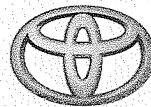


**FINANCIAL
SERVICES**



TOYOTA

TOYOTA FINANCIAL SERVICES (SOUTH AFRICA) LIMITED

*(a public company with limited liability under the laws of South Africa)
(registration number 1982/010082/06)*

unconditionally and irrevocably guaranteed by

Toyota Motor Finance (Netherlands) B.V.

*(a private company incorporated with limited liability under the laws of the Netherlands)
(registration number 33194984)*

**ZAR7,000,000,000
Domestic Medium Term Note Programme**

On 30 November 2005, Toyota Financial Services (South Africa) Limited (the **Issuer**) established a ZAR3,000,000,000 Domestic Medium Term Note Programme (the **Programme**) pursuant to a programme memorandum dated 30 November 2005 as supplemented by the supplement dated 19 March 2007 (the **Previous Programme Memorandum**). This Programme Memorandum (this **Programme Memorandum**) will apply to all Notes (as defined herein) issued under the Programme on or after 23 August 2013 (the **Programme Date**) and will in respect of such Notes, supersede and replace the Previous Programme Memorandum in its entirety. This Programme Memorandum will not apply to any Notes issued under the Programme before the Programme Date, and the Previous Programme Memorandum will continue to apply to such Notes.

Under this Programme Memorandum, the Issuer may from time to time issue notes (the **Notes**), which expression shall include Senior Notes and Subordinated Notes (each as defined herein) denominated in any currency agreed by the Issuer and the relevant Dealer(s) (as defined herein) and further subject to all Applicable Laws (as defined herein) and, in the case of Notes listed on the Interest Rate Market of the JSE (as defined herein) or such other Financial Exchange(s) (as defined herein) as may be determined by the Issuer and the relevant authority, the debt listing requirements of the JSE Limited (the **JSE**) or such other Financial Exchange(s), that are subject to the terms and conditions (the **Terms and Conditions**) contained in this Programme Memorandum. Any other terms and conditions not contained in the Terms and Conditions that are applicable to any Notes, replacing or modifying the Terms and Conditions, will be set forth in a pricing supplement (the **Applicable Pricing Supplement**).

Capitalised terms used in this Programme Memorandum (as defined herein) are defined in the section of this Programme Memorandum headed "Terms and Conditions of the Notes", unless separately defined, and/or in relation to a Tranche of Notes, in the Applicable Pricing Supplement.

As at the Programme Date (as defined herein), the Programme Amount is ZAR7,000,000,000. This Programme Memorandum will apply to the Notes issued under the Programme in an aggregate outstanding Nominal Amount which will not exceed ZAR7,000,000,000 unless such amount is increased by the Issuer pursuant to the section of this Programme Memorandum headed "General Description of the Programme".

All sums payable by the Issuer in respect of the Notes are unconditionally and irrevocably guaranteed by Toyota Motor Finance (Netherlands) B.V. (**TMFNL**). Toyota Motor Corporation (the **Parent**) has entered into a supplementary credit support agreement governed by Japanese law with Toyota Financial Services Corporation (**TFS**), the holding company of TMFNL. TFS has, in turn, entered into a supplementary credit support agreement governed by Japanese law with TMFNL (See section headed "Relationship of TMFNL with TFS and the Parent on pages 78 to 81).

The Notes may comprise, without limitation, Fixed Rate Notes, Floating Rate Notes, Mixed Rate Notes, Zero Coupon Notes and/or such combination of the foregoing Notes and/or such other type of Notes as may be determined by the Issuer and the relevant Dealer(s) and specified in the Applicable Pricing Supplement. Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. A Tranche of Notes will be issued on, and subject to, the Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Tranche of Notes set out in the Applicable Pricing Supplement.

This Programme Memorandum has been approved by the JSE. A Tranche of Notes may be listed on the Interest Rate Market of the JSE or on such other or additional Financial Exchange(s) as may be determined by the Issuer, subject to all Applicable Laws. Unlisted Notes may also be issued under the Programme but will not be regulated by the JSE. Claims against the BESA Guarantee Fund Trust may only be made in respect of the trading of Notes listed on the Interest Rate Market of the JSE in accordance with the rules of the BESA Guarantee Fund Trust. The holders of Notes that are not listed on the Interest Rate Market of the JSE will have no recourse against the JSE or the BESA Guarantee Fund Trust. Unlisted Notes are not regulated by the JSE. A copy of the Applicable Pricing Supplement relating to a Tranche of Notes which is to be listed on the Interest Rate Market of the JSE will be delivered to the JSE and the CSD, before the Issue Date, and the Notes in that Tranche may be traded by or through members of the JSE from the date specified in the Applicable Pricing Supplement, in accordance with the Applicable Procedures. The settlement of trades on the JSE will take place in accordance with the electronic settlement procedures of the JSE and the CSD for all trades done through the JSE. The placement of a Tranche of unlisted Notes may (at the sole discretion of the Issuer) be reported through the JSE reporting system, in which event the settlement of trades in such Notes will take place in accordance with the electronic settlement procedures of the JSE and the CSD for all trades done through the JSE. The settlement and redemption procedures for a Tranche of Notes listed on any Financial Exchange (other than or in addition to the JSE) will be specified in the Applicable Pricing Supplement.

The Notes may be issued on a continuing basis and be placed by one or more of the Dealer(s) specified under the section of this Programme Memorandum headed "Summary of Programme" and any additional Dealer(s) appointed under the Programme from time to time by the Issuer, which appointment may be for a specific issue or on an ongoing basis. References in this Programme Memorandum to the "relevant Dealer(s)" shall, in the case of Notes being (or intended to be) placed by more than one Dealer, be to all Dealers agreeing to place such Notes.

As at the Programme Date, the Programme is rated. The Issuer is not rated but may after the Programme Date be rated by a Rating Agency on a national or international scale basis. A Tranche of Notes may also, on or before the Issue Date, be rated by a Rating Agency on a national scale or international scale basis. Unrated Tranches of Notes may also be issued. The Rating assigned to the Programme and/or the Notes, as the case may be, as well as the Rating Agency(ies) which assigned such Rating(s), will be specified in the Applicable Pricing Supplement.

Arranger and JSE Debt Sponsor

FirstRand Bank Limited
(acting through its Rand Merchant Bank division)

Dealers

Absa Corporate and Investment Bank
(a division of Absa Bank Limited)

Deutsche Bank AG, Johannesburg Branch

FirstRand Bank Limited
(acting through its Rand Merchant Bank division)

Nedbank Limited
(acting through its Nedbank Capital division)

The Standard Bank of South Africa Limited
(acting through its Corporate and Investment Banking division)

GENERAL

Capitalised terms used in this section headed "General" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The Issuer and TMFNL each accept full responsibility for the accuracy of the information contained in this Programme Memorandum and all documents incorporated by reference (see the section of this Programme Memorandum headed "*Documents Incorporated by Reference*"). To the best of the knowledge and belief of the Issuer and TMFNL, the information contained in this Programme Memorandum is in accordance with the facts and does not omit any fact which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made. This Programme Memorandum contains all information required by law and the debt listings requirements of the JSE.

The JSE takes no responsibility for the contents of this Programme Memorandum, any Applicable Pricing Supplements, or the annual reports of the Issuer and/or TMFNL (as amended or restated from time to time), 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 this Programme Memorandum, any Applicable Pricing Supplements, or the annual reports of the Issuer and/or TMFNL (as amended or restated from time to time).

The Issuer and TMFNL, having made all reasonable enquiries, confirm that this Programme Memorandum contains or incorporates all information which is material in the context of the issue and the offering of Notes, that the information contained or incorporated in this Programme Memorandum is true and accurate in all material respects and is not misleading, that the opinions and the intentions expressed in this Programme Memorandum are honestly held and that there are no other facts, the omission of which would make this Programme Memorandum or any of such information or expression of any such opinions or intentions misleading in any material respect.

This Programme Memorandum is to be read and construed with any amendment or supplement thereto (this document, as amended or supplemented, the **Programme Memorandum**) 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 (as defined herein) of Notes, should be read and construed together with the Applicable Pricing Supplement. This Programme Memorandum shall be read and construed on the basis that such documents are incorporated into and form part of this Programme Memorandum.

The Arranger, the Dealers, the JSE Debt Sponsor or any of their respective subsidiary or holding companies or a subsidiary of their holding company (**Affiliates**), other professional advisers named herein and the JSE have not 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, the Dealers, the JSE Debt Sponsor nor any of their Affiliates or other professional advisers as to the accuracy or completeness of the information contained in this Programme Memorandum or any other information provided by the Issuer or TMFNL. The Arranger, the Dealers, the JSE Debt Sponsor and other professional advisers do not accept any liability in relation to the information contained in this Programme Memorandum or any other information provided by the Issuer or TMFNL 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 this Programme Memorandum 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, TMFNL, the Arranger, the Dealers, the JSE Debt Sponsor or other professional advisers.

Neither this Programme Memorandum 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, TMFNL, the Arranger, the Dealers, the JSE Debt Sponsor and other professional advisers that any recipient of this Programme Memorandum 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 this Programme Memorandum and should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and TMFNL and its subscription for, or purchase of, Notes should be based upon any such investigation as it deems necessary. Neither this Programme Memorandum 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, TMFNL, or the Dealers to any Person to subscribe for or to purchase any Notes.

Neither the delivery of this Programme Memorandum nor any Applicable Pricing Supplement nor the offering, sale or delivery of any Notes 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, the Dealers, the JSE Debt Sponsor and other professional advisers expressly do not undertake to review the financial condition or affairs of the Issuer, TMFNL, TFS or the Parent during the life of the Programme. Investors should review, *inter alia*, the most recent financial statements, if any, of the Issuer and TMFNL, TFS or the Parent when deciding whether or not to subscribe for, or purchase, any Notes.

Neither this Programme Memorandum 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 this Programme Memorandum 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 this Programme Memorandum or any Applicable Pricing Supplement or any Notes come are required by the Issuer, TMFNL, the Arranger, the Dealers, the JSE Debt Sponsor and other professional advisers 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 this Programme Memorandum or any Applicable Pricing Supplement and other offering material relating to the Notes, see the section headed "*Subscription and Sale*".

None of the Issuer, TMFNL, the Arranger, the Dealers, the JSE Debt Sponsor nor other professional advisers represents that this Programme Memorandum 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, TMFNL, the Arranger, the Dealers, the JSE Debt Sponsor or other professional advisers 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 this Programme Memorandum 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 Dealers have represented that all offers and sales by any of them will be made on the same terms.

The Notes have not been and will not be registered under the United States Securities Act of 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.

All references in this document to "Rands", "ZAR", "South African Rand", "R" and "cent" refer to the currency of the Republic of South Africa, to "Japanese Yen", "JPY" and "¥" to the currency of Japan, to "US\$" to the currency of the United States of America and to "Euro" or "€" to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended.

In connection with the issue and distribution of any Tranche of Notes under the Programme, the relevant Dealer(s), 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 debt listings requirements of the JSE 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.

The price/yield and amount of a Tranche of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.

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DOCUMENTS INCORPORATED BY REFERENCE

Capitalised terms used in this section headed "Documents Incorporated by Reference" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

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

- (a) all amendments and/or supplements to this Programme Memorandum prepared by the Issuer from time to time;
- (b) the Guarantee executed by TMFNL in favour of the Noteholders;
- (c) as at the Programme Date, the published audited annual financial statements, and notes thereto, of the Issuer for the three financial years ended 31 March 2011, 2012 and 2013 and in respect of any issue of Notes after the Programme Date, the published audited annual financial statements, and notes thereto, of the Issuer in respect of further financial years, as and when such published audited financial statements become available;
- (d) as at the Programme Date, the published integrated annual report (incorporating the Issuer's audited annual financial statements, together with reports and the notes thereto) of the Issuer and attached to or intended to be read with such financial statements of the Issuer for the three financial years ended 31 March 2011, 2012 and 2013 and in respect of any issue of Notes after the Programme Date, the published annual report of the Issuer in respect of further financial years, as and when such published annual report becomes available;
- (e) as at the Programme Date, the audited annual financial statements, and notes thereto, of TMFNL for the three financial years ended 31 March 2011, 2012 and 2013 and in respect of any issue of Notes after the Programme Date, the audited annual financial statements, and notes thereto, of TMFNL in respect of further financial years, as and when such audited financial statements become available;
- (f) each Applicable Pricing Supplement relating to any Tranche of Notes issued under the Programme; and
- (g) all information pertaining to the Issuer which is relevant to the Programme and/or this Programme Memorandum which will be electronically submitted 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 Issuer will, for as long as any Note remains Outstanding, provide at its registered office as set out at the end of this Programme Memorandum, without charge, to any Person, upon request of such Person, a copy of all of the documents which are incorporated herein by reference, unless such documents have been modified or superseded, in which case the modified or superseding documentation will be provided, including the most recently obtained beneficial disclosure report made available by the Participant to the CSD. Requests for such documents should be directed to the Issuer at its registered office as set out at the end of this Programme Memorandum. In addition, the constitutive documents of the Issuer will be available at the registered office of the Issuer as set out at the end of this Programme Memorandum.

This Programme Memorandum, any amendments and/or supplements thereto, the Applicable Pricing Supplements relating to any issue of listed Notes and the audited annual financial statements of the Issuer are also available for inspection, upon request, (or will be available for inspection, upon request) at the registered office of the Issuer as set out at the end of this Programme Memorandum and on the Issuer's website, <http://www.toyota.co.za/finance>. In addition, this Programme Memorandum, together with any supplement and/or amendment thereto, and the Applicable Pricing Supplements relating to any issue of listed Notes will be filed with the JSE which will publish such documents on its website at <http://www.jse.co.za>. This Programme Memorandum does not constitute

an offer or invitation by or on behalf of the Issuer, TMFNL, the Arranger and the Dealers or their Affiliates, the JSE Debt Sponsor or other professional advisors to any Person in any jurisdiction to subscribe for or purchase any Notes.

The Issuer will, for so long as any Note remains outstanding and listed on the Interest Rate Market of the JSE, publish a new Programme Memorandum or a supplement to this Programme Memorandum, as the case may be, if:

- (i) a change in the condition (financial or trading position) of the Issuer has occurred which is material in the context of the Notes so listed and the Issuer's payment obligations thereunder; or
- (ii) an event has occurred which affects any matter contained in this Programme Memorandum, the disclosure of which would reasonably be required by Noteholders and/or potential investors in the Notes; or
- (iii) any of the information contained in this Programme Memorandum becomes outdated in a material respect; or
- (iv) this Programme Memorandum no longer contains all the materially correct information required by the Applicable Procedures,

provided that, in the circumstances set out in paragraphs (iii) and (iv) above, no new Programme Memorandum or supplement to this Programme Memorandum, as the case may be, is required in respect of the Issuer's and TMFNL's audited annual financial statements if such audited annual financial statements are incorporated by reference into this Programme Memorandum and such audited annual financial statements are published, as required by the Companies Act, and submitted to the JSE within 6 (six) months after the financial year end of the Issuer and TMFNL.

GENERAL DESCRIPTION OF THE PROGRAMME

Capitalised terms used in this section headed "General Description of the Programme" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The Issuer may, from time to time, issue one or more Tranches of Notes under the Programme, pursuant to this Programme Memorandum, provided that the aggregate outstanding Nominal Amount of all of the Notes issued under the Programme, from time to time, does not exceed the Programme Amount.

A Tranche of Notes may be listed on the Interest Rate Market of the JSE or on such other or additional Financial Exchange(s) as may be determined by the Issuer, subject to Applicable Laws. Unlisted Notes may also be issued under the Programme. The Applicable Pricing Supplement will specify whether or not a Tranche of Notes will be listed and, if so, on which Financial Exchange. If the Issuer issues a Tranche of unlisted Notes or a Tranche of Notes is listed on any Financial Exchange other than (or in addition to) the JSE, the Issuer will, by no later than the last day of the month of issue of that Tranche of Notes, inform the JSE in writing of the aggregate Nominal Amount and the Maturity Date (if any) of that Tranche of Notes.

This Programme Memorandum and any supplement will only be valid for the issue of Notes in an aggregate Nominal Amount which does not exceed ZAR7,000,000,000 or its equivalent in other currencies. For the purpose of calculating the South African Rand equivalent of the aggregate Nominal Amount of the Notes issued under the Programme from time to time, the South African Rand equivalent of the Notes denominated in another Specified Currency (as specified in the Applicable Pricing Supplement) shall be determined as of the date of agreement to issue such Notes (the **Agreement Date**) on the basis of the spot rate for the sale of the South African Rand against the purchase of such Specified Currency in the South African foreign exchange market quoted by any leading bank selected by the Issuer on the Agreement Date (the **Conversion Rate**) and in respect of:

- (a) Zero Coupon Notes and other Notes, the Conversion Rate shall be applied to the net subscription proceeds received by the Issuer for the relevant issue; and
- (b) Partly-Paid Notes and Index-Linked Notes, the Conversion Rate shall be applied to the Nominal Amount regardless of the amount paid up on such Notes.

From time to time, the Issuer may wish to increase the Programme Amount. Subject to the Applicable Procedures, all Applicable Laws and the Programme Agreement (as defined in the section headed "Subscription and Sale"), the Issuer may, without the consent of Noteholders, increase the Programme Amount by delivering a notice thereof to the Noteholders in accordance with Condition 19 (Notices) of the Terms and Conditions, and to the Arranger, the Dealers, the JSE and the CSD. Upon such notice being given to the Noteholders and the conditions set out in the Programme Agreement to the exercise of this right having been met, all references in this Programme Memorandum (and each agreement, deed or document relating to the Programme and/or this Programme Memorandum) to the Programme Amount will be, and will be deemed to be, references to the increased Programme Amount set out in such notice.

As at the Programme Date, the Programme is rated. The Issuer is not rated but may after the Programme Date be rated by a Rating Agency on a national or international scale basis. A Tranche of Notes may also, on or before the Issue Date, be rated by a Rating Agency on a national scale or international scale basis. Unrated Tranches of Notes may also be issued. The Rating assigned to the Programme and/or the Notes, as the case may be, as well as the Rating Agency(ies) which assigned such Rating(s), will be specified in the Applicable Pricing Supplement. A Rating is not a recommendation to subscribe for, buy, sell or hold any Notes. A Rating of the Issuer and/or TMFNL and/or the Programme and/or a Rating of a Tranche of Notes may be subject to revision, suspension or withdrawal at any time by the Rating Agency.

This Programme Memorandum will only apply to Notes issued under the Programme on or after the Programme Date.

A summary of the Programme and the Terms and Conditions appears below.

SUMMARY OF THE PROGRAMME

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Programme Memorandum and, in relation to the Terms and Conditions of any particular Tranche of Notes, the Applicable Pricing Supplement. Words and expressions defined in the Terms and Conditions shall have the same meanings in this summary.

PARTIES

Issuer	Toyota Financial Services (South Africa) Limited (registration number 1982/010082/06), a public company with limited liability duly incorporated in accordance with the company laws of South Africa.
TMFNL	Toyota Motor Finance (Netherlands) B.V. (registration number 33194984) a private company with limited liability incorporated under the laws of the Netherlands.
TFS	Toyota Financial Services Corporation, a Japanese corporation.
Parent	Toyota Motor Corporation, a Japanese corporation.
Arranger	Rand Merchant Bank, a division of FirstRand Bank Limited (registration number 1929/001225/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa (RMB).
Dealer(s)	RMB; Absa Bank Limited (registration number 1986/004794/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa; Deutsche Bank AG, Johannesburg Branch (registration number 1998/003298/10), registered as an external company in South Africa and incorporated in the Federal Republic of Germany; Nedbank Capital, a division of Nedbank Limited (registration number 1951/000009/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa; The Standard Bank of South Africa Limited (acting through its Corporate and Investment Banking division) (registration number 1962/000738/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa; and/or any additional Dealer appointed by the Issuer from time to time, which appointment may be for a specific issue or on an ongoing basis.
Transfer Agent	RMB, or such other entity appointed by the Issuer as Transfer Agent, in which event that other entity will act as Transfer Agent, as specified in the Applicable Pricing Supplement.
Paying Agent	RMB, or such other entity appointed by the Issuer as Paying Agent, in which event that other entity will act as Paying Agent, as specified in the Applicable Pricing Supplement.
Calculation Agent	RMB, or such other entity appointed by the Issuer as Calculation Agent, in which event that other entity will act as Calculation Agent, as specified in the Applicable Pricing Supplement.

