 2.1 If a breach of a Seller Warranty occurs in relation to a particular Sale Asset(s), then the Issuer shall, as soon as reasonably practicable after becoming aware of the same, give notice in writing of such breach to the Seller to rectify such breach within five days of such notification.
- 2.2 If a breach of a Seller Warranty occurs in relation to a matter unrelated to a Sale Asset, then the Issuer shall be entitled to such remedies in respect of such breach as set out in 3 below.

## **3 BREACH OF AGREEMENT**

Subject to 2, should either party breach any provision of this Agreement and fail to remedy such breach within five Business Days after receiving written notice requiring such remedy, then (irrespective of the materiality of such breach or provision) the other party shall be entitled, as its remedy, to either claim damages or immediate specific performance of all of the defaulting party's obligations then due, it being recorded that neither the Seller nor the Issuer (in its capacity as purchaser) shall be entitled to cancel this Agreement pursuant to the provisions of this 3.

**ANNEXURE B – SCHEDULE OF REPAYMENTS OF PRINCIPAL**

<b>Date</b>	<b>Estimate Scheduled Principal Repayment</b>
<b>16-Dec-18</b>	<b>R1 250 000,00</b>
<b>16-Mar-19</b>	<b>R1 250 000,00</b>
<b>16-Jun-19</b>	<b>R1 250 000,00</b>
<b>16-Sep-19</b>	<b>R1 250 000,00</b>
<b>16-Dec-19</b>	<b>R1 250 000,00</b>
<b>16-Mar-20</b>	<b>R1 250 000,00</b>
<b>16-Jun-20</b>	<b>R1 250 000,00</b>
<b>16-Sep-20</b>	<b>R1 250 000,00</b>
<b>16-Dec-20</b>	<b>R1 250 000,00</b>
<b>16-Mar-21</b>	<b>R1 250 000,00</b>
<b>16-Jun-21</b>	<b>R1 250 000,00</b>
<b>16-Sep-21</b>	<b>R1 250 000,00</b>