JSE Debt Sponsor	RMB, or such other entity appointed by the Issuer from time to time.
CSD	Strate Limited (registration number 1998/022242/06), a public company with limited liability duly incorporated in accordance with the company laws of South Africa, registered as a central securities depository in terms of the Financial Markets Act or such additional, alternative or successor central securities depository as may be agreed between the Issuer and the relevant Dealer(s).
JSE	the JSE Limited (registration number 2005/022939/06), a public company with limited liability duly incorporated in accordance with the company laws of South Africa and a licensed financial exchange in terms of the Financial Markets Act or any exchange which operates as a successor exchange to the JSE.
GENERAL	
Blocked Rands	Blocked Rands may be used to subscribe for, or purchase, Notes, subject to the Exchange Control Regulations.
Clearing and Settlement	Each Tranche of Notes which is held in the CSD will be issued, cleared and settled in accordance with the Applicable Procedures through the electronic settlement system of the CSD. The CSD acts as the approved electronic clearing house, and carries on the role of matching, clearing and the facilitation of settlement of all transactions carried out on the JSE. Each Tranche of Notes which is held in the CSD will be cleared by Participants who will follow the electronic settlement procedures prescribed by the JSE and the CSD (see the section of this Programme Memorandum headed " <i>Settlement, Clearing and Transfers of Notes</i> ").
Cross-Default	The terms of the Notes will contain a cross-default provision relating to Indebtedness for money borrowed having an aggregate outstanding amount of at least US\$25,000,000 (twenty five million United States Dollars) (or its equivalent in any other currency or currencies) or any guarantee of or indemnity in respect of any such indebtedness as further described in Condition 17.1.1.7(<i>Cross Default</i>).
Denomination	Notes will be issued in such denominations as may be agreed by the Issuer and the relevant Dealer and as indicated in the Applicable Pricing Supplement, save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the central bank or regulator or any laws or regulations applicable to the Notes.
Description of Programme	Toyota Financial Services (South Africa) Limited ZAR7,000,000,000 Domestic Medium Term Note Programme.
Distribution	Notes may be distributed by way of private placement, auction or bookbuild or any other means permitted under South African law, and in each case on a syndicated or non-syndicated basis as may be determined by the Issuer and the relevant Dealer(s) and reflected in the Applicable Pricing Supplement.
Form of Notes	Each Tranche of Notes which is listed on the Interest Rate Market of the JSE and each Tranche of unlisted Notes will be issued in uncertificated form, and will be held in the CSD. The holder of a Beneficial Interest may exchange such Beneficial Interest for Notes in certificated form represented by an

	Individual Certificate (see the section of this Programme Memorandum headed " <i>Form of the Notes</i> ").		
Governing Law	The Notes will be governed by and construed in accordance with the laws of South Africa in force from time to time.		
Guarantee	TMFNL has, unconditionally and irrevocably guaranteed the due and punctual payment of all amounts due and payable on the Notes in terms of the Terms and Conditions. (See the section headed " <i>Form of Guarantee by Toyota Motor Finance (Netherlands) B.V.</i> " on pages 66 to 71 hereof).		
Interest	Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or other variable rate or be index-linked, and the method of calculating interest may vary between the Issue Date and the Maturity Date.		
Interest Period(s)/Interest Payment Date(s)	The Interest Rate, Interest Payment Date(s) and Interest Period(s), if any, applicable to a Tranche of Notes will be specified in the Applicable Pricing Supplement.		
Issue and Transfer Taxes	As at the Programme Date, no securities transfer tax or any similar tax is payable in respect of the issue, transfer or redemption of the Notes (see the section of this Programme Memorandum headed " <i>Taxation</i> "). Any future transfer duties and/or taxes that may be introduced in respect of (or may be applicable to) the transfer of Notes will be for the account of Noteholders.		
Issue Price	Notes may be issued on a fully paid or a partly paid basis and at their Nominal Amount or at a discount or premium to their Nominal Amount as specified in the Applicable Pricing Supplement.		
Listing	This Programme has been approved by the JSE. Notes issued under the Programme may be listed on the Interest Rate Market of the JSE or on such other or additional Financial Exchange(s) as may be determined by the Issuer and the Dealer(s), subject to all Applicable Laws. Unlisted Notes may also be issued under the Programme. Unlisted Notes are not regulated by the JSE. The Applicable Pricing Supplement will specify whether or not a Tranche of Notes will be listed and, if so, on which Financial Exchange(s).		
Maturities of Notes	Such maturity(ies) as specified in the Applicable Pricing Supplement. The Notes are not subject to any minimum or maximum maturity.		
Negative Pledge	The Senior Notes will have the benefit of a negative pledge as described in Condition 7 (<i>Negative Pledge</i>) of the Terms and Conditions.		
Notes	Notes may comprise: <table> <tr> <td>Fixed Rate Notes</td><td>Fixed Rate interest will be payable in arrears on such date or dates as may be agreed between the Issuer and the relevant Dealer(s), as indicated in the Applicable Pricing Supplement and on redemption, and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s).</td></tr> </table>	Fixed Rate Notes	Fixed Rate interest will be payable in arrears on such date or dates as may be agreed between the Issuer and the relevant Dealer(s), as indicated in the Applicable Pricing Supplement and on redemption, and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s).
Fixed Rate Notes	Fixed Rate interest will be payable in arrears on such date or dates as may be agreed between the Issuer and the relevant Dealer(s), as indicated in the Applicable Pricing Supplement and on redemption, and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s).		

Floating Rate Notes

Floating Rate Notes will bear interest calculated at a rate determined: (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the ISDA Definitions; or (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quoting service; or (iii) on such other basis as may be agreed between the Issuer and the relevant Dealer(s), as indicated in the Applicable Pricing Supplement.

The Margin (if any) relating to such Floating Rate Notes will be agreed between the Issuer and the relevant Dealer(s) for each issue of Floating Rate Notes, as indicated in the Applicable Pricing Supplement.

Floating Rate Notes may also have a maximum Interest Rate, a minimum Interest Rate or both, as indicated in the Applicable Pricing Supplement.

The Interest Period for Floating Rate Notes may be 1 (one), 2 (two), 3 (three), 6 (six) or 12 (twelve) months or such other period as the Issuer and the relevant Dealer(s) may agree, as indicated in the Applicable Pricing Supplement.

Zero Coupon Notes

Zero Coupon Notes will be issued at their Nominal Amount or at a discount to it and will not bear interest (except in the case of late payment as specified).

Index-Linked Notes

Payments (whether in respect of interest on Indexed Interest Notes or in respect of principal on Indexed Redemption Amount Notes and whether at maturity or otherwise) will be calculated by reference to such index and/or formula as the Issuer and the relevant Dealer(s) may agree, as indicated in the Applicable Pricing Supplement.

Dual Currency Notes

Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the Issuer and the relevant Dealer(s) may agree, as indicated in the Applicable Pricing Supplement.

Mixed Rate Notes	Mixed Rate Notes will bear interest over respective periods at the rates applicable for any combination of Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes, Index-Linked Notes or Dual Currency Notes, each as specified in the Applicable Pricing Supplement.
Instalment Notes	The Applicable Pricing Supplement will set out the dates on which, and the amounts in which, Instalment Notes may be redeemed.
Partly Paid Notes	The Issue Price will be payable in two or more instalments as set out in the Applicable Pricing Supplement.
Exchangeable Notes	Exchangeable Notes may be redeemed by the Issuer in cash or by the delivery of securities, as specified in the Applicable Pricing Supplement.
Other Notes	Terms applicable to any other type of Notes that are approved by the JSE, or its successor, or such other or further exchange or exchanges as may be selected by the Issuer in relation to an issue of listed Notes, or as agreed between the Issuer and the relevant Dealer(s) in respect of unlisted Notes, will be set out in the Applicable Pricing Supplement.
Noteholders	The holders of listed and unlisted registered Notes which are recorded as the registered Noteholders of those Notes in the Register. The CSD's Nominee will be named in the Register as the registered Noteholder of each Tranche of Notes in uncertificated form and which is held in the CSD. Each holder of Notes which is represented by an Individual Certificate will be named in the Register as the registered Noteholder of such Notes.
Rating	As at the Programme Date, the Programme is rated. The Issuer is not rated but may after the Programme Date be rated by a Rating Agency on a national or international scale basis. A Tranche of Notes may also, on or before the Issue Date, be rated by a Rating Agency on a national scale or international scale basis. Unrated Tranches of Notes may also be issued. The Rating assigned to the Issuer and/or the Programme and/or the Notes, as the case may be, as well as the Rating Agency(ies) which assigned such Rating(s), will be specified in the Applicable Pricing Supplement. A Rating is not a recommendation to subscribe for, buy, sell or hold Notes and may be subject to revision, suspension or withdrawal at any time by the Rating Agency. Any adverse change in the Rating of the Issuer and/or TMFNL and/or the Programme and/or a Tranche of Notes, as the case may be, could adversely affect the trading price of all or any of the Notes.
Redemption	A Tranche of Notes will, subject to the Applicable Pricing Supplement, be redeemed on the Maturity Date, as set out in

Condition 11.1 (*Redemption at Maturity*) of the Terms and Conditions.

If so specified in the Applicable Pricing Supplement, the Issuer may redeem the Notes of any Tranche at any time prior to the Maturity Date following the occurrence of a change in law and/or for tax reasons, as set out in Condition 11.2 (*Redemption for Tax Reasons*) of the Terms and Conditions, or as otherwise set out in the Applicable Pricing Supplement.

If "*Early Redemption at the Option of the Issuer*" is specified as applicable in the Applicable Pricing Supplement pursuant to Condition 11.3 (*Redemption at the Option of the Issuer*) of the Terms and Conditions, the Issuer may, having given not less than 30 (thirty) nor more than 60 (sixty) days irrevocable notice (or such other period of notice as may be specified in the Applicable Pricing Supplement) to the Noteholders in accordance with Condition 19 (*Notices*) of the Terms and Conditions, redeem the Tranche of Notes on any Optional Redemption Date(s), or as otherwise set out in the Applicable Pricing Supplement.

If "*Redemption at the Option of Senior Noteholders*" is specified as applicable in the Applicable Pricing Supplement, the Senior Noteholders of any Tranche of Senior Notes may, having given not less than 30 (thirty) nor more than 60 (sixty) days notice (or such other period of notice as may be specified in the Applicable Pricing Supplement), require the Issuer to redeem Senior Notes on any Optional Redemption Date in the manner specified in Condition 11.4 (*Redemption at the Option of the Senior Noteholders*) of the Terms and Conditions, and the Applicable Pricing Supplement.

If "*Redemption in the event of a Change of Control*" is specified as being applicable in the Applicable Pricing Supplement and (i) a Change of Control occurs (as defined below); and (ii) within the Change of Control Period (as defined below), (A) a Rating Downgrade (as defined below) occurs in relation to the Issuer and/or the Programme and/or any Tranche of Notes, as the case may be; or (B) if, the Issuer and/or the Programme and/or any Tranche of Notes are not so rated, a Negative Rating Event (as defined below) in respect of that Change of Control occurs, (in either case, a **Change of Control Event**) (C) and the Noteholders resolve by way of an Extraordinary Resolution to have their Notes redeemed by the Issuer, then each Noteholder in that Class of Noteholders shall have the option to require the Issuer to redeem each Note in that Tranche of Notes held by that Noteholder at its Early Redemption Amount together with accrued interest (if any) within 15 (fifteen) days after the delivery by that Noteholder of a Change of Control Redemption Notice (as defined below) in the manner specified in Condition 11.5, or as otherwise set out in the Applicable Pricing Supplement.

If "*Redemption in the event of a failure to maintain JSE Listing or Rating*" is specified as applicable in the Applicable Pricing Supplement, the Noteholders of any Tranche of Notes may, after having been notified by the Issuer in accordance with Condition 19 (*Notices*), require the Issuer to redeem Notes on any Optional Redemption Date in the manner specified in Condition 11.6 (*Redemption in the event of a failure to maintain JSE Listing or Rating*) and the Applicable Pricing Supplement.

Selling Restrictions	The distribution of this Programme Memorandum and/or any Applicable Pricing Supplement and any offering or sale of or subscription for a Tranche of Notes may be restricted by law in certain jurisdictions, and is restricted by law in the United States of America, the United Kingdom, the European Economic Area and South Africa (see the section of this Programme Memorandum headed "<i>Subscription and Sale</i>"). Any other or additional restrictions which are applicable to the placing of a Tranche of Notes will be set out in the Applicable Pricing Supplement. Persons who come into possession of this Programme Memorandum and/or any Applicable Pricing Supplement must inform themselves about and observe all applicable selling restrictions.
Size of the Programme	As at the Programme Date, the Programme Amount is ZAR7,000,000,000. This Programme Memorandum will only apply to Notes issued under the Programme in an aggregate outstanding Nominal Amount which does not exceed the Programme Amount. The Issuer may increase the Programme Amount in the manner set out in the section of this Programme Memorandum headed "<i>General Description of the Programme</i>". The Programme Amount at the time of the issue of any Tranche of Notes will be set out in the Applicable Pricing Supplement.
Specified Currency	South African Rand or, subject to all Applicable Laws and, in the case of Notes listed on the Interest Rate Market of the JSE and, the debt listings requirements of the JSE, such other currency as is specified in the Applicable Pricing Supplement.
Status of Senior Notes	The Senior Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank <i>pari passu</i> and rateably without any preference among themselves and (subject to Condition 7 (<i>Negative Pledge</i>) of the Terms and Conditions, and save for certain debts required to be preferred by law) equally with all other present or future unsecured and unsubordinated obligations of the Issuer from time to time outstanding.
Status and Characteristics relating to Subordinated Notes	The Subordinated Notes constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and will rank <i>pari passu</i> among themselves and will rank at least <i>pari passu</i> with all other present and future unsecured and subordinated obligations of the Issuer. Subject to Applicable Law, in the event of the dissolution of the Issuer or if the Issuer is placed into liquidation or wound up or is subject to business rescue proceedings, then and in any such event the claims of the Persons entitled to be paid amounts due in respect of the Subordinated Notes shall be subordinated to all other claims in respect of any other indebtedness of the Issuer except for other Subordinated Indebtedness of the Issuer, to the extent that, in any such event, and provided as aforesaid, no amount shall be eligible for setting-off or shall be payable to any or all of the Persons entitled to be paid amounts due in respect of the Subordinated Notes in respect of the obligations of the Issuer thereunder until all other indebtedness of the Issuer which is admissible in any such dissolution, liquidation, winding-up or business rescue proceedings (other than Subordinated Indebtedness) has been paid or discharged in full.

Stabilisation

In connection with the issue and distribution of any Tranche of Notes under the Programme, the Dealer(s), if 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 debt listings requirements of the JSE 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.

Supplementary Credit Support Agreements

TMFNL has the benefit of a supplementary credit support agreement made between it and TFS. In turn, TFS has the benefit of a supplementary credit support agreement made between it and the Parent. These supplementary credit support agreements are more fully described on pages 78 to 81 hereof.

Taxation

A summary of the applicable tax legislation in respect of the Notes, as at the Programme Date, is set out in the section of this Programme Memorandum headed "*Taxation*". The summary does not constitute tax advice. Potential investors in the Notes should, before making an investment in the Notes, consult their own professional advisers as to the potential tax consequences of, and their tax positions in respect of, an investment in the Notes.

Terms and Conditions

The terms and conditions of the Notes are set out in the section of this Programme Memorandum headed "*Terms and Conditions of the Notes*". The Applicable Pricing Supplements may specify other terms and conditions (which may replace, modify or supplement the Terms and Conditions) in relation to specific terms and conditions of the Notes of any Tranche of Notes issued.

Use of Proceeds

The Issuer will use the issue proceeds of the Notes for its general corporate purposes, or as may otherwise be described in the Applicable Pricing Supplement.

Withholding Taxes

As at the Programme Date, all payments of principal and interest in respect of the Notes will be made without withholding or deduction for or on account of taxes levied in South Africa. In the event that withholding tax or such other deduction is required by law, then the Issuer will, subject to certain exceptions as provided in Condition 12 (*Taxation*) of the Terms and Conditions, pay such additional amounts as shall be necessary in order that the net amounts received by the Noteholders after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, as the case may be, in the absence of such withholding or deduction.

FORM OF THE NOTES

Capitalised terms used in this section headed "Form of the Notes" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

Notes issued in certificated form

All certificated Notes will be represented by a single Individual Certificate in registered form. Notes represented by Individual Certificates will be registered in the Register in the name of the individual Noteholders of such Notes.

Subject to Applicable Laws, title to Notes represented by Individual Certificates will be freely transferable and will pass upon registration of transfer in accordance with Condition 15.2 (*Transfer of Notes represented by Individual Certificates*) of the Terms and Conditions.

The Issuer shall regard the Register as the conclusive record of title to the Notes represented by Individual Certificates.

Payments of all amounts due and payable in respect of Notes represented by Individual Certificates will be made in accordance with Condition 10 (*Payments*) of the Terms and Conditions, to the Person reflected as the registered Noteholder of such Notes in the Register at 17h00 (South African time) on the Last Day to Register, and the payment obligations of the Issuer will be discharged by proper payment to or to the order of such registered holder in respect of each amount so paid.

Notes issued in uncertificated form

A Tranche of Notes which is listed on the Interest Rate Market of the JSE must, subject to Applicable Laws and Applicable Procedures, be issued in uncertificated form in terms of section 33 of the Financial Markets Act.

Notes issued in uncertificated form will not be represented by any certificate or written instrument. A Tranche of Notes issued in uncertificated form will be held by the CSD, and the CSD's Nominee will be named in the Register as the registered Noteholder of that Tranche of Notes.

Beneficial Interests in Notes held in the CSD

A Tranche of Notes which is listed on the Interest Rate Market of the JSE will be issued in uncertificated form and held in the CSD. A Tranche of unlisted Notes may also be held in the CSD. While a Tranche of Notes is held in the CSD, the CSD's Nominee will be named in the Register as the sole Noteholder of the Notes in that Tranche.

The CSD will hold each Tranche of Notes subject to the Financial Markets Act and the Applicable Procedures. All amounts to be paid and all rights to be exercised in respect of Notes held in the CSD will be paid to and may be exercised only by the CSD's Nominee for the holders of Beneficial Interests in such Notes.

The CSD maintains central securities accounts only for Participants. As at the Programme Date, the Participants are Absa Bank Limited, Citibank N.A, South Africa Branch, FirstRand Bank Limited, Nedbank Limited, The Standard Bank of South Africa Limited and the South African Reserve Bank. Beneficial Interests which are held by Participants will be held directly through the CSD, and the CSD will hold such Beneficial Interests, on behalf of such Participants, through the central securities accounts maintained by the CSD for such Participants.

The Participants are in turn required to maintain securities accounts for their clients. Beneficial Interests which are held by clients of Participants will be held indirectly through such Participants, and such Participants will hold such Beneficial Interests, on behalf of such clients, through the securities accounts maintained by such Participants for such clients. The clients of Participants may include the holders of Beneficial Interests in the Notes or their custodians. The clients of Participants, as the holders of Beneficial Interests or as custodians for such holders, may exercise their rights in respect of the Notes held by them in the CSD only through their Participants. Euroclear Bank S.A./N.V. as operator of the Euroclear System (**Euroclear**) and Clearstream Banking, société anonyme, (Clearstream Luxembourg) (**Clearstream**) may hold Notes through their Participant.

In relation to each Person shown in the records of the CSD or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular outstanding Nominal Amount of Notes, a certificate or other document issued by the CSD or the relevant Participant, as the case may be, as to

the outstanding Nominal Amount of such Notes standing to the account of any Person shall be *prima facie* proof of such Beneficial Interest. The CSD's Nominee (as the registered Noteholder of such Notes named in the Register) will be treated by the Issuer, the Paying Agent, the Transfer Agent and the relevant Participant as the holder of that outstanding Nominal Amount of such Notes for all purposes.

Subject to the Applicable Laws, title to Beneficial Interests held by Participants directly through the CSD will be freely transferable and will pass on transfer thereof by electronic book entry in the central securities accounts maintained by the CSD for such Participants. Subject to Applicable Laws title to Beneficial Interests held by clients of Participants indirectly through such Participants will pass on transfer thereof by electronic book entry in the security accounts maintained by such Participants for such clients. Beneficial Interests may be transferred only in accordance with the Applicable Procedures. Holders of Beneficial Interests vote in accordance with the Applicable Procedures.

The holder of a Beneficial Interest will only be entitled to exchange such Beneficial Interest for Notes represented by an Individual Certificate in accordance with Condition 13 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*) of the Terms and Conditions.

PRO FORMA APPLICABLE PRICING SUPPLEMENT

Set out below is the form of Applicable Pricing Supplement that will be completed for each Tranche of Notes issued under the Programme:

**FINANCIAL
SERVICES**



TOYOTA FINANCIAL SERVICES (SOUTH AFRICA) LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1982/010082/06)

unconditionally and irrevocably, guaranteed by

Toyota Motor Finance (Netherlands) B.V.

(Incorporated in the Netherlands with limited liability under registration number 33194984)

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

Under its ZAR7,000,000,000 Domestic Medium Term Note Programme

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum, dated 23 August 2013, prepared by Toyota Financial Services (South Africa) Limited in connection with the Toyota Financial Services (South Africa) Limited ZAR7,000,000,000 Domestic Medium Term Note Programme, as amended and/or supplemented from time to time (the **Programme Memorandum**).

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

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

PARTIES

1. Issuer	Toyota Financial Services (South Africa) Limited
2. Guarantor	Toyota Motor Finance (Netherlands) B.V.
3. Dealers	[]
4. Managers	[]
5. Debt Sponsor	[]
6. Paying Agent	[]
Specified Office	[]
7. Calculation Agent	[]
Specified Office	[]
8. Transfer Agent	[]
Specified Office	[]

PROVISIONS RELATING TO THE NOTES

- | | |
|--|--|
| 9. Status of Notes | [Senior/Subordinated]
[Secured/Unsecured] |
| 10. Series Number | [] |
| 11. Tranche Number | [] |
| 12. Aggregate Nominal Amount: | |
| (a) Series | [] |
| (b) Tranche | [] |
| 13. Interest | [Interest-bearing/Non-interest-bearing] |
| 14. Interest Payment Basis | [Fixed Rate/Floating Rate/Zero Coupon/Index-Linked/Dual Currency/Partly Paid /Instalment] Notes/other] |
| 15. Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another | [Insert details including date for conversion] |
| 16. Form of Notes | The Notes in this Tranche are [listed]/[unlisted] issued in uncertificated form and held by the CSD |
| 17. Issue Date | [] |
| 18. Nominal Amount per Note | [] |
| 19. Specified Denomination | [] |
| 20. Specified Currency | [] |
| 21. Issue Price | [] |
| 22. Interest Commencement Date | [] |
| 23. Maturity Date | [] |
| 24. Applicable Business Day Convention | [Floating Rate Business Day/Following Business Day/Modified Following Business Day / Preceding Business Day/other convention – insert details] |
| 25. Definition of Business Day (if different from that set out in Condition 1) (<i>Interpretation</i>) | [] |
| 26. Final Redemption Amount | [] |
| 27. Last Day to Register | [] |
| 28. Books Closed Period(s) | The Register will be closed from [...] to [...] and from [...] to [...] (all dates inclusive) in each year until the Maturity Date |
| 29. Default Rate | [] |

FIXED RATE NOTES

- | | |
|--------------------------------|---|
| 30. (a) Fixed Rate of Interest | [] percent. per annum [payable [annually/semi-annually/quarterly] in arrear] |
| (b) Interest Payment Date(s) | [] in each year up to and including the Maturity Date/other |
| (c) Fixed Coupon Amount(s) | [] per [] in Nominal Amount |
| (d) Initial Broken Amount | [] |

- (e) Final Broken Amount []
- (f) Interest Rate Determination Date(s) [] in each year
- (g) Day Count Fraction []
- (h) Any other terms relating to the particular method of calculating interest []

FLOATING RATE NOTES

- 31. (a) Interest Payment Date(s) []
- (b) Interest Period(s) []
- (c) Minimum Rate of Interest [] percent per annum
- (d) Maximum Rate of Interest [] percent per annum
- (e) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision) []
- 32. Manner in which the Rate of Interest is to be determined [ISDA Determination / Screen Rate Determination/other – insert details]
- 33. Margin [(...) basis points to be added to/subtracted from the relevant ISDA Rate / Reference Rate]
- 34. If ISDA Determination
 - (a) Floating Rate []
 - (b) Floating Rate Option []
 - (c) Designated Maturity []
 - (d) Reset Date(s) []
 - (e) ISDA Definitions to apply [Yes/No]
- 35. If Screen Rate Determination:
 - (a) Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated) []
 - (b) Interest Rate Determination Date(s) []
 - (c) Relevant Screen Page and Reference Code []
- 36. If Rate of Interest to be calculated otherwise than by ISDA Determination or Screen Rate Determination, insert basis for determining Rate of Interest/Margin/ Fallback provisions []
- 37. Calculation Agent responsible for calculating amount of principal and interest []

ZERO COUPON NOTES

- 38. (a) Implied Yield []
- (b) Reference Price Percent[NACA] [NACM] [NACQ] [NACS]
[other method of compounding]
- (c) Any other formula or basis for determining amount(s) payable []

PARTLY PAID NOTES

39. (a) Amount of each payment comprising the Issue Price []
- (b) Dates upon which each payment is to be made by Noteholder []
- (c) Consequences (if any) of failure to make any such payment by Noteholder []
- (d) Interest Rate to accrue on the first and subsequent instalments after the due date for payment of such instalments [] percent per annum

INSTALMENT NOTES

40. Instalment Dates []
41. Instalment Amounts (expressed as a percentage of the aggregate Nominal Amount of the Notes) []

MIXED RATE NOTES

42. Period(s) during which the Interest Rate for the Mixed Rate Notes will be (as applicable) that for:
- (a) Fixed Rate Notes []
- (b) Floating Rate Notes []
- (c) Index-Linked Notes []
- (d) Dual Currency Notes []
- (e) Other Notes []
43. The Interest Rate and other pertinent details are set out under the headings relating to the applicable forms of Notes

INDEX-LINKED NOTES

44. (a) Type of Index-Linked Notes [Indexed Interest Notes / Indexed Redemption Amount Notes]
- (b) Index/Formula by reference to which Interest Rate / Interest Amount is to be determined []
- (c) Manner in which the Interest Rate / Interest Amount is to be determined []
- (d) Interest Period(s) []
- (e) Interest Payment Date(s) []
- (f) Provisions where calculation by reference to Index and/or Formula is impossible or impracticable []
- (g) Minimum Rate of Interest [] percent per annum
- (h) Maximum Rate of Interest [] percent per annum
- (i) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision) []

DUAL CURRENCY NOTES

- | | | |
|---------|---|--|
| 45. (a) | Type of Dual Currency Notes | [Dual Currency Interest/Dual Currency Redemption Amount] Notes |
| (b) | Rate of Exchange/method of calculating Rate of Exchange | [] |
| (c) | Provisions applicable where calculation by reference to Rate of Exchange is impossible or impracticable | [] |
| (d) | Person at whose option Specified Currency(ies) is/are payable | [] |

EXCHANGEABLE NOTES

- | | | |
|---------|--|-----------|
| 46. (a) | Mandatory Exchange applicable | [Yes/No] |
| (b) | Noteholders' Exchange Right applicable | [Yes/No] |
| (c) | Exchange Securities | [] |
| (d) | Manner of determining Exchange Price | [] |
| (e) | Exchange Period | [] |
| (f) | Other | [] |

OTHER NOTES

- | | | |
|-----|---|-----------|
| 47. | If the Notes are not Partly Paid Notes, Instalment Notes, Fixed Rate Notes, Floating Rate Notes, Mixed Rate Notes, Zero Coupon Notes, Index-Linked Notes, Dual Currency Notes or Exchangeable Notes or if the Notes are a combination of any of the foregoing, set out the relevant description and any additional Terms and Conditions relating to such Notes. | [] |
|-----|---|-----------|

PROVISIONS REGARDING REDEMPTION/MATURITY

- | | | |
|-----|---|-----------|
| 48. | Redemption at the option of the Issuer | [Yes/No] |
| | If yes: | |
| (a) | Optional Redemption Date(s) | [] |
| (b) | Optional Redemption Amount(s) and method, if any, of calculation of such amount(s) | [] |
| (c) | Minimum period of notice (if different from Condition 11.3 (<i>Redemption at the Option of the Issuer</i>)) | [] |
| (d) | If redeemable in part: | [] |
| | Minimum Redemption Amount(s) | [] |
| | Higher Redemption Amount(s) | [] |
| (e) | Other terms applicable on Redemption | |

49. Redemption at the Option of the Senior Noteholders [Yes/No]
- If yes:
- (a) Optional Redemption Date(s) []
 - (b) Optional Redemption Amount(s) []
 - (c) Minimum period of notice (if different from Condition 11.4 (*Redemption at the Option of the Senior Noteholders*)) []
 - (d) If redeemable in part:
 - Minimum Redemption Amount(s) []
 - Higher Redemption Amount(s) []
 - (e) Other terms applicable on Redemption []
 - (f) Attach *pro forma* Put Notice(s)
50. Redemption in the event of a Change of Control at the election of Noteholders pursuant to Condition 11.5 (*Redemption in the event of a Change of Control*) or any other terms applicable to a Change of Control. [Yes/No]
51. Redemption in the event of a failure to maintain JSE Listing or Rating at the election of Noteholders pursuant to Condition 11.6 (*Redemption in the event of a failure to maintain JSE Listing or Rating*). [Yes/No]
52. Early Redemption Amount(s) payable on redemption for taxation reasons pursuant to Condition 11.2 (*Redemption for Tax Reasons*) or due to an Event of Default (if required) pursuant to Condition 11.7 (*Early Redemption Amounts*). [Yes/No]
- If yes:
- (a) Amount payable; or []
 - (b) Method of calculation of amount payable []
- GENERAL**
- 53. Financial Exchange []
 - 54. Additional selling restrictions []
 - 55. ISIN No. []
 - 56. Stock Code []
 - 57. Stabilising manager []
 - 58. Provisions relating to stabilisation []
 - 59. Method of distribution [Auction/Bookbuild/Private Placement]
 - 60. Credit Rating assigned to the [] [issue date and renewal date of rating to be specified]
[Issuer]/[Guarantor]/[Programme]/[Notes]

61. Applicable Rating Agency []
62. Governing law (if the laws of South Africa are not applicable) []
63. Other provisions [Other Events of Default in addition to the Events of Default referred to in Condition 17 (Events of Default) of the Terms and Conditions]
[Other covenants, provisions]

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

64. Paragraph 3(5)(a)

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

65. 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.

66. Paragraph 3(5)(c)

The auditor of the Issuer is [insert].

67. Paragraph 3(5)(d)

As at the date of this issue:

- (i) the Issuer has [not issued]/[issued ZAR•,000,000] Commercial Paper (as defined in the Commercial Paper Regulations); and
- (ii) the Issuer estimates that it may issue [ZAR•,000,000] of Commercial Paper during the current financial year, ending [insert].

68. Paragraph 3(5)(e)

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

69. 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.

70. Paragraph 3(5)(g)

The Notes issued will be [listed/unlisted].

71. 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/funding of its business operations/other].

72. Paragraph 3(5)(i)

The obligations of the Issuer in respect of the Notes are unsecured, however guaranteed by TMFNL in terms of the Guarantee but are otherwise unsecured.

73. Paragraph 3(5)(j)

[Insert], the statutory auditors of the Issuer, have confirmed that [their review did not reveal anything which indicates/nothing has come to their 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.

Responsibility:

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

Application [**is hereby**]/[**will not be**] made to list this issue of Notes [**on • ••••**].

SIGNED at _____ on this _____ day of _____ 20••

For and on behalf of
TOYOTA FINANCIAL SERVICES (SOUTH AFRICA) LIMITED

Name:
Capacity: Director
Who warrants his/her authority hereto

Name:
Capacity: Director
Who warrants his/her authority hereto

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes to be issued by the Issuer which will be incorporated by reference into each Note. A Tranche of Notes will be issued on, and subject to, the below Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Tranche of Notes set out in the Applicable Pricing Supplement.

Before the Issuer issues any Tranche of listed Notes, the Issuer shall complete, sign and deliver to the JSE or such other or further Financial Exchange(s) and the CSD a pricing supplement based on the *pro forma* Applicable Pricing Supplement included in the Programme Memorandum setting out details of such Notes. The Issuer may determine that particular Notes will not be listed on the Interest Rate Market of the JSE or such other Financial Exchanges and, in that case, no Applicable Pricing Supplement will be delivered to the JSE or such other or further Financial Exchange(s).

If there is any conflict or inconsistency between provisions set out in the Applicable Pricing Supplement and the provisions set out in these Terms and Conditions of the Notes, then the provisions in the Applicable Pricing Supplement will prevail.

Words and expressions used in the Applicable Pricing Supplement shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated. Any reference to legislation or a statute shall be to such legislation or statute as amended, varied or re-enacted from time to time.

1. INTERPRETATION

In these Terms and Conditions, unless inconsistent with the context or separately defined in the Applicable Pricing Supplement, the following expressions shall have the following meanings:

Absa	Absa Bank Limited (registration number 1986/004794/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa;
Applicable Laws	in relation to any Person, all and any statutes and subordinate legislation and common law, regulations, ordinances and by-laws, directives, codes of practice, circulars, guidance notices, judgments and decisions of any competent authority, or any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation and other similar provisions, from time to time, compliance with which is mandatory for that Person;
Applicable Pricing Supplement	in relation to a Tranche of Notes, the pricing supplement completed and signed by the Issuer in relation to that Tranche of Notes, setting out the additional and/or other terms and conditions as are applicable to that Tranche of Notes, based upon the <i>pro forma</i> pricing supplement which is set out in the section of the Programme Memorandum headed " <i>Pro Forma Applicable Pricing Supplement</i> ";
Applicable Procedures	the rules and operating procedures for the time being of the CSD, the Participants and the debt listings requirements of the JSE and/or any other Financial Exchange;
Banks Act	the Banks Act, 1990;
Beneficial Interest	in relation to a Tranche of Notes which is held in the CSD, the beneficial interest as co-owner of an undivided share of all of the Notes in that Tranche, as contemplated in section 37(1) of the Financial Markets Act, the nominal value of which beneficial interest, in relation to any number of Notes in that Tranche, is determined by reference to the proportion that the aggregate outstanding Nominal Amount of such number of Notes bears to the aggregate outstanding Nominal Amount of all of the Notes in that Tranche, as provided in section 37(3) of the Financial Markets Act;

BESA Guarantee Fund Trust	the guarantee fund trust established and operated by the JSE as a separate guarantee fund, in terms of sections 8(1)(h) and 17(1)(w) of the Financial Markets Act or any successor fund;
Books Closed Period	in relation to a Tranche of Notes, the period(s), as specified in the Applicable Pricing Supplement, commencing after the Last Day to Register, during which transfers of the Notes will not be registered, or such shorter period as the Issuer may decide in order to determine those Noteholders entitled to receive principal and/or interest;
Business Day	a day (other than a Saturday or Sunday or public holiday within the meaning of the Public Holidays Act, 1994) on which commercial banks settle ZAR payments in Johannesburg, save further that if the Applicable Pricing Supplement so provides, " <i>Business Day</i> " shall include a Saturday;
Calculation Agent	RMB, unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Notes, another entity as Calculation Agent in respect of that Tranche or Series of Notes, as indicated in the Applicable Pricing Supplement;
Class of Noteholders	the holders of a Series of Notes or, where appropriate, the holders of different Series of Notes;
Commercial Paper Regulations	the commercial paper regulations of 14 December 1994 issued pursuant to paragraph (cc) of the definition of " <i>the business of a bank</i> " in the Banks Act, set out in Government Notice 2172 and published in Government Gazette 16167 of 14 December 1994;
Companies Act	the Companies Act, 2008;
CSD	Strate Limited (registration number 1998/022242/06), a public company with limited liability incorporated in accordance with the company laws of South Africa and registered as a central securities depository in terms of the Financial Markets Act, or its nominee, licensed as a central securities depository in terms of the Financial Markets Act or any successor depository, or any additional or alternate depository approved by the Issuer;
CSD's Nominee	a Wholly Owned Subsidiary of the CSD approved by the Registrar of Securities Services in terms of the Financial Markets Act, and any reference to " <i>CSD's Nominee</i> " shall, whenever the context permits, be deemed to include any successor nominee operating in terms of the Financial Markets Act;
Day Count Fraction	in relation to a Tranche of Notes (where applicable) and the calculation of an amount for any period of time (the Calculation Period), the day count fraction specified as such in the Terms and Conditions or the Applicable Pricing Supplement and: (a) if Actual/365 or Act/365 is so specified, means the actual number of days in the Interest Period in respect of which payment is being made divided by 365 (or, if any portion of the Interest Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365); (b) if Actual/Actual (ICMA) is so specified, means: 1. where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of

- (1) the actual number of days in such Regular Period and
 - (2) the number of Regular Periods in any year; and
2. where the calculation Period is longer than one Regular Period, the sum of:
 - a. the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - b. the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year;
 - (c) if **Actual/Actual** or **Actual/Actual (ISDA)** is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
 - (d) if **Actual/365 (Fixed)** is so specified, means the actual number of days in the Calculation Period divided by 365;
 - (e) if **Actual/360** is so specified, means the actual number of days in the Calculation Period divided by 360;
 - (f) if **30/360**, **360/360** or **Bond Basis** is so specified, means the number of days in the Calculation period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the first day immediately following the last day included in the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M₂ is the calendar month, expressed as a number, in which the first day immediately following the last day included in the Calculation Period falls;

D₁ is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (g) if **30E/360** or **Eurobond Basis** is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Day Count Fraction =

where:

Y₁ is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M₂ is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

D₁ is the first calendar day, expressed as a number, of the Calculation Period unless such number would be 31, in which case D₁ will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period unless such number would be 31, in which case D₂ will be 30;

(h) if **30E/360 (ISDA)** is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Day Count Fraction =

where:

Y₁ is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M₂ is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

D₁ is the first calendar day, expressed as a number, of the Calculation Period unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30;

Dealer(s)

Absa, Deutsche Bank, Nedbank Capital, RMB, SBSA and/or any other entity appointed as a Dealer by the Issuer, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the appointment of any such Dealer, as indicated in the Applicable Pricing Supplement;

Default Rate	in relation to a Tranche of Notes, the default rate specified as such in the Applicable Pricing Supplement;
Deutsche Bank	Deutsche Bank AG, Johannesburg Branch (registration number 1998/003298/10), registered as an external company in South Africa and incorporated in the Federal Republic of Germany;
Dual Currency Notes	Notes which pay interest in a base currency and the principal in a non-base currency or <i>vice versa</i> , as indicated in the Applicable Pricing Supplement;
Early Redemption Amount	in relation to a Tranche of Notes, the amount, as set out in Condition 11.7 (<i>Early Redemption Amounts</i>), at which the Notes will be redeemed by the Issuer, pursuant to the provisions of Conditions 11.2 (<i>Redemption for Tax Reasons</i>), 11.3 (<i>Redemption at the Option of the Issuer</i>), 11.4 (<i>Redemption at the Option of the Senior Noteholders</i>), 11.5 (<i>Redemption in the event of a Change of Control</i>), 11.6 (<i>Redemption in the event of a failure to maintain JSE Listing or Rating</i>) and/or Condition 17 (<i>Events of Default</i>);
Encumbrances	any mortgage, pledge, hypothecation, assignment, cession <i>in securitatem debiti</i> , deposit by way of security or any other agreement or arrangement (whether conditional or not and whether relating to existing or to future assets), having the effect of providing a security interest to a creditor or any agreement or arrangement to give any form of a secured claim to a creditor but excluding statutory preferences, any security interest arising by operation of law and, for avoidance of doubt, any guarantee;
Event of Default	in relation to a Series of Notes, any of the events described in Condition 17 (<i>Events of Default</i>);
Exchangeable Notes	Notes which may be redeemed by the Issuer in the manner indicated in the Applicable Pricing Supplement by the delivery to the Noteholders of cash or of so many of the Exchange Securities as is determined in accordance with the Applicable Pricing Supplement;
Exchange Control Regulations	the Exchange Control Regulations, 1961, promulgated pursuant to the Currency and Exchanges Act, 1933;
Exchange Period	in relation to a Tranche of Exchangeable Notes, in respect of Exchangeable Notes to which the Noteholders' Exchange Right applies (as indicated in the Applicable Pricing Supplement), the period indicated in the Applicable Pricing Supplement during which such right may be exercised;
Exchange Price	in relation to a Tranche of Exchangeable Notes, the amount determined in accordance with the manner described in the Applicable Pricing Supplement, according to which the number of Exchange Securities which may be delivered in redemption of an Exchangeable Note will be determined;
Exchange Securities	in relation to a Tranche of Exchangeable Notes, the securities indicated in the Applicable Pricing Supplement which may be delivered by the Issuer in redemption of the Exchangeable Notes to the value of the Exchange Price;
Extraordinary Resolution	a resolution passed at a meeting (duly convened) of the Noteholders or a Class of Noteholders, as the case may be, by a majority consisting of not less than 66.67% (sixty-six point sixty-seven percent) of the Persons voting at such meeting upon a show of hands or if a poll be duly demanded then by a majority consisting

	of not less than 66.67% (sixty-six point sixty-seven percent) of the votes given on such poll;
Final Broken Amount	in relation to a Tranche of Fixed Rate Notes, the final broken amount specified as such in the Applicable Pricing Supplement;
Final Redemption Amount	in relation to a Tranche of Notes, the amount of principal specified in the Applicable Pricing Supplement payable in respect of such Tranche of Notes upon the Maturity Date;
Financial Exchange	the JSE and/or such other or additional financial exchange(s) as may be determined by the Issuer and the relevant Dealer(s), subject to Applicable Laws, and upon which the Notes are listed as specified in the Applicable Pricing Supplement;
Financial Markets Act	the Financial Markets Act, 2012;
Fixed Coupon Amount	in relation to a Tranche of Fixed Rate Notes (where applicable), the amount(s) specified as such in the Applicable Pricing Supplement;
Fixed Interest Payment Date	in relation to a Tranche of Fixed Rate Notes, the date(s) specified as such in the Applicable Pricing Supplement;
Fixed Interest Period	in relation to a Tranche of Fixed Rate Notes, the period from (and including) a Fixed Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Fixed Interest Payment Date or as otherwise set out in the Applicable Pricing Supplement;
Fixed Rate Notes	Notes which will bear interest at the Fixed Rate of Interest, as indicated in the Applicable Pricing Supplement and more fully described in Condition 9.1 (<i>Fixed Rate Notes</i>);
Fixed Rate of Interest	in relation to a Fixed Rate Tranche of Notes, the fixed rate of interest specified as such in the Applicable Pricing Supplement;
Floating Rate Notes	Notes which will bear interest at a Floating Rate Interest as indicated in the Applicable Pricing Supplement and more fully described in Condition 9.2 (<i>Floating Rate Notes and Indexed Interest Notes</i>);
Floating Rate	in relation to a Tranche of Floating Rate Notes, the floating rate of interest specified as such in the Applicable Pricing Supplement;
Higher Redemption Amount	in relation to a Tranche of Notes, the higher redemption amount(s) specified as such in the Applicable Pricing Supplement;
IFRS	the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB (as amended, supplemented or re-issued from time to time);
Implied Yield	in relation to a Tranche of Zero Coupon Notes, the yield accruing on the Issue Price of such Notes, as specified in the Applicable Pricing Supplement;
Income Tax Act	the Income Tax Act, 1962;
Indebtedness	in respect of the Issuer and/or any Subsidiary, any indebtedness in respect of monies borrowed from any third party lender and (without double counting) guarantees (other than those given in the ordinary course of business) given, whether present or future, actual or contingent;
Indexed Interest Notes	Notes in respect of which the Interest Amount is calculated by reference to an index and/or a formula as indicated in the Applicable Pricing Supplement;

Index-Linked Notes	Indexed Interest Notes and/or Indexed Redemption Amount Notes, as applicable and as indicated in the Applicable Pricing Supplement;
Indexed Redemption Amount Notes	Notes in respect of which the Final Redemption Amount is calculated by reference to an index and/or a formula as indicated in the Applicable Pricing Supplement;
Individual Certificate	a Note in the definitive registered form of a single certificate and being a certificate exchanged for Beneficial Interest in accordance with Condition 13 (<i>Exchange of Beneficial Interests and Replacement of Individual Certificates</i>) and any further certificate issued in consequence of a transfer thereof;
Initial Broken Amount	in relation to a Tranche of Fixed Rate Notes, the initial broken amount specified as such in the Applicable Pricing Supplement;
Instalment Amounts	in relation to a Tranche of Instalment Notes, the amount expressed (in the Applicable Pricing Supplement) as a percentage of the Nominal Amount of an Instalment Note, being an instalment of principal (other than the final instalment) on an Instalment Note;
Instalment Notes	Notes issued on the same date but redeemed in Instalment Amounts by the Issuer on an amortised basis on different Instalment Dates, as specified in the Applicable Pricing Supplement;
Instalment Dates	in relation to a Tranche of Instalment Notes, the dates specified as such in the Applicable Pricing Supplement;
Interest Amount	in relation to a Tranche of Notes, the amount of interest payable in respect of each Nominal Amount of Fixed Rate Notes, Floating Rate Notes and Indexed Notes, as determined by the Calculation Agent in accordance with Condition 9 (<i>Interest</i>);
Interest Commencement Date	in relation to a Tranche of Floating Rate Notes (where applicable) the first date from which interest on the Notes, other than Zero Coupon Notes, will accrue, as specified in the Applicable Pricing Supplement;
Interest Rate Determination Date	in relation to a Tranche of Notes, Fixed Rate or Floating Rate, as the case may be, the interest rate determination date specified as such in the Applicable Pricing Supplement;
Interest Payment Date	in relation to a Tranche of Notes, the Interest Payment Date(s) specified in the Applicable Pricing Supplement or, if no express Interest Payment Date(s) is/are specified in the Applicable Pricing Supplement, the last day of the Interest Period commencing on the preceding Interest Payment Date, or, in the case of the first Interest Payment Date, commencing on the Interest Commencement Date;
Interest Period	in relation to a Tranche of Notes, each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;
Interest Rate and Rate of Interest	in relation to a Tranche of Notes, the rate or rates of interest applicable to Notes other than Zero Coupon Notes as indicated in the Applicable Pricing Supplement;
Interest Rate Market of the JSE	the separate platform or sub-market of the JSE designated as the " <i>Interest Rate Market</i> ", or such other platform or submarket designated by the JSE from time to time, and on which Notes (and other debt securities) may be listed;
ISDA	the International Swaps and Derivatives Association Inc.;

ISDA Definitions	the 2006 ISDA Definitions published by ISDA (as amended, supplemented, revised or republished from time to time) as specified in the Applicable Pricing Supplement;
Issue Date	in relation to a Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;
Issue Price	in relation to a Tranche of Notes, the price specified as such in the Applicable Pricing Supplement;
Issuer	Toyota Financial Services (South Africa) Limited (registration number 1982/010082/06), a public company with limited liability duly incorporated in accordance with the company laws of South Africa;
JSE	the JSE Limited (registration number 2005/022939/06), a public company with limited liability duly incorporated in accordance with the company laws of South Africa and a licensed financial exchange in terms of the Financial Markets Act or any exchange which operates as a successor exchange to the JSE;
Last Day to Register	with respect to a particular Tranche of Notes (as specified in the Applicable Pricing Supplement), the last date or dates preceding a Payment Day on which the Transfer Agent will accept Transfer Forms and record the transfer of Notes in the Register for that particular Tranche of Notes and whereafter the Register is closed for further transfers or entries until the Payment Day;
Mandatory Exchange	in relation to a Tranche of Exchangeable Notes, the mandatory exchange specified as such in the Applicable Pricing Supplement;
Margin	in relation to a Tranche of Notes (where applicable), the margin specified as such in the Applicable Pricing Supplement;
Material Indebtedness	any Indebtedness amounting in aggregate to an amount which equals or exceeds 5% (five percent) of the total assets of the Issuer as published in the latest audited financial statements of the Issuer (or its equivalent in other currencies at the time of the occurrence of an Event of Default);
Material Subsidiary	any Subsidiary in which the Issuer owns more than 50% (fifty percent) of the ordinary shares and which represents at least 15% (fifteen percent) of the total assets of the Issuer as published in the Issuer's latest audited financial statements;
Maturity Date	in relation to a Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;
Minimum Redemption Amount	in relation to a Tranche of Notes, the minimum redemption amount specified as such in the Applicable Pricing Supplement;
Mixed Rate Notes	Notes which will bear interest over respective periods at differing Interest Rates applicable to any combination of Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or Index-Linked Notes, each as indicated in the Applicable Pricing Supplement and as more fully described in Condition 9.2.9 (<i>Mixed Rate Notes</i>);
NACA	nominal annual compounded annually;
NACM	nominal annual compounded monthly;
NACQ	nominal annual compounded quarterly;
NACS	nominal annual compounded semi-annually;
Nedbank Capital	Nedbank Capital, a division of Nedbank Limited (registration number 1951/000009/06), a public company with limited liability

	and a registered bank duly incorporated in accordance with the company and banking laws of South Africa;
Nominal Amount	in relation to any Note, the total amount, excluding interest and any adjustments on account of any formula, owing by the Issuer under the Note;
Noteholders	the registered holders of the listed and/or unlisted Notes as recorded in the Register;
Noteholders' Exchange Right	in relation to a Tranche of Exchangeable Notes, if indicated as applicable in the Applicable Pricing Supplement, the right of Noteholders of Exchangeable Notes to elect to receive delivery of the Exchange Securities in lieu of cash from the Issuer upon redemption of such Notes;
Notes	secured or unsecured registered notes issued or to be issued by the Issuer under the Programme, pursuant to this Programme Memorandum;
Outstanding	in relation to the Notes, all the Notes issued under the Programme other than: (a) those which have been redeemed in full; (b) those in respect of which the date for redemption in accordance with the Terms and Conditions has occurred and the redemption monies wherefore (including all interest (if any) accrued thereon to the date for such redemption and any interest (if any) payable under the Terms and Conditions after such date) remain available for payment against presentation of Individual Certificates (if any); (c) those which have been purchased and cancelled as provided in Condition 11 (<i>Redemption and Purchase</i>); (d) those which have become prescribed under Condition 16 (<i>Prescription</i>); (e) those represented by mutilated or defaced Individual Certificates which have been surrendered in exchange for replacement Individual Certificates pursuant to Condition 13 (<i>Exchange of Beneficial Interests and Replacement of Individual Certificates</i>); or (f) (for the purpose only of determining how many Notes are Outstanding and without prejudice to their status for any other purpose) those Notes represented by Individual Certificates alleged to have been lost, stolen or destroyed and in respect of which replacement Individual Certificates have been issued pursuant to Condition 13 (<i>Exchange of Beneficial Interests and Replacement of Individual Certificates</i>), provided that for each of the following purposes: (i) the right to attend and vote at any meeting of the Noteholders; and (ii) the determination of how many and which Notes are for the time being Outstanding for the purposes of Conditions 20 (<i>Amendment of these Conditions</i>) and 21 (<i>Meetings of Noteholders</i>), all Notes (if any) which are for the time being held by the Issuer (subject to any Applicable Law) or by any Person for the benefit of the Issuer and not cancelled shall (unless and until ceasing to be so held), be deemed not to be Outstanding;

Optional Redemption Amount	in relation to a Tranche of Notes, the optional redemption amount(s) specified as such in the Applicable Pricing Supplement;
Parent	Toyota Motor Corporation, a Japanese corporation;
Participant	a Person accepted by the CSD as a participant in terms of section 31 of the Financial Markets Act, and who is approved by the JSE, in terms of the debt listings requirements of the JSE, as a Settlement Agent to perform electronic settlement of funds and scrip;
Partly Paid Notes	Notes which are issued with the Issue Price partly paid and which Issue Price is paid up fully by the Noteholder in instalments as indicated in the Applicable Pricing Supplement;
Paying Agent	RMB, unless the Issuer elects to appoint another entity as Paying Agent, in which event that other entity shall act as a Paying Agent in respect of that Tranche or Series of Notes, as indicated in the Applicable Pricing Supplement;
Payment Day	any day which is a Business Day and upon which a payment is due by the Issuer in respect of the Notes;
Permitted Encumbrance	(a) any Encumbrance existing as at the date of the Applicable Pricing Supplement; or (b) any Encumbrance with regard to receivables of the Issuer or any other Material Subsidiary or which is created pursuant to any securitisation or like arrangement in accordance with normal market practice and whereby the Indebtedness is limited to the value of such receivables; or (c) any Encumbrance with respect to inter-company Indebtedness incurred between the Issuer and any Subsidiary, or between the Issuer and any Subsidiary or between any Subsidiary; or (d) any Encumbrance created over any asset acquired, developed or constructed, provided that the Indebtedness so secured shall not exceed the <i>bona fide arms length</i> market value (on or about the date of the creation and such Encumbrance) of that asset or the cost of that acquisition, development or construction (including all interest and other finance charges, adjustments due to changes in circumstances and other charges reasonably incidental to such cost, whether contingent or otherwise) and where such market value or cost both apply, the higher of the two; or (e) any Encumbrance over deposit accounts securing a loan equal to the amounts standing to the credit of such deposit accounts, including any cash management system; or (f) any Encumbrance created in the ordinary course of business, which includes, over stock-in-trade, inventories, accounts receivable or deposit accounts; or (g) any Encumbrance subsisting over any asset of any Subsidiary of the Issuer prior to the date of such entity becoming a Subsidiary of the Issuer and not created in contemplation of such entity becoming a Subsidiary of the Issuer and any substitute Encumbrance created over that asset (but in any such case the amount of the Indebtedness secured by such Encumbrance, may not be increased, save in the ordinary course of business as set out in sub-clauses (a) to (f) above; or

	(h) in addition to any Encumbrance referred to in (a) to (g) above, any Encumbrance securing in aggregate an amount which is equal to or less than US\$25,000,000 (twenty five million United States Dollars);
Person	shall be construed as a reference to any person, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing;
Programme	Toyota Financial Services (South Africa) Limited ZAR7,000,000,000 Domestic Medium Term Note Programme under which the Issuer may from time to time issue Notes;
Programme Amount	the maximum aggregate outstanding Nominal Amount of all of the Notes that may be issued under the Programme at any one point in time, being ZAR7,000,000,000 or such increased amount as is determined by the Issuer from time to time, subject to the Applicable Procedures, Applicable Laws and the Programme Agreement, as set out in the section of this Programme Memorandum headed " <i>General Description of the Programme</i> ";
Programme Date	the date of this Programme Memorandum being 23 August 2013;
RMB	Rand Merchant Bank, a division of FirstRand Bank Limited (registration number 1929/001225/06), a public company with limited liability duly incorporated in accordance with the company laws of South Africa;
Rating	in relation to the Issuer and/or the Programme and/or a Tranche of Notes (where applicable), as the case may be, the rating of the Issuer and/or the Programme and/or the Tranche of Notes, as the case may be granted by the Rating Agency, specified in the Applicable Pricing Supplement;
Rating Agency	Global Credit Rating Co. Proprietary Limited (GCR), Standard & Poor's Ratings Services (S&P), Moody's Investors Service Limited (Moody's) or Fitch Southern Africa Proprietary Limited (Fitch), as the case may be, and their successors or any other rating agency of equivalent international standing specified from time to time by the Issuer and/or TMFNL (as the case may be) specified in the Applicable Pricing Supplement (if applicable) and/or notified to Noteholders pursuant to Condition 19 (<i>Notices</i>);
Redemption Date	in relation to a Tranche of Notes, the date upon which the Notes are redeemed by the Issuer, in accordance with Condition 11 (<i>Redemption and Purchase</i>);
Reference Banks	four leading banks in the South African inter-bank market selected by the Calculation Agent;
Reference Rate	in relation to a Tranche of Floating Rate Notes (where applicable), the rate specified as such in the Applicable Pricing Supplement;
Reference Price	in relation to a Tranche of Zero Coupon Notes (where applicable), the price specified as such in the Applicable Pricing Supplement;
Register	the register of Noteholders maintained by the Transfer Agent in terms of Condition 14 (<i>Register</i>), including any Uncertificated Securities Register, as the case may be;
Regular Period	(a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding

	the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date; (b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where Regular Date means the day and the month (but not the year) on which any Interest Payment Date falls; and (c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "<i>Regular Date</i>" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;
Relevant Date	in respect of any payment relating to the Notes, the date on which such payment first becomes due, except that, in relation to monies payable to the CSD in accordance with these Terms and Conditions, it means the first date on which (i) the full amount of such monies have been received by the CSD, (ii) such monies are available for payment to the holders of Beneficial Interests and (iii) notice to that effect has been duly given to such holders in accordance with the Applicable Procedures;
Relevant Screen Page	in relation to a Tranche of Floating Rate Notes (where applicable), the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the Applicable Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;
Representative	a Person duly authorised to act on behalf of a Noteholder, the Transfer Agent and the Paying Agent, as the case may be, who may be regarded by the Issuer (acting in good faith) as being duly authorised based upon the tacit or express representation thereof by such Representative, in the absence of express notice to the contrary from such Noteholder, the Transfer Agent and the Paying Agent;
Senior Noteholders	the Noteholders of Senior Notes;
Senior Notes	Notes issued with the status and characteristics set out in Condition 5 (<i>Status of Senior Notes</i>), as indicated in the Applicable Pricing Supplement;
Series	a Tranche of Notes together with any further Tranche or Tranches of Notes which are: (i) expressed to be consolidated and form a single series; and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices;
Settlement Agent	a Participant, approved by the JSE in terms of the Applicable Procedures to perform electronic settlement of both funds and scrip on behalf of market participants;

Specified Currency	in relation to each Note in a Tranche of Notes, subject to all Applicable Laws, the currency specified in the Applicable Pricing Supplement;
Specified Denomination	in relation to each Note in a Tranche of Notes, the amount specified as such in the Applicable Pricing Supplement;
Specified Office	the office of the Transfer Agent, the Paying Agent and/or the Calculation Agent as specified in the Applicable Pricing Supplement;
South Africa	the Republic of South Africa;
Subordinated Indebtedness	in the event of the dissolution of the Issuer or if the Issuer is wound up or placed in liquidation or is subject to business rescue proceedings, any indebtedness of the Issuer, including any guarantee by the Issuer, under which the right of payment of the Person(s) entitled thereto is, or is expressed to be, or is required by any present or future agreement of the Issuer to be, subordinated to the rights of all unsubordinated creditors of the Issuer;
Subordinated Notes	Notes issued with the status and characteristics set out in Condition 6 (<i>Status and Characteristics of Subordinated Notes</i>), as indicated in the Applicable Pricing Supplement;
Subsidiary	a subsidiary company as contemplated in section 3(1)(a) of the Companies Act;
Sub-unit	with respect to any currency, the lowest amount of such currency that is available as legal tender in the country of such currency;
Terms and Conditions	the terms and conditions incorporated in this section headed " <i>Terms and Conditions of the Notes</i> " and in accordance with which the Notes will be issued;
TMFNL	Toyota Motor Finance (Netherlands) B.V. (registration number 33194984), a private company with limited liability incorporated under the laws of the Netherlands;
TFS	Toyota Financial Services Corporation, a Japanese corporation;
Tranche	in relation to any particular Series, all Notes which are identical in all respects (including as to listing);
Transfer Agent	RMB, unless the Issuer elects to appoint another entity as a Transfer Agent in which event that other entity shall act as a Transfer Agent in respect of that Tranche or Series of Notes, as indicated in the Applicable Pricing Supplement;
Transfer Form	the written form for the transfer of a Note, in the form approved by the Transfer Agent, and signed by the transferor and transferee;
Uncertificated Securities Register	an Uncertificated Securities Register as contemplated in section 1 of the Companies Act;
Wholly Owned Subsidiary	a wholly owned subsidiary as defined in section 3(1)(b) of the Companies Act;
ZAR	the lawful currency of South Africa, being South African Rand, or any successor currency;
ZAR-JIBAR-SAFEX	the mid-market rate for deposits in ZAR for a period of the Designated Maturity (as indicated in the Applicable Pricing Supplement) that appears on the Reuters Screen SAFEX Page as at 11h00, Johannesburg time on the relevant date; and

Zero Coupon Notes

Notes which will be offered and sold at a discount to their Nominal Amount or at par and will not bear interest other than in the case of late payment, as indicated in the Applicable Pricing Supplement.

2. ISSUE

- 2.1. The Issuer may, at any time and from time to time (without the consent of any Noteholder), issue one or more Tranche(s) of Notes pursuant to the Programme, provided that the aggregate Outstanding Nominal Amount of all of the Notes issued under the Programme from time to time does not exceed the Programme Amount.
- 2.2. Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. A Tranche of Notes will be issued on, and subject to, the applicable Terms and Conditions of a Tranche of Notes which are the Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Tranche of Notes set out in the Applicable Pricing Supplement relating to that Tranche of Notes.
- 2.3. Each Note, may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index-Linked Note, a Dual Currency Note, a Mixed Rate Note or such combination of any of the foregoing or such other type of Note as may be determined by the Issuer and specified in the relevant Applicable Pricing Supplement.
- 2.4. All payments in relation to the Notes will be made in the Specified Currency. Each Note will be issued in the Specified Denomination.
- 2.5. The Terms and Conditions of a Tranche of Notes are incorporated by reference into the Individual Certificate(s) (if any) representing the Notes in that Tranche. The Applicable Pricing Supplement relating to a Tranche of Notes issued in certificated form will be attached to the Individual Certificate(s) representing the Notes in that Tranche.

3. FORM AND DENOMINATION

3.1. General

- 3.1.1. A Tranche of Notes may be issued in the form of listed or unlisted registered Notes, as specified in the Applicable Pricing Supplement.
- 3.1.2. A Tranche of Notes may be listed on the Interest Rate Market of the JSE or on such other or further Financial Exchange(s) as may be determined by the Issuer and the Dealer(s), subject to any Applicable Laws and Applicable Procedures. Unlisted Notes may also be issued under the Programme. The Applicable Pricing Supplement will specify whether or not a Tranche of Notes will be listed and if so, the Financial Exchange on which such Tranche of Notes will be listed.

3.2. Registered Notes

A Tranche of registered Notes will be issued in certificated form or in uncertificated form, as contemplated in Condition 3.2.1 (*Notes issued in certificated form*) and Condition 3.2.2 (*Notes issued in uncertificated form*), as specified in the Applicable Pricing Supplement. Each Tranche of Notes which is listed on the Interest Rate Market of the JSE whether issued in certificated form or in uncertificated form, will be held in the CSD, as contemplated in Condition 3.2.1 (*Notes issued in certificated form*) and Condition 3.2.2 (*Notes issued in uncertificated form*) respectively. A Tranche of unlisted Notes may also be held in the CSD, as contemplated in Condition 3.2.3 (*Beneficial Interests in Notes held in the CSD*).

3.2.1. Notes issued in certificated form

All Notes issued in certificated form will be represented by Individual Certificates.

3.2.2. **Notes issued in uncertificated form**

A Tranche of Notes which is listed on the Interest Rate Market of the JSE may, subject to Applicable Laws and Applicable Procedures, be issued in uncertificated form in terms of section 33 of the Financial Markets Act. Notes issued in uncertificated form will be held in the CSD. Notes issued in uncertificated form will not be represented by any certificate or written instrument. A Note which is represented by an Individual Certificate may be replaced by uncertificated securities in terms of section 33 of the Financial Markets Act.

3.2.3. **Beneficial Interests in Notes held in the CSD**

3.2.3.1. A Tranche of Notes which is listed on the Interest Rate Market of the JSE will be issued in uncertificated form and held in the CSD. A Tranche of unlisted Notes may also be held in the CSD.

3.2.3.2. The CSD will hold Notes subject to the Financial Markets Act and the Applicable Procedures.

3.2.3.3. All amounts to be paid and all rights to be exercised in respect of Notes held in the CSD will be paid to and may be exercised only by the CSD's Nominee for the holders of Beneficial Interests in such Notes.

3.2.3.4. A holder of a Beneficial Interest shall only be entitled to exchange such Beneficial Interest for Notes represented by an Individual Certificate in accordance with Condition 13 (Exchange of Beneficial Interests and Replacement of Individual Certificates).

3.2.4. **Recourse to the BESA Guarantee Fund Trust**

The holders of Notes that are not listed on the Interest Rate Market of the JSE will have no recourse against the JSE or the BESA Guarantee Fund Trust. Claims against the BESA Guarantee Fund Trust may only be made in respect of the trading of Notes listed on the Interest Rate Market of the JSE and in accordance with the rules of the BESA Guarantee Fund Trust. Unlisted Notes are not regulated by the JSE.

4. **TITLE**

4.1. **Notes issued in certificated form**

4.1.1. Each holder of Notes represented by an Individual Certificate will be named in the Register as the registered holder of such Notes.

4.1.2. Title to Notes represented by an Individual Certificate will pass upon registration of transfer in the Register in accordance with Condition 15.2 (*Transfer of Notes represented by Individual Certificates*).

4.1.3. The Issuer, the Transfer Agent and the Paying Agent shall recognise a Noteholder as the sole and absolute owner of the Notes registered in that Noteholder's name in the Register (notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) and shall not be bound to enter any trust in the Register or to take notice of or to accede to the execution of any trust, express, implied or constructive, to which any Note may be subject.

4.2. **Notes issued in uncertificated form**

The CSD's Nominee will be named in the Register as the registered holder of each Tranche of Notes which is issued in uncertificated form.

4.3. **Beneficial Interests in Notes held in the CSD**

4.3.1. While a Tranche of Notes is held in the CSD, the CSD's Nominee will be named in the Register as the sole Noteholder of the Notes in that Tranche.

4.3.2. Beneficial Interests which are held by Participants will be held directly through the CSD, and the CSD will hold such Beneficial Interests, on behalf of such Participants, through the central securities accounts maintained by the CSD for such Participants.

4.3.3. Beneficial Interests which are held by clients of Participants will be held indirectly through such Participants, and such Participants will hold such Beneficial Interests, on behalf of

such clients, through the securities accounts maintained by such Participants for such clients. The clients of Participants may include the holders of Beneficial Interests or their custodians. The clients of Participants, as the holders of Beneficial Interests or as custodians for such holders, may exercise their rights in respect of the Notes held by them in the CSD only through their Participants.

- 4.3.4. In relation to each Person shown in the records of the CSD or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular Nominal Amount of Notes, a certificate or other document issued by the CSD or the relevant Participant, as the case may be, as to the aggregate Nominal Amount of such Notes standing to the account of such Person shall be *prima facie* proof of such Beneficial Interest. The CSD's Nominee (as the registered holder of such Notes named in the Register) will be treated by the Issuer, the Paying Agent, the Transfer Agent and the relevant Participant as the holder of that aggregate Nominal Amount of such Notes for all purposes.
- 4.3.5. Beneficial Interests in Notes may be transferred only in accordance with the Applicable Procedures. Such transfers will not be recorded in the Register and the CSD's Nominee will continue to be reflected in the Register as the registered holder of such Notes, notwithstanding such transfers.
- 4.3.6. Any reference in the Terms and Conditions to the relevant Participant shall, in respect of a Beneficial Interest, be a reference to the Participant appointed to act as such by the holder of such Beneficial Interest.

5. STATUS OF SENIOR NOTES

Unless otherwise set out in the Applicable Pricing Supplement, the Senior Notes are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* and rateably without any preference among themselves and (save for certain debts required to be preferred by law) equally with all other present and future unsecured and unsubordinated obligations of the Issuer from time to time outstanding.

6. STATUS AND CHARACTERISTICS OF SUBORDINATED NOTES

- 6.1. Subordinated Notes constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured and subordinated obligations of the Issuer, save for those which have been accorded preferential rights by law, or as otherwise set out in the Applicable Pricing Supplement.
- 6.2. Subject to Applicable Laws, in the event of the dissolution of the Issuer or if the Issuer is placed into liquidation or wound-up or commences business rescue proceedings, the claims of the Persons entitled to payment of amounts due in respect of the Subordinated Notes, shall be subordinated to all other claims in respect of any other indebtedness of the Issuer except for other Subordinated Indebtedness, to the extent that, in any such event, and provided as aforesaid, no amount shall be eligible for setting-off or shall be payable to any or all of the Persons entitled to payment of amounts due in respect of the Subordinated Notes in respect of the obligations of the Issuer thereunder until all other indebtedness of the Issuer which is admissible in any such dissolution, insolvency, business rescue or winding-up (other than Subordinated Indebtedness) has been paid or discharged in full.

7. NEGATIVE PLEDGE

- 7.1. For so long as any Tranche of the Senior Notes remains Outstanding, the Issuer undertakes that it shall not, and shall procure that no other Material Subsidiary, create or permit the creation of any Encumbrances other than Permitted Encumbrances over any of their present or future business undertakings, assets or revenues to secure any present or future Indebtedness (save for those which have been accorded a preference by law) without at the same time securing all Senior Notes equally and rateably with such Indebtedness or providing such other security or arrangement as may be approved by Extraordinary Resolution of the Senior Noteholders, unless the provision of any such security is waived by an Extraordinary Resolution of the Senior Noteholders.

- 7.2. The Issuer shall be entitled, but not obliged, to form, or procure the formation of, a trust or special purpose company (or more than one), or appoint, or procure the appointment of, an agent or agents to hold any such rights of security for the benefit or on behalf of such Noteholders.

8. **GUARANTEE**

- 8.1. TMFNL has unconditionally and irrevocably guaranteed (the **Guarantee**) to each Noteholder the due and punctual payment of all sums from time to time payable by the Issuer in respect of such Note as and when the same become due and payable. The Issuer shall be deemed to have discharged its obligations to pay holders of Beneficial Interests at such time as all amounts payable have been placed at the disposal of the Central Depository or its nominee in which case TMFNL is also discharged of such obligation.
- 8.2. TMFNL is required to make any payment under the Guarantee by no later than five Business Days after receipt of a demand under and in terms of the Guarantee and these Terms and Conditions. All payments under the Guarantee will *pro tanto* discharge the Issuer of its corresponding obligations to the Noteholders under the Notes.
- 8.3. The Guarantee will be deposited with, and be held by, the Paying Agent until the later of:
- 8.3.1. the date on which the Programme is terminated by the Issuer; and
- 8.3.2. the date on which all the obligations of the Issuer and TMFNL under or in respect of the Notes have been discharged in full.
- 8.4. Each Noteholder shall be entitled to require the Paying Agent to produce the original of the Guarantee on request and further shall be entitled to require the Paying Agent, which shall be obliged, to provide a copy of the Guarantee to that Noteholder on request at the offices of the Paying Agent. In holding the Guarantee, the Paying Agent does not act in any fiduciary or similar capacity for the Noteholders and it has not accepted any liability, duty or responsibility to Noteholders in this regard.

9. **INTEREST**

9.1. **Fixed Rate Notes**

- 9.1.1. Each Fixed Rate Note bears interest on its outstanding Nominal Amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date specified in the Applicable Pricing Supplement, at the rate(s) per annum equal to the Fixed Rate of Interest so specified, payable in arrears on the Fixed Interest Payment Dates in each year up to and including the Maturity Date.
- 9.1.2. The first payment of interest will be made on the Fixed Interest Payment Date next following the Interest Commencement Date.
- 9.1.3. Except as provided in the Applicable Pricing Supplement, the amount of interest payable per Note on each Fixed Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount, provided that:
- 9.1.3.1. if an Initial Broken Amount is specified in the Applicable Pricing Supplement, then the first Interest Amount shall equal the Initial Broken Amount specified in the Applicable Pricing Supplement; and
- 9.1.3.2. if a Final Broken Amount is specified in the Applicable Pricing Supplement, then the final Interest Amount shall equal the Final Broken Amount.
- 9.1.4. If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the Fixed Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, as specified in the Applicable Pricing Supplement, and rounding the resultant figure to the nearest Sub-unit of the relevant Specified Currency, half such Sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

9.2. **Floating Rate Notes and Indexed Interest Notes**

9.2.1. ***Interest Payment Dates***

Each Floating Rate Note and Indexed Interest Note bears interest on its outstanding Nominal Amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date specified in the Applicable Pricing Supplement, and such interest will be payable in arrears on the Interest Payment Date(s) in each year up to and including the Maturity Date specified in the Applicable Pricing Supplement. Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

9.2.2. ***Rate of Interest***

The Rate of Interest payable from time to time in respect of the Floating Rate Notes and Indexed Interest Notes will be determined in the manner specified in the Applicable Pricing Supplement.

9.2.3. ***Minimum and/or Maximum Rate of Interest***

If the Applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the above provisions is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest. If the Applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the above provisions is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

9.2.4. ***Determination of Rate of Interest and calculation of Interest Amount***

The Calculation Agent, in the case of Floating Rate Notes and Indexed Interest Notes will at, or as soon as is practicable after, each time at which the Rate of Interest is to be determined, determine the Rate of Interest and calculate the Interest Amount payable in respect of each Floating Rate Note and Indexed Interest Note in respect of each Specified Denomination for the relevant Interest Period, and the Calculation Agent shall notify the Issuer of the Rate of Interest for the relevant Interest Period as soon as is practicable after calculating the same. Each Interest Amount shall be calculated by applying the Rate of Interest to the Specified Denomination, multiplying such sum by the applicable Day Count Fraction and rounding the resultant figure to the nearest Sub-unit of the relevant Specified Currency, half a Sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

9.2.5. ***ISDA Determination, Screen Rate Determination including fallback provisions***

9.2.5.1. Where ISDA Determination is specified in the Applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the Applicable Pricing Supplement) the Margin (if any). For the purposes of this subparagraph, ISDA Rate for an Interest Period means a rate equal to the Floating Rate that would be determined by such agent as is specified in the Applicable Pricing Supplement under an interest rate swap transaction if that agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the most recent ISDA Definitions and under which:

- (i) the Floating Rate Option is as specified in the Applicable Pricing Supplement;
- (ii) the Designated Maturity as specified in the Applicable Pricing Supplement; and
- (iii) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on ZAR-JIBAR-SAFEX, the first day of that Interest Period; or (ii) in any other case, as specified in the Applicable Pricing Supplement.

- 9.2.5.2. For the purposes of the above sub-paragraph **Floating Rate, Floating Rate Option, Designated Maturity** and **Reset Date** have the meanings given to those terms in the ISDA Definitions and as are specified in the Applicable Pricing Supplement.
- 9.2.5.3. Where Screen Rate Determination is specified in the Applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject to the provisions below, be either:
- (i) if the Relevant Screen Page is available,
 - (a) the offered quotation (if only one quotation appears on the Relevant Screen Page); or
 - (b) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,
(expressed as a percentage per annum) for the Reference Rate which appears on the Relevant Screen Page as at 11h00 (or as otherwise specified in the Applicable Pricing Supplement) (Johannesburg time) on the Interest Rate Determination Date in question plus or minus (as indicated in the Applicable Pricing Supplement) the Margin (if any), all as determined by the Calculation Agent. If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations; or
 - (ii) if the Relevant Screen Page is not available or if, in the case of (i)(a) above, no such offered quotation appears or, in the case of (i)(b) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph, the Calculation Agent shall request the principal Johannesburg office of each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 11h00 (Johannesburg time) on the Interest Rate Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as indicated in the Applicable Pricing Supplement) the Margin (if any), all as determined by the Calculation Agent; or
 - (iii) if the Rate of Interest cannot be determined by applying the provisions of (i)(a) and (i)(b) above, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks offered, at approximately 11h00 (Johannesburg time) on the relevant Interest Rate Determination Date, deposits in an amount approximately equal to the nominal amount of the Notes of the relevant Series, for a period equal to that which would have been used for the Reference Rate to prime banks in the Johannesburg inter-bank market plus or minus (as indicated in the Applicable Pricing Supplement) the Margin (if any). If fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the Rate of Interest for the relevant Interest Period will be determined by the Calculation Agent as the arithmetic mean (rounded as provided above) of the rates for deposits in an amount approximately equal to the nominal amount of the Notes of the relevant Series, for a period equal to that which would have been used for the Reference Rate, quoted at approximately 11h00 (Johannesburg time) on the relevant Interest Rate Determination Date, by the Reference Banks plus or minus (as appropriate) the Margin (if any). If the Rate of Interest cannot be determined in accordance with

the foregoing provisions of this Condition 9.2.5.3 (iii), the Rate of Interest shall be determined as at the last preceding Interest Rate Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the Applicable Pricing Supplement as being other than ZAR-JIBAR-SAFEX, the Rate of Interest in respect of such Notes will be determined as provided in the Applicable Pricing Supplement.

9.2.6. ***Notification of Rate of Interest and Interest Amount***

The Issuer will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the JSE and the CSD and/or every other relevant exchange or authority as soon as possible after their determination but in any event no later than the 4th (fourth) Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to the JSE, the CSD and/or every other relevant exchange or authority and to the Noteholders in accordance with Condition 19 (*Notices*).

9.2.7. ***Certificates to be Final***

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 9.2, by the Calculation Agent shall (in the absence of wilful deceit, bad faith or manifest error or proven error) be binding on the Issuer and all Noteholders and, in the absence as aforesaid no liability to the Issuer or the Noteholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

9.2.8. ***Dual Currency Notes***

In the case of Dual Currency Notes, the Interest Rate or Interest Amount payable shall be determined in the manner specified in the Applicable Pricing Supplement.

9.2.9. ***Mixed Rate Notes***

The Interest Rate payable from time to time on Mixed Rate Notes shall be the Interest Rate payable on the form of interest-bearing Note (be it a Fixed Rate Note, Floating Rate Note, Index-Linked Note or Dual Currency Note) specified for each respective period, each as specified in the Applicable Pricing Supplement. During each such applicable period, the Interest Rate on the Mixed Rate Notes shall be determined and fall due for payment on the basis that such Mixed Rate Notes are Fixed Rate Notes, Floating Rate Notes, Index-Linked Notes or Dual Currency Notes, as the case may be.

9.2.10. ***Accrual of Interest***

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date of its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue at the Default Rate specified in the Applicable Pricing Supplement until the date on which all amounts due in respect of such Note have been paid, or, in respect of uncertificated Notes, the date on which the full amount of the money payable has been received by the CSD and/or the Participants and notice to that effect has been given to Noteholders in accordance with Condition 19 (*Notices*).

9.3. ***Business Day Convention***

If any Interest Payment Date (or other date), which is specified in the Applicable Pricing Supplement to be subject to adjustment in accordance with a Business Day Convention, would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is:

- 9.3.1. the **Floating Rate Business Day Convention**, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event: (i) such Interest Payment Date (or other date) shall be brought forward to the first preceding Business Day and (ii) each subsequent Interest Payment Date (or other date) shall be the last Business Day in the month which falls the number of months, or other period specified as the Interest Period in the Applicable Pricing Supplement, after the preceding applicable Interest Payment Date (or other date) has occurred; or
- 9.3.2. the **Following Business Day Convention**, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day; or
- 9.3.3. the **Modified Following Business Day Convention**, such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date (or other such date) shall be brought forward to the first preceding Business Day; or
- 9.3.4. the **Preceding Business Day Convention**, such Interest Payment Date (or other date) shall be brought forward to the first preceding Business Day.

10 PAYMENTS

10.1 General

Payments of principal and/or interest on an Individual Certificate shall be made to the registered holder of such Note, as set forth in the Register on the close of business on the Last Day to Register (as specified in the Applicable Pricing Supplement). In addition to the above, in the case of a final redemption payment, the holder of the Individual Certificate shall be required, on or before the Last Day to Register prior to the Maturity Date, to surrender such Individual Certificate at the offices of the Transfer Agent.

Payments of principal and/or interest in respect of uncertificated Notes shall be made to the CSD's Nominees or the Participants, as shown in the Register on the Last Day to Register, and the Issuer will be discharged of its payment obligations by proper payment to the CSD and/or the Participants, in respect of each amount so paid. Each of the Persons shown in the records of the CSD's Nominee and the Participants, as the case may be, shall look solely to the CSD or the Participant, as the case may be, for his share of each payment so made by the Issuer to the registered holder of such uncertificated Notes.

10.2 Method of Payment

Payments will be made in the Specified Currency by credit or transfer, by means of electronic settlement, to the Noteholder.

Payments will be subject in all cases to any fiscal or other laws, directives and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*).

If the Issuer is prevented or restricted directly or indirectly from making any payment by electronic funds transfer in accordance with the preceding paragraph (whether by reason of strike, lockout, fire, explosion, floods, riot, war, accident, act of God, embargo, legislation, shortage of or breakdown in facilities, civil commotion, unrest or disturbances, cessation of labour, Government interference or control or any other cause or contingency beyond the control of the Issuer), the Issuer shall make such payment by cheque marked "*not transferable*" (or by such number of cheques as may be required in accordance with applicable banking law and practice to make payment of any such amounts). Such payments by cheque shall be sent by post to the address of the Noteholder as set forth in the Register or, in the case of joint Noteholders, the address set forth in the Register of that one of them who is first named in the Register in respect of that Note.

Each such cheque shall be made payable to the relevant Noteholder or, in the case of joint Noteholders, the first one of them named in the Register. Cheques may be posted by ordinary post, provided that neither the Issuer, nor the Paying Agent shall be responsible for any loss in transmission and the postal authorities shall be deemed to be the agent of the Noteholders for the purposes of all cheques posted in terms of this Condition 10.2.

In the case of joint Noteholders, payment by electronic funds transfer will be made to the account of the Noteholder first named in the Register. Payment by electronic transfer to the Noteholder first named in the Register shall discharge the Issuer of its relevant payment obligations under the Notes.

Payment will be subject in all cases to any fiscal or other laws, directives and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*).

10.3 **Payment Day**

If the date for payment of any amount in respect of any Note is not a Business Day, subject to the applicable Business Day Convention, the holder thereof shall not be entitled to payment until the next following Business Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

10.4 **Interpretation of Principal and Interest**

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- 10.4.1 any additional amounts which may be payable with respect to principal under Condition 12 (*Taxation*);
- 10.4.2 the Final Redemption Amount of the Notes or the Early Redemption Amount of the Notes, as the case may be;
- 10.4.3 the Optional Redemption Amount(s) (if any), as specified in the Applicable Pricing Supplement, of the Notes;
- 10.4.4 in relation to Instalment Notes, the Instalment Amounts;
- 10.4.5 in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 11.7.2); and
- 10.4.6 any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes, but excluding for the avoidance of doubt, interest.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 12 (*Taxation*).

11 **REDEMPTION AND PURCHASE**

11.1 **Redemption at Maturity**

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer in the Specified Currency at its Final Redemption Amount specified in, or determined in the manner specified in, the Applicable Pricing Supplement on the Maturity Date.

11.2 **Redemption for Tax Reasons**

Notes may be redeemed at the option of the Issuer at any time (in the case of Notes other than Floating Rate Notes, Indexed Interest Notes or Mixed Rate Notes having an Interest Rate then determined on a floating or indexed basis) or on any Interest Payment Date (in the case of Floating Rate Notes, Indexed Interest Notes or Mixed Rate Notes), on giving not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Noteholders prior to such redemption, in accordance with Condition 19 (*Notices*) (which notice shall be irrevocable, certified by 2 (two) authorised directors of the Issuer and include particulars of the relevant change pursuant to Conditions 11.2.1 and 11.2.2 below), if the Issuer, immediately prior to the giving of such notice, is of the reasonable opinion that:

- 11.2.1 as a result of any change in, or amendment to, the laws or regulations of South Africa or any political sub-division of, or any authority in, or of, South Africa having power to tax, or any change or amendment which becomes effective after the relevant Issue Date, the Issuer is or would be required to pay additional amounts as provided or referred to in Condition 12 (*Taxation*); and

- 11.2.2 the requirement cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 (ninety) days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Notes may be redeemed by the Issuer in accordance with this Condition 11.2 in whole or in part. A partial redemption may be effected by the Issuer:

- 11.2.2.1 notwithstanding that such partial redemption may not entirely avoid such obligation to pay additional amounts as provided for or referred to in Condition 12 (*Taxation*); and
- 11.2.2.2 *mutatis mutandis* in the manner described in Condition 11.3 (*Redemption at the Option of the Issuer*), provided that the references to the giving of notice therein and to the Minimum Redemption Amount and the Higher Redemption Amount (both as specified in the Applicable Pricing Supplement) therein shall be disregarded for such purposes.

Notes redeemed for tax reasons pursuant to this Condition 11.2 will be redeemed at their Early Redemption Amount referred to in Condition 11.7 (*Early Redemption Amounts*), together (if appropriate) with interest accrued from (and including) the immediately preceding Interest Payment Date to (but excluding) the date of redemption or as specified in the Applicable Pricing Supplement.

11.3 Redemption at the Option of the Issuer

If the Issuer is specified in the Applicable Pricing Supplement as having an option to redeem, the Issuer may, having given not less than 30 (thirty) nor more than 60 (sixty) days' irrevocable notice to the Noteholders in accordance with Condition 19 (*Notices*) or, unless otherwise specified with the Applicable Pricing Supplement, redeem all or some of the Notes (to which such Applicable Pricing Supplement relates) then Outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the Applicable Pricing Supplement, together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s).

Any such redemption must be of a Nominal Amount equal to the Minimum Redemption Amount or a Higher Redemption Amount, both as indicated in the Applicable Pricing Supplement.

In the case of a partial redemption of Notes, the Notes to be redeemed (**Redeemed Notes**) will be selected individually by lot, in the case of Redeemed Notes represented by Individual Certificates, and in accordance with the Applicable Procedures in the case of Redeemed Notes which are uncertificated, and in each case not less than 30 (thirty) days prior to the date fixed for redemption (such date of selection being hereinafter called the **Selection Date**).

In the case of Redeemed Notes represented by Individual Certificates, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 19 (*Notices*) not less than 15 (fifteen) days prior to the date fixed for redemption. The aggregate Nominal Amount of Redeemed Notes represented by Individual Certificates shall bear the same proportion to the aggregate Nominal Amount of all Redeemed Notes as the aggregate Nominal Amount of Individual Certificates outstanding bears to the aggregate Nominal Amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned Nominal Amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination and the aggregate Nominal Amount of Redeemed Notes which are uncertificated shall be equal to the balance of the Redeemed Notes. No exchange of the relevant uncertificated Notes will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this sub-paragraph, and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 19 (*Notices*) at least 10 (ten) days prior to the Selection Date.

Holders of Redeemed Notes shall surrender the Individual Certificates, if any, representing the Notes in accordance with the provisions of the notice given to them by the Issuer as contemplated above. Where only a portion of the Notes represented by such Individual

Certificates are redeemed, the Transfer Agent shall deliver new Individual Certificates to the Noteholders, as the case may be, in respect of the balance of the Notes.

11.4 **Redemption at the Option of the Senior Noteholders**

If Senior Noteholders are specified in the Applicable Pricing Supplement as having an option to request the redemption of Senior Notes, such Senior Noteholders may exercise such option in respect of such Senior Notes by delivering to the Transfer Agent, in accordance with Condition 19 (*Notices*), a duly executed notice (**Put Notice**), at least 30 (thirty) days but not more than 60 (sixty) days, prior to the Optional Redemption Date.

For redemption in part, the redemption amount specified in such Put Notice in respect of any such Senior Note must be of a principal amount equal to or greater than the Minimum Redemption Amount or equal to or less than the Higher Redemption Amount, each as indicated in the Applicable Pricing Supplement.

The redemption by the Issuer at the request of uncertificated Senior Noteholders pursuant to this Condition 11.4 shall take place in accordance with the Applicable Procedures.

The Issuer shall proceed to redeem the Senior Notes in respect of which such option has been exercised in accordance with the terms of the Applicable Pricing Supplement, at the Optional Redemption Amount and on the Optional Redemption Date, together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s).

In the event that the redeeming Senior Noteholder is the holder of an Individual Certificate, then such Senior Noteholder shall (attached to the Put Notice) deliver the Individual Certificate to the Transfer Agent for cancellation. A holder of an Individual Certificate shall, in that holder's Put Notice, specify a bank account into which the redemption payment amount is to be paid.

The delivery of Put Notices shall be required to take place during normal office hours to the Issuer and Transfer Agent. Put Notices shall be available for inspection at the Specified Offices of the Transfer Agent.

Any Put Notice given by a holder of any Senior Note pursuant to this paragraph shall be irrevocable except where after giving the notice but prior to the due date of redemption an Event of Default shall have occurred and be continuing in which event such Senior Noteholder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Senior Note forthwith due and payable pursuant to Condition 17 (*Events of Default*).

The Issuer shall have no liability to remedy any defects in any Put Notice or bring any such defects to the attention of any Noteholder.

11.5 **Redemption in the event of a Change of Control**

The provisions of this Condition 11.5 (*Redemption in the event of a Change of Control*) shall apply if specified as applicable in the Applicable Pricing Supplement.

11.5.1 **A Change of Control Event** shall occur if at any time while any Note remains Outstanding:

- (i) a Change of Control occurs; and
- (ii) within the Change of Control Period and in respect of that Change of Control:
 - (A) a Rating Downgrade occurs in relation to the Issuer and/or the Programme and/or any Notes rated by a Rating Agency, as the case may be; or
 - (B) if, at the time the Change of Control occurs, the Issuer and/or the Programme and/or the Notes, as the case may be, are not so rated, a Negative Rating Event occurs.

11.5.2 Promptly upon the Issuer becoming aware that a Change of Control Event has occurred, the Issuer shall give a notice to the Noteholders in accordance with Condition 19 (*Notices*) specifying the nature of the Change of Control Event and the circumstances giving rise to it and the procedure for exercising the option contained in this Condition 11.5.2.

11.5.3 If a Change of Control Event occurs at any time while any Note remains Outstanding, then provided the Noteholders have:

- (i) in terms of Condition 19 (*Notices*) issued a notice to convene a meeting of Noteholders within 30 (thirty) days of the date on which the Negative Rating Event or Rating Downgrade occurred, as the case may be; and
- (ii) resolved in terms of Condition 21 (*Meetings of Noteholders*) by way of Extraordinary Resolution to require the redemption of the Notes of that Class of Noteholders in these circumstances,

the Issuer shall redeem all Notes held by that Class of Noteholders at its Early Redemption Amount together with accrued interest (if any) within 15 (fifteen) days of having received a written notice from that Class of Noteholders to redeem such Note.

11.5.4 Such option shall be exercisable by a Class of Noteholders by the delivery of a written notice (a **Change of Control Redemption Notice**) to the Issuer at its registered office within 60 (sixty) days after the occurrence of a Change of Control Event, unless prior to the delivery by that Noteholder of its Change of Control Redemption Notice the Issuer gives notice to redeem the Notes.

11.5.5 For the purposes of this Condition 11.5:

- (i) **Acting in Concert** means a group of Persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition of shares in the Issuer by any of them, either directly or indirectly, to obtain or consolidate Control of the Issuer;
- (ii) a **Change of Control** shall be deemed to have occurred at each time (whether or not approved by the senior management or board of directors of the Issuer) that any Person (Relevant Person) or Person Acting in Concert or any Person or Persons acting on behalf of any such Person(s), at any time directly or indirectly acquires Control of the Issuer, provided that a Change of Control shall not be deemed to have occurred if the shareholders of the Relevant Person are also, or immediately prior to the event which would otherwise constitute a Change of Control, were all of the shareholders of the Issuer;
- (iii) **Change of Control Period** means, in relation to a Change of Control of the Issuer, the period commencing 60 (sixty) days prior to such Change of Control and ending 60 (sixty) days after such Change of Control;
- (iv) **Control of the Issuer** means (A) the holding beneficially of more than 50% (fifty percent) of the issued share capital of the Issuer (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital), or (B) the power to cast, or control the casting of votes in respect of, such number of the shares in the issued share capital of the Issuer carrying more than 50% (fifty percent) of the total number of votes that may be cast at a general meeting of the members of the Issuer;
- (v) **Investment Grade Rating** means a national scale rating of "Baa3za" by Moody's, "BBB-(zaf)" by Fitch, "zaBBB-" by S&P, "BBB-" by GCR or its equivalent for the time being, or better;
- (vi) a **Negative Rating Event** shall, in relation to Notes that are unrated and/or where no rating is assigned to the Issuer and/or the Programme, as the case may be, by a Rating Agency at the time a Change of Control occurs, be deemed to have occurred if:
 - (A) the Issuer does not on or before the 60th (sixtieth) Business Day after the commencement of the Change of Control Period seek, and use all reasonable endeavours to obtain from a Rating Agency, a rating in respect of itself and/or the Programme and/or the Notes, as the case may be, that are not rated; or
 - (B) if it does so seek and use such endeavours, it has not at the expiry of the Change of Control Period and as a result of such Change of Control obtained

an Investment Grade Rating in respect of itself and/or the Programme and/or such Notes, as the case may be,

- (vii) **Rating Downgrade** shall, in relation to Issuer and/or TMFNL as the case may be and/or where any Notes are and/or where the Programme is, rated by a Rating Agency, be deemed to have occurred in respect of a Change of Control if within the Change of Control Period, the rating previously assigned to the Issuer and/or the Programme and/or such Notes, as the case may be, by any Rating Agency is:

- (A) withdrawn;
- (B) changed from an Investment Grade Rating to a non-Investment Grade Rating; or
- (C) in the case of a non-Investment Grade Rating, downgraded by any Rating Agency by one or more Rating Notches,

provided that no Rating Downgrade shall have occurred if the Rating assigned to the Issuer and/or the Programme and/or the Notes, as the case may be, is substituted for an Investment Grade Rating by another Rating Agency; and

- (viii) **Rating Notch** means the difference between one Rating and another level lower for example from "BB+" to "BB" by the Rating Agency or such similar lower or equivalent rating.

11.6 **Redemption in the event of a failure to maintain JSE Listing or Rating**

The provisions of this Condition 11.6 (*Redemption in the event of a failure to maintain JSE Listing or Rating*) shall apply if specified in the Applicable Pricing Supplement.

- 11.6.1 The Issuer shall, for so long as listed Notes remain Outstanding:

- 11.6.1.1 ensure that such Notes remain listed on the Interest Rate Market of the JSE; and

- 11.6.1.2 maintain a Rating in respect of the Issuer, the Notes or the Programme, as the case may be.

- 11.6.2 If a breach of the undertakings in Condition 11.6.1 above occurs, then the Issuer shall within 3 (three) Business Days of such breach and in accordance with Condition 19 (*Notices*), give notice (the **Issuer Redemption Notice**) of such breach and the procedure for exercising the option set out in Condition 11.6.3 below to the Noteholders.

- 11.6.3 Each Noteholder may within the period ending 15 (fifteen) Business Days of receipt of the Issuer Redemption Notice (the **Election Period**), require the Issuer to redeem its Notes on:

- 11.6.3.1 the Interest Payment Date immediately following the Election Period; or

- 11.6.3.2 if the Election Period expires within a Books Closed Period, the next Interest Payment Date falling after the Interest Payment Date at the end of the Election Period,

by delivery to the Issuer of a notice (the **Noteholder Redemption Notice**) in accordance with Condition 19 (*Notices*).

- 11.6.4 The Issuer shall, in accordance with Condition 11.6.3 above, redeem the Notes relevant to each Noteholder Redemption Notice at the Early Redemption Amount calculated in accordance with Condition 11.7 (*Early Redemption Amounts*), together with accrued interest (if any).

11.7 **Early Redemption Amounts**

For the purpose of Conditions 11.2 (*Redemption for Tax Reasons*), Condition 11.5 (*Redemption in the event of a Change of Control*), Condition 11.6 (*Redemption in the event of a failure to maintain JSE listing or Rating*) and/or Condition 17 (*Events of Default*), the Notes will be redeemed at the Early Redemption Amount calculated as follows:

- 11.7.1 in the case of Notes with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or

- 11.7.2 in the case of Notes (other than Zero Coupon Notes) with a Final Redemption Amount which is or may be less or greater than the Issue Price, at the amount specified in, or determined in the manner specified in the Applicable Pricing Supplement or, if no such amount or manner is so specified in the Pricing Supplement, at their Nominal Amount; or
- 11.7.3 in the case of Zero Coupon Notes, at an amount (the **Amortised Face Amount**) equal to the sum of: (i) the Reference Price; and (ii) the product of the Implied Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable, or
- 11.7.4 such other amount or method of calculation of the amount payable as is provided in the Applicable Pricing Supplement.

Where such calculation is to be made for a period which is not a whole number of years, it shall be calculated on the basis of actual days elapsed divided by 365 (three hundred and sixty five), or such other calculation basis as may be specified in the Applicable Pricing Supplement.

11.8 **Instalment Notes**

Instalment Notes will be redeemed at the Instalment Amounts and on the Instalment Dates. In the case of early redemption in accordance with Conditions 11.2 (*Redemption for Tax Reasons*) and/or 11.5 (*Redemption in the event of a Change of Control*) and/or Condition 17 (*Events of Default*), the Early Redemption Amount will be determined pursuant to Condition 11.7 (*Early Redemption Amounts*).

11.9 **Partly Paid Notes**

If the Notes are Partly Paid Notes, they will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 11 (*Redemption and Purchase*) and the Applicable Pricing Supplement. In the case of early redemption in accordance with Conditions 11.2 (*Redemption for Tax Reasons*), 11.5 (*Redemption in the event of a Change of Control*) and/or Condition 17 (*Events of Default*) the Early Redemption Amount will be determined pursuant to Condition 11.7 (*Early Redemption Amounts*).

11.10 **Exchangeable Notes**

If the Notes are Exchangeable Notes, they will be redeemed, whether at maturity, early redemption or otherwise, in the manner indicated in the Applicable Pricing Supplement. Exchangeable Notes in respect of which Mandatory Exchange is indicated in the Applicable Pricing Supplement as applying, or upon the exercise by the Noteholder of the Noteholder's Exchange Right (if applicable), will be redeemed by the Issuer delivering to each Noteholder as many of the Exchange Securities as are required in accordance with the Exchange Price. The delivery by the Issuer of the Exchange Securities in the manner set out in the Applicable Pricing Supplement shall constitute the *in specie* redemption in full of such Notes.

11.11 **Purchases**

The Issuer or any of its Subsidiaries may at any time purchase Notes at any price in the open market or otherwise. Such Notes may, subject to Applicable Law, be held, resold, or, at the option of the Issuer, surrendered to the Transfer Agent for cancellation.

11.12 **Cancellation**

All Notes which have been redeemed will forthwith be cancelled. All Notes so cancelled shall be forwarded to the Issuer and cannot be re-issued or resold. Where only a portion of Notes represented by an Individual Certificate are cancelled, the Transfer Agent shall deliver an Individual Certificate to such Noteholder in respect of the balance of the Notes.

11.13 **Late Payment on Zero Coupon Notes**

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 11 (*Redemption and Purchase*), or upon its becoming due and repayable as provided in Condition 17 (*Events of Default*), is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 11.7.2 as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of: (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and (ii) 5 (five) days after the date on which the full amount of the moneys payable has been received by the CSD, and notice to that effect has been given to the Noteholder in accordance with Condition 19 (*Notices*).

11.14 **Applicable Procedures**

The redemption and partial redemption of Beneficial Interests shall take place in accordance with the Applicable Procedures and the Financial Markets Act.

12 **TAXATION**

All payments of principal and interest in respect of the Notes by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of South Africa or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law.

In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, as the case may be, in the absence of such withholding or deduction, except that no such additional amounts shall be payable with respect to any Note:

- 12.1 held by or on behalf of a Noteholder who is liable for such taxes or duties in respect of such Note by reason of his having some connection with South Africa, other than the mere holding of such Note or the receipt of principal or interest in respect thereof; or
- 12.2 presented for payment by or on behalf of, or held by, a Noteholder who could lawfully avoid (but has not so avoided) such withholding or deduction by complying with any statutory requirements in force at the present time or in the future by making a declaration of non-residence or other similar claim or filing for exemption to which it is entitled to the relevant tax authority or the Paying Agent (the effect of which is not to require the disclosure of the identity of the relevant Noteholder); or
- 12.3 where such withholding or deduction is in respect of taxes levied or imposed on interest or principal payments only by virtue of the inclusion of such payments in the taxable income (as defined in section 1 of the Income Tax Act) or taxable capital gain (as defined in paragraph 1 of Schedule 8 to the Income Tax Act) of any Noteholder; or
- 12.4 where (in the case of payment of principal and/or interest which is conditional on surrender and/or presentation of the relevant Individual Certificate in accordance with the Terms and Conditions) the relevant Individual Certificate is surrendered and/or presented more than 30 (thirty) days after the Relevant Date, except to the extent that the Noteholder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day; or
- 12.5 if such withholding or deduction arises through the exercise by revenue authorities of special powers in respect of tax defaulters; or
- 12.6 if such withholding or deduction arises in terms of the US Foreign Account Tax Compliance Act (**FATCA**), any regulations or agreements thereunder, official interpretations thereof, any intergovernmental approach thereto, or implementing legislation adopted by another jurisdiction in connection with FATCA.

Any reference in these Terms and Conditions to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under these Terms and Conditions or under any undertakings given in addition to, or in substitution for, these Terms and Conditions.

13 EXCHANGE OF BENEFICIAL INTERESTS AND REPLACEMENT OF INDIVIDUAL CERTIFICATES

13.1 Exchange of Beneficial Interests

- 13.1.1 The holder of a Beneficial Interest in Notes may, in terms of the Applicable Procedures and in accordance with section 34(e) of the Financial Markets Act, read together with, section 54 of the Companies Act, by written notice to the holder's nominated Participant (or, if such holder is a Participant, the CSD), request that such Beneficial Interest be exchanged for Notes in definitive form represented by an Individual Certificate (the **Exchange Notice**). The Exchange Notice shall specify (i) the name, address and bank account details of the holder of the Beneficial Interest and (ii) the day on which such Beneficial Interest is to be exchanged for an Individual Certificate; provided that such day shall be a Business Day and shall fall not less than 30 (thirty) days after the day on which such Exchange Notice is given.
- 13.1.2 The holder's nominated Participant will, following receipt of the Exchange Notice, through the CSD, notify the Transfer Agent that it is required to exchange such Beneficial Interest for Notes represented by an Individual Certificate. The Transfer Agent will, as soon as is practicable but within 14 (fourteen) days after receiving such notice, in accordance with the Applicable Procedures, procure that an Individual Certificate is prepared, authenticated and made available for delivery, on a Business Day falling within the aforementioned 14 (fourteen) day period, to the holder of the Beneficial Interest at the Specified Office of the Transfer Agent; provided that joint holders of a Beneficial Interest shall be entitled to receive only one Individual Certificate in respect of that joint holding, and the delivery to one of those joint holders shall be delivery to all of them.
- 13.1.3 In the case of the exchange of a Beneficial Interest in Notes issued in uncertificated form:
- 13.1.3.1 the CSD's Nominee will surrender (through the CSD system) such uncertificated Notes to the Transfer Agent at its Specified Office; and
- 13.1.3.2 the Transfer Agent will obtain the release of such uncertificated Notes from the CSD in accordance with the Applicable Procedures.
- 13.1.4 An Individual Certificate shall, in relation to a Beneficial Interest in any number of Notes issued in uncertificated form of a particular aggregate Nominal Amount standing to the account of the holder thereof, represent that number of Notes of that aggregate Nominal Amount, and shall otherwise be in such form as may be agreed between the Issuer and the Transfer Agent; provided that if such aggregate Nominal Amount is equivalent to a fraction of the Specified Denomination or a fraction of any multiple thereof, such Individual Certificate shall be issued in accordance with, and be governed by, the Applicable Procedures.

13.2 Replacement

If any Individual Certificate is worn out, mutilated, defaced, stolen, destroyed or lost it may be replaced at the Specified Office of the Transfer Agent, on payment by the claimant of such costs and expenses as may be incurred in connection therewith and the provision of such indemnity as the Issuer and the Transfer Agent may reasonably require. Worn out, mutilated or defaced Individual Certificates must be surrendered at the Specified Office of the Transfer Agent before replacements will be issued.

13.3 Death and sequestration or liquidation of Noteholder

Any Person becoming entitled to Notes in consequence of the death, sequestration or liquidation of the holder of such Notes may, upon producing evidence to the satisfaction of the Issuer that he holds the position in respect of which he proposes to act under this Condition 13.3, or of his title as the Issuer and the Transfer Agent shall require, be registered himself as the holder of such Notes or, subject to the Applicable Procedures, this Condition 13.3 and Condition 15.2 (*Transfer of Notes represented by Individual Certificates*), may transfer such Notes. The Issuer and (if applicable) the CSD and the relevant Participant shall be entitled to retain any amount payable upon the Notes to which any Person is so entitled until such Person shall be registered as aforesaid or until such time such Notes are duly transferred.

13.4 Costs

The costs and expenses of the printing, issue and delivery of each Individual Certificate and all taxes and governmental charges that may be imposed in relation to such Individual Certificate and/or the printing, issue and delivery of such Individual Certificate shall be borne by the holder of the Notes represented by that Individual Certificate. Separate costs and expenses relating to the provision of Individual Certificates and/or the transfer of Notes may be levied by other Persons, such as a Participant, under the Applicable Procedures, and such costs and expenses shall not be borne by the Issuer. The costs and expenses of the delivery of Certificates and all taxes or governmental charges or insurance charges that may be imposed in relation to such mode of delivery shall be borne by the Noteholder.

14 REGISTER

14.1 The Register of Noteholders:

- 14.1.1 shall be kept at the Specified Office of the Transfer Agent and a copy thereof shall be made available for inspection at the registered office of the Issuer (as set out at the end of the Programme Memorandum) or such other Person as may be appointed for the time being by the Issuer to maintain the Register;
 - 14.1.2 shall contain the names, addresses and bank account numbers of the registered Noteholders;
 - 14.1.3 shall show the total Nominal Amount of the Notes held by Noteholders;
 - 14.1.4 shall show the dates upon which each of the Noteholders was registered as such;
 - 14.1.5 shall show the serial numbers of the Individual Certificates and the dates of issue thereof;
 - 14.1.6 shall be open for inspection at all reasonable times during business hours on Business Days by any Noteholder or any Person authorised in writing by a Noteholder; and
 - 14.1.7 shall be closed during the Books Closed Period.
- 14.2 The Transfer Agent shall alter the Register in respect of any change of name, address or account number of any of the Noteholders of which it is notified.
- 14.3 Except as provided for in these Terms and Conditions or as required by law, in respect of Notes, the Issuer will only recognise a Noteholder as the owner of the Notes registered in that Noteholder's name as per the Register.
- 14.4 Except as provided for in these Terms and Conditions or as required by law, the Issuer shall not be bound to enter any trust in the Register or to take notice of or to accede to the execution of any trust (express, implied or constructive) to which any Individual Certificate may be subject.

15 TRANSFER OF NOTES

15.1 Transfer of Beneficial Interests in Notes held in the CSD

- 15.1.1 Beneficial Interests may be transferred only in accordance with the Applicable Procedures through the CSD.

- 15.1.2 Transfers of Beneficial Interests to and from clients of Participants occur by way of electronic book entry in the securities accounts maintained by the Participants for their clients, in accordance with the Applicable Procedures.
- 15.1.3 Transfers of Beneficial Interests among Participants occur through electronic book entry in the central securities accounts maintained by the CSD for the Participants, in accordance with the Applicable Procedures.
- 15.1.4 Transfers of Beneficial Interests in Notes will not be recorded in the Register and the CSD's Nominee will continue to be reflected in the Register as the Noteholder of such Notes notwithstanding such transfers.
- 15.2 **Transfer of Notes represented by Individual Certificates**
 - 15.2.1 In order for any transfer of Notes represented by an Individual Certificate to be recorded in the Register, and for such transfer to be recognised by the Issuer:
 - 15.2.1.1 the transfer of such Notes must be embodied in a Transfer Form;
 - 15.2.1.2 the Transfer Form must be signed by the registered Noteholder of such Notes and the transferee, or any Representatives of that registered Noteholder or transferee; and
 - 15.2.1.3 the Transfer Form must be delivered to the Transfer Agent at its Specified Office together with the Individual Certificate representing such Notes for cancellation.
 - 15.2.2 Notes represented by an Individual Certificate may only be transferred, in whole or in part, in amounts of not less than the Specified Denomination (or any multiple thereof).
 - 15.2.3 Subject to this Condition 15.2, the Transfer Agent will, within 3 (three) Business Days of receipt by it of a valid Transfer Form (or such longer period as may be required to comply with any Applicable Laws and/or Applicable Procedures), record the transfer of Notes represented by an Individual Certificate (or the relevant portion of such Notes) in the Register, and authenticate and deliver to the transferee at the Transfer Agent's Specified Office or, at the risk of the transferee, send by mail to such address as the transferee may request, a new Individual Certificate in respect of the Notes transferred reflecting the outstanding Nominal Amount of the Notes transferred.
 - 15.2.4 Where a Noteholder has transferred only a portion of Notes represented by an Individual Certificate, the Transfer Agent will authenticate and deliver to such Noteholder at the Transfer Agent's Specified Office or, at the risk of such Noteholder, send by mail to such address as such Noteholder may request, at the risk of such Noteholder, a new Individual Certificate representing the balance of the Notes held by such Noteholder.
 - 15.2.5 The transferor of any Notes represented by an Individual Certificate will be deemed to remain the owner thereof until the transferee is registered in the Register as the holder thereof.
 - 15.2.6 Before any transfer of Notes represented by an Individual Certificate is registered in the Register, all relevant transfer taxes (if any) must have been paid by the transferor and/or the transferee and such evidence must be furnished as the Issuer and the Transfer Agent may reasonably require as to the identity and title of the transferor and the transferee.
 - 15.2.7 No transfer of any Notes represented by an Individual Certificate will be registered whilst the Register is closed as contemplated in Condition 14 (*Register*).

If a transfer of any Notes represented by an Individual Certificate is registered in the Register, the Transfer Form and cancelled Individual Certificate will be retained by the Transfer Agent.

In the event of a partial redemption of Notes under Condition 11.3 (*Redemption at the Option of the Issuer*), the Transfer Agent shall not be required in terms of Condition 11.3 (*Redemption at the Option of the Issuer*), to register the transfer of any Notes during the period beginning on the tenth day before the date of the partial redemption and ending on the date of the partial redemption (both inclusive).

16 PRESCRIPTION

The Notes will become void unless presented for payment of principal within a period of three years after their redemption date.

17 EVENTS OF DEFAULT

Senior Notes

17.1.1 If any one or more of the following events (each an **Event of Default**) shall have occurred and be continuing:

17.1.1.1 ***Non-Payment***

the Issuer fails to pay any principal or interest due under the Senior Notes on its due date for payment thereof and any such failure continues for a period of 7 Business Days, after receiving written notice from any of the Senior Noteholders demanding such payment following the service on the Issuer of a written notice requiring that breach to be remedied; or

17.1.1.2 ***Breach of Material Obligations***

the Issuer fails to perform or observe any of its obligations under any Senior Notes other than those referred to in Condition 17.1.1.1 and such failure has continued for the period of 30 days following the service on the Issuer of written notice requiring the same to be remedied; or

17.1.1.3 ***Authorisation and Consents***

the Issuer fails to obtain any consent, license, approval or authorisation now or hereafter necessary to enable the Issuer to comply with its obligations under the Programme or any such consent, license, approval or authorisation ceases to remain in full force and effect, resulting in the Issuer being unable to perform any of its obligations under the Notes or the Programme, and such failure or cessation continues for more than 10 Business Days after the Issuer becomes aware of such event; or

17.1.1.4 ***Insolvency etc.***

- (i) an administrator, curator or judicial manager is appointed or a resolution is passed or an order of a court of a competent jurisdiction is made that the Issuer be wound-up or placed under business rescue whether provisionally (and not dismissed or withdrawn within 30 days thereof) or finally, or the placing of the Issuer under voluntary liquidation or curatorship, otherwise than for the purposes of or pursuant to and followed by an amalgamation, merger, demerger, consolidation, reconstruction, reorganisation or other similar arrangement in which a continuing corporation effectively assumes all obligations of the Issuer under the Notes or the terms of which were previously approved by Extraordinary Resolution of Noteholders; or
- (ii) an encumbrancer takes possession or a receiver is appointed of the whole or a material part of the assets or undertaking of the Issuer; or
- (iii) the Issuer stops payment (within the meaning of the bankruptcy law of the jurisdiction in which the Issuer is incorporated or any other applicable bankruptcy law) or is unable to pay its debts as and when they fall due or (otherwise than for the purposes of such a consolidation, amalgamation, merger, reconstruction or reorganisation as is referred to in sub-paragraph 17.1.1.4) ceases or through an official action of the board of directors of the Issuer threatens to cease to carry on business; or
- (iv) proceedings shall have been initiated against the Issuer under any applicable bankruptcy, reorganisation or insolvency law and such proceedings have not been discharged or stayed within a period of 60 days; or

17.1.1.5 ***Winding-up etc.***

TMFNL is wound up, or TMFNL offers a compromise to its creditors or negotiates with all its creditors another agreement relating to its payment difficulties, or such measures are officially decreed or if TMFNL applies for a *surseance van betaling* (within the meaning of the Bankruptcy Act of the Netherlands (*Faillissementswet*)) or files a petition in its own bankruptcy (*faillissement*) or if an effective order is made to declare TMFNL bankrupt (*failliet*) or to adjudge that TMFNL is in a situation requiring special measures (*bijzondere vaurzieningen*) in the interests of all of its creditors as referred to in Chapter X of the Act on the Supervision of Credit Institutions 1992 (*Wet toezicht kredietwezen 1992*) and such order shall have continued undischarged and unstayed for a period of 60 days; or

17.1.1.6 ***Enforcement Proceedings***

an executoriaal beslag (executory attachment) is made on any substantial part of the assets of TMFNL or a *conservatoir beslag* (interlocutory attachment) is made thereon and is not cancelled or withdrawn within 30 days after the making thereof; or

17.1.1.7 ***Cross Default***

any other bonds, debentures, notes or other indebtedness for money borrowed having an aggregate outstanding amount of at least US\$25,000,000 (or its equivalent in any other currency or currencies) (hereinafter collectively called **Indebtedness**) of the Issuer become or becomes prematurely repayable following a default which (if it is capable of remedy) shall not have been remedied, or steps are taken to enforce any security therefor, or the Issuer defaults in the repayment of any such Indebtedness at the maturity thereof or at the expiration of any applicable grace period therefor or any guarantee of or indemnity in respect of any Indebtedness of others given by the Issuer shall not be honoured when due and called upon; or

17.1.1.8 ***Credit Support Agreement and Guarantee***

- (i) the supplementary credit support agreement dated 14 July 2000 between the Parent and TFS (the **Parent Supplementary Credit Support Agreement**) is terminated or any provision thereof is amended or waived, in each case in a manner adverse to the interests of holders of Obligations as defined in the Parent Supplementary Credit Support Agreement or not enforced in a timely manner by TFS or is breached by the Parent; or
- (ii) the supplementary credit support agreement dated 7 August 2000 between TFS and TMFNL (the **TFS Supplementary Credit Support Agreement**) is terminated or any provision thereof is amended or waived, in each case in a manner adverse to the interests of holders of Obligations as defined in the TFS Supplementary Credit Support Agreement or not enforced in a timely manner by TMFNL or is breached by TFS; or
- (iii) the Guarantee is terminated or any provision thereof is amended or waived, in each case in a manner adverse to the interests of the Noteholders or not enforced in a timely manner by the Issuer or the Guarantee is breached by TMFNL,

then any Senior Noteholder may, by written notice to the Issuer at the registered office of the Issuer, effective upon the date of receipt thereof by the Issuer, declare the Senior Notes held by the Senior Noteholder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 11.7 (*Early Redemption Amounts*)), together with accrued interest (if any) to the date of repayment, or as specified in the Applicable Pricing Supplement, provided that, notwithstanding the taking of such action, although an amount will be due it may not be payable if the Issuer withholds or refuses to make such payment in order to comply with any law or regulation of South Africa or to comply with any order of a court of competent jurisdiction.

17.1.2 For the purposes of Condition 17.1.1.7 any Indebtedness which is in a currency other than South African Rand may be translated into South African Rand at the spot rate for

the sale of South African Rand against the purchase of the relevant currency quoted by any leading bank selected on any day such a quotation for such purposes is requested.

17.2 Subordinated Notes

If the Issuer defaults in relation to Subordinated Notes in the payment of any amount payable in respect of such Notes, and such default continues for a period of 7 (seven) Business Days after receiving written notice from any of the holders of Subordinated Notes, or if an Event of Default as contemplated in Condition 17.1.1.4 (*Insolvency etc.*) occurs, any holder of a Subordinated Note may, subject as provided below, at its discretion and without notice, institute such proceedings against the Issuer as it may think fit to enforce the obligations of the Issuer under such Subordinated Notes, provided that the Issuer shall not be obliged, save in the case of liquidation, winding-up or business rescue proceedings, to pay any sum or sums sooner than the same would otherwise have been payable by it.

In the event of the winding-up or liquidation, whether finally or provisionally, or business rescue proceedings of the Issuer, otherwise than for the purposes of an amalgamation, merger, consolidation or re-organisation not involving liquidation, winding-up or bankruptcy, then any holder of Subordinated Notes issued by the Issuer may by written notice to the Issuer at its registered office, require that its Subordinated Notes are immediately due and repayable at their Early Redemption Amount together with the accrued interest to the date of payment, save that the Noteholders of Subordinated Notes may only receive payment once all the other creditors of the Issuer have been paid in full.

17.3 Notification of Event of Default

If the Issuer becomes aware of the occurrence of any Event of Default, the Issuer shall forthwith notify TMFNL, all Noteholders in accordance with Condition 19 (*Notices*) of the Terms and Conditions, the Dealer(s) and the JSE in writing.

18 CALCULATION AGENT, TRANSFER AGENT AND PAYING AGENT

18.1 Any third party appointed by the Issuer as Calculation Agent, Transfer Agent, Paying Agent or otherwise shall act solely as the agents of the Issuer and does not assume any obligation towards or relationship of agency or trust for or with any Noteholders. The Issuer is entitled to vary or terminate the appointment of such agents and/or appoint additional or other agents and/or approve any change in the specified office through which any agent acts.

18.2 If the Issuer elects to appoint another entity (not being the Issuer) as Calculation Agent, Transfer Agent or Paying Agent, that other entity, on execution of an appropriate agency agreement or an appropriate accession letter to the agency agreement entered into amongst the Issuer and the original Calculation Agent, Transfer Agent and Paying Agent as the case may be, shall serve in that capacity in respect of the Notes. The Issuer shall notify the Noteholders (in the manner set out in Condition 19 (*Notices*)) of any such appointment, if any Notes are listed on the Interest Rate Market of the JSE, the Issuer shall notify the JSE of any such appointment.

19 NOTICES

19.1 Notices to Noteholders shall be valid if mailed to their registered addresses appearing in the Register. Any such notice shall be deemed to have been given on the seventh day after the day on which it is mailed.

19.2 In the event of there being any Individual Certificates in issue, such notices shall be published, not earlier than four days after the date of posting of such notice in terms of this clause:

19.2.1 in an English language daily newspaper of general circulation in South Africa; and

19.2.2 for so long as the Notes are listed on the Financial Exchange, a daily newspaper of general circulation in the city in which the Financial Exchange is situated, and any such notices shall be deemed to have been given on the date of first publication.

19.3 Notwithstanding the provisions of Condition 19.1, for so long as all of the Notes in a Tranche are held in their entirety in the CSD, they may be substituted for the notice contemplated in Condition 19.1, by the delivery of the relevant notice to the CSD's Nominee (as the registered holder of such Notes), the Participants and the Financial Exchange for

communication by them to the holders of Beneficial Interests in such Notes in accordance with the Applicable Procedures. Each such notice will be deemed to have been received by the holders of Beneficial Interests on the day of delivery of such notice to the CSD's Nominee.

- 19.4 Any notice to the Issuer shall be deemed to have been received by the Issuer, if delivered to the registered office of the Issuer, on the date of delivery, and if sent by registered mail, on the seventh day after the day on which it is sent. The Issuer may change its registered office upon prior written notice to Noteholders specifying such new registered office.
- 19.5 For so long as any of the Notes are uncertificated, notice may be given by any holder of an uncertificated Note to the Issuer via the relevant Settlement Agent in accordance with the Applicable Procedures, in such manner as the Issuer and the relevant Participants may approve for this purpose.

20 AMENDMENT OF THESE CONDITIONS

- 20.1 These Terms and Conditions set out all the rights and obligations relating to the Notes and, subject to the further provisions of this Condition 20, no addition, variation or consensual cancellation of these Terms and Conditions shall be of any force or effect unless the JSE has been notified and the amendments have been reduced to writing and signed by or on behalf of the Issuer and the Noteholders.
- 20.2 The Issuer may effect, without the consent of the relevant Class of Noteholders, any modification of the Terms and Conditions which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is established, provided that the JSE or such other Financial Exchange, as the case may be, shall be notified. Any such modification shall be binding on the relevant Class of Noteholders and any such modification shall be communicated to the relevant Class of Noteholders in accordance with Condition 19 (*Notices*) as soon as is practicable thereafter.
- 20.3 The Issuer may with the prior sanction of an Extraordinary Resolution of Noteholders or with the prior written consent of Noteholders holding not less than 66.67% (sixty-six point sixty-seven percent) in Nominal Amount of the Notes Outstanding from time to time, amend these Terms and Conditions, provided that no such amendment shall be of any force or effect unless 21 (twenty one) days notice of the intention to make such amendment shall have been given to all Noteholders in accordance with Condition 19 (*Notices*).
- 20.4 Any modification of these Terms and Conditions which may have a direct effect on compliance with the debt listings requirements of the JSE or such other Financial Exchange, as the case may be, will require the approval of the JSE or such other Financial Exchange, as the case may be.

21 MEETINGS OF NOTEHOLDERS

21.1 Convening of meetings

- 21.1.1 The Issuer may at any time convene a meeting of Noteholders (a **meeting** or the **meeting**).
- 21.1.2 The Issuer shall convene a meeting upon the requisition in writing of the holders of at least 25% (twenty five percent) of the aggregate Nominal Amount outstanding of the Notes (**requisition notice**).
- 21.1.3 Whenever the Issuer wishes or is required to convene a meeting, it shall forthwith give notice in writing to the Noteholders of the place, day and hour of the meeting and of the nature of the business to be transacted at the meeting.
- 21.1.4 All meetings of Noteholders shall be held in Johannesburg.
- 21.1.5 Every director, the company secretary of and the attorneys to the Issuer, TMFNL, or any other Material Subsidiary as the case may be, and every other Person authorised in writing by the Issuer whether in its capacity as Issuer or Noteholder, TMFNL, or any other Material Subsidiary as the case may be, may attend and speak at a meeting of Noteholders, but shall not be entitled to vote, other than as a Proxy or duly authorised representative of a Noteholder.

21.2 **Requisition**

21.2.1 A requisition notice shall state the nature of the business for which the meeting is to be held and shall be deposited at the registered office of the Issuer.

21.2.2 A requisition notice may consist of several documents in like form, each signed by one or more requisitionists.

21.3 **Convening of meetings by requisitionists**

If the Issuer does not proceed to cause a meeting to be held within 20 (twenty) days of the deposit with the company secretary of the Issuer of a requisition notice, requisitionists who together hold not less than 25% (twenty five percent) of the aggregate Nominal Amount outstanding of the Notes for the time being, may themselves convene the meeting, but the meeting so convened shall be held within 60 (sixty) days from the date of such deposit and shall be convened as nearly as possible in the same manner as that in which meetings may be convened by the Issuer. Notice of the meeting shall be required to be given to the Issuer.

21.4 **Notice of meeting**

21.4.1 Unless the holders of at least 90% (ninety percent) of the aggregate Nominal Amount outstanding of the Notes agree in writing to a shorter period, at least 21 (twenty one) days' written notice specifying the place, day and time of the meeting and the nature of the business for which the meeting is to be held shall be given by the Issuer to Noteholders. Such notice is required to be given in accordance with Condition 18 (*Notices*).

21.4.2 The accidental omission to give such notice to any Noteholder or the non-receipt of any such notice, shall not invalidate the proceedings at a meeting.

21.5 **Quorum**

21.5.1 A quorum at a meeting shall for the purposes of considering:

21.5.1.1 an ordinary resolution generally, consists of Noteholders present in Person or by Proxy and holding in the aggregate not less than one-third of the aggregate Nominal Amount outstanding of the Notes;

21.5.1.2 an Extraordinary Resolution, consists of **Noteholders** present in Person or by Proxy and holding in the aggregate not less than 50.1% (fifty point one percent) of the aggregate Nominal Amount outstanding of the Notes.

21.5.2 No business shall be transacted at a meeting of the Noteholders unless a quorum is present at the time when the meeting proceeds to business.

21.5.3 If, within 15 (fifteen) minutes from the time appointed for the meeting, a quorum is not present, the meeting shall, if it was convened on the requisition of Noteholders, be dissolved. In every other case the meeting shall stand adjourned to the same day in the third week thereafter, at the same time and place, or if that day is not a Business Day, the following Business Day. If at such adjourned meeting a quorum is not present the Noteholders present in Person or by Proxy shall constitute a quorum for the purpose of considering any resolution, including an Extraordinary Resolution.

21.6 **Chairman**

The chairman of the meeting shall be appointed by the Issuer.

21.7 **Adjournment**

21.7.1 Subject to the provisions of this Condition 21 the chairman may, with the consent (which consent shall not be unreasonably withheld and/or delayed) of, and shall on the direction of the Issuer, adjourn the meeting from time to time and from place to place.

21.7.2 No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

21.7.3 At least 14 (fourteen) days' written notice of the place, day and time of an adjourned meeting shall be given by the Issuer to each Noteholder and the Issuer. In the case of a meeting adjourned in terms of Condition 21.7.1, the notice shall state that the Noteholders present in Person or by proxy at the adjourned meeting will constitute a quorum.

21.8 How questions are decided

21.8.1 At a meeting, a resolution put to the vote shall be decided on a show of hands unless, before or on the declaration of the result of the show of hands, a poll is demanded by the chairman or by any one of the Noteholders present in Person or by Proxy.

21.8.2 Unless a poll is demanded, a declaration by the chairman that on a show of hands a resolution has been carried, or carried by a particular majority, or lost, shall be conclusive evidence of that fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

21.8.3 A poll demanded on the election of a chairman or on the question of the adjournment of a meeting shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs and the result of such poll shall be deemed to be the resolution of the meeting.

21.8.4 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall not be entitled to a casting vote in addition to the vote, if any, to which he is entitled.

21.9 Votes

On a show of hands every Noteholder present in Person shall have one vote. On a poll, every Noteholder, present in Person or by Proxy, shall have one vote for each ZAR1,000,000 of the Nominal Amount outstanding of the Notes held by him. The joint holders of Notes shall have only one vote on a show of hands and one vote on a poll for each ZAR1,000,000 of the Nominal Amount outstanding of the Notes of which they are the registered holder and the vote may be exercised only by that holder present whose name appears first on the Register in the event that more than one of such joint holders is present in Person or by Proxy at the meeting. The Noteholder in respect of uncertificated Notes shall vote at any such meeting on behalf of the holders of Beneficial Interests in such Notes in accordance with the instructions to the CSD or its nominee from the holders of Beneficial Interests conveyed through the Settlement Agents in accordance with the Applicable Procedures.

21.10 Proxies and representatives

21.10.1 Noteholders may:

21.10.1.1 present in Person; or

21.10.1.2 through any appointed Person (a **Proxy**), by an instrument in writing (a **Form of Proxy**), signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney of a duly authorised officer of the corporation,

vote on a poll.

21.10.2 A Person appointed to act as Proxy need not be a Noteholder.

21.10.3 The Form of Proxy shall be deposited at the registered office of the Issuer or at the office where the Register is kept or at such other office as the Issuer may determine not less than 24 (twenty four) hours before the time appointed for holding the meeting or adjourned meeting at which the Person named in such Form of Proxy proposes to vote, and in default, the Proxy shall be invalid.

21.10.4 No Form of Proxy shall be valid after the expiration of 6 (six) months from the date named in it as the date of its execution.

21.10.5 A Proxy shall have the right to demand or join in demanding a poll.

21.10.6 Notwithstanding Condition 21.10.4, the Form of Proxy shall be valid for any adjourned meeting, unless the contrary is stated thereon.

21.10.7 A vote given in accordance with the terms of a Proxy shall be valid notwithstanding the previous death or incapacity of the principal or revocation of the Proxy or of the authority under which the Form of Proxy was executed or the transfer of Notes in respect of which the proxy was given, provided that no intimation in writing of such death, incapacity or revocation shall have been received by the Issuer at the office of the Transfer Agent more than, and that the transfer has been given effect to less than, 12 (twelve) hours before the commencement of the meeting or adjourned meeting at which the Proxy is to be used.

21.10.8 Any Noteholder which is a corporation may by resolution of its directors or other governing body authorise any Person to act as its representative in connection with any meeting or proposed meeting of Noteholders. Any reference in these Conditions to a Noteholder present in Person includes such a duly authorised representative of a Noteholder.

21.11 Minutes

21.11.1 The Issuer shall cause minutes of all resolutions and proceedings of meetings to be duly entered in the minute books of the Issuer.

21.11.2 Any such minutes as aforesaid, if purporting to be signed by the chairman of the meeting at which such resolutions were passed or proceedings held or by the chairman of the next succeeding meeting, shall be receivable in evidence without any further proof, and until the contrary is proved, a meeting of Noteholders in respect of the proceedings of which minutes have been so made shall be deemed to have been duly held and convened and all resolutions passed thereat, or proceedings held, to have been duly passed and held.

21.12 *Mutatis mutandis* application

The provisions of this Condition 21 (*Meetings of Noteholders*) shall apply *mutatis mutandis* to the calling and conduct of meetings on an individual Tranche, Series or Class of Noteholders, as the case may be.

22 FURTHER ISSUES

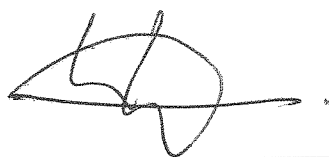
The Issuer shall be at liberty, from time to time, without the consent of the Noteholders, to create and issue further Notes having terms and conditions the same as any of the other Notes issued under the Programme or the same in all respects save for the amount and date of the first payment of interest thereon, the Issue Price and the Issue Date, so that the further Notes shall be consolidated to form a single Series with the Outstanding Notes.

23 GOVERNING LAW

These Terms and Conditions and all rights and obligations to the Notes are governed by, and shall be construed in accordance with, the laws of South Africa in force from time to time.

SIGNED at Sandton on this 23rd day of August 2013

For and on behalf of
TOYOTA FINANCIAL SERVICES (SOUTH AFRICA) LIMITED



Name: Shinji Sugimori
Capacity: Director
Who warrants his/her authority hereto



Name: Johan Brink
Capacity: Director
Who warrants his/her authority hereto

USE OF PROCEEDS

Capitalised terms used in this section headed "Use of Proceeds" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

For purposes of the Commercial Paper Regulations it is recorded that the "*Ultimate Borrower*", as defined in the Commercial Paper Regulations, of the net proceeds from each Tranche of Notes will be the Issuer, unless otherwise indicated in the Applicable Pricing Supplement.

The proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes, or as may otherwise be described in the Applicable Pricing Supplement.

FORM OF GUARANTEE BY TOYOTA MOTOR FINANCE (NETHERLANDS) B.V.

Capitalised terms used in this section headed "Form Guarantee by Toyota Motor Finance (Netherlands) B.V." shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

This Guarantee is made on 23 August 2013

BY:

- (1) **TOYOTA MOTOR FINANCE (NETHERLANDS) B.V.** (trade registration number 33194984) a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, having its principal office at World Trade Center Amsterdam, Tower H, Level 10, Zuidplein 90, 1077 XV Amsterdam, the Netherlands (the **Guarantor**)

IN FAVOUR OF:

- (2) **THE HOLDERS** for the time being and from time to time of the New Notes referred to below.

WHEREAS:

- (A) Pursuant to a guarantee given in favour of the noteholders dated 29 November 2005 (the **2005 Guarantee**), the Guarantor guaranteed the payment by Toyota Financial Services (South Africa) Limited (the **Guaranteed Issuer**) of all sums expressed to be payable in respect of the Notes issued under the Programme.
- (B) The Guaranteed Issuer seeks to update the Programme Memorandum and has accordingly prepared the New Programme Memorandum.
- (C) The Guarantor has agreed that, with effect from the date hereof, the Guarantor shall guarantee the payment by the Guaranteed Issuer of all sums expressed to be payable in respect of the Notes issued under the New Programme Memorandum on or after the date hereof (the **New Notes**), on the terms of this Guarantee.
- (D) The Guarantor shall have no liability in respect of the New Notes under the 2005 Guarantee.
- (E) This does not affect the Guarantor's guarantee of payments by the Guaranteed Issuer of principal and interest in respect of Notes issued under the Programme prior to the date hereof which shall continue to have the benefit of the 2005 Guarantee.

THIS GUARANTEE WITNESSES as follows:

1 INTERPRETATION

1.1. In this Guarantee:

- 1.1.1. Beneficial Interest means the undivided share of a co-owner of the New Notes as provided in section 37 of the Financial Markets Act;
- 1.1.2. Paying Agent means FirstRand Bank Limited, acting through its Rand Merchant Bank Division or, in relation to any Tranche of Notes, such other person specified in the Applicable Pricing Supplement as the Paying Agent;
- 1.1.3. New Programme Memorandum means the updated programme memorandum in respect of the Programme dated 23 August 2013;
- 1.1.4. Notes means secured or unsecured Notes issued or to be issued by the Guaranteed Issuer under the Programme, pursuant to the New Programme Memorandum;
- 1.1.5. Noteholders (and each a Noteholder) means the holders of the Registered Notes (as recorded in the Register) registered in the name of, and held by Strate Limited, or its nominee, each holder of a Beneficial Interest (in which regard any certificate or other document issued by a Participant, as to the nominal amount of such Beneficial Interest in Notes standing to the account of any person shall be prima facie proof of such Beneficial Interest), shall be treated by the Guarantor as the Noteholder of such nominal amount of such Notes (represented by such Beneficial Interest) for all purposes under this Guarantee;
- 1.1.6. Participants means depository institutions accepted by Strate Limited as participants in terms of the Financial Markets Act;

- 1.1.7. person means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;
- 1.1.8. Programme means the Domestic Medium Term Note Programme established pursuant to a programme memorandum dated 30 November 2005 under which the Guaranteed Issuer may, from time to time, issue Notes; and
- 1.1.9. Programme Memorandum means the programme memorandum of 30 November 2005 in respect of the Programme, as supplemented from time to time,

Defined terms which do not contain their own definition herein, shall bear the same meaning herein as given in the section headed "*Terms and Conditions of the Notes*" in the New Programme Memorandum.

- 1.2. Any reference in this Guarantee to a Clause is, unless otherwise stated, to a clause hereof.
- 1.3. Any reference in this Guarantee to a statute, any provision thereof or to any statutory instrument, order or regulation made thereunder shall be construed as a reference to such statute, provision, statutory instrument, order or regulation as the same may have been, or may from time to time be, amended, consolidated, extended or re-enacted (whether before or after the date of this Guarantee).
- 1.4. Headings and sub-headings are for ease of reference only and shall not affect the construction of this Guarantee.
- 1.5. Any reference in this Guarantee to the CSD shall, wherever the context so permits, be deemed to include reference to its successor or any additional or alternative depository approved by the Guaranteed Issuer and the Guarantor.
- 1.6. Words used in this Guarantee denoting the masculine gender shall include the feminine gender also, words denoting persons only shall include companies, corporations and partnerships and words importing the singular number shall include the plural and in each case vice versa.
- 1.7. References to any document or agreement are to be construed as references to such document or agreement as is in force for the time being and as amended, varied, supplemented, substituted or novated from time to time.
- 1.8. A reference to the "*winding-up*" or "*dissolution*" of a person shall be construed so as to include any equivalent or analogous proceedings under the law of any jurisdiction in which any person is established, organised or incorporated or any jurisdiction in which such person carries on business.
- 1.9. A reference to "*bankruptcy proceedings*" shall be construed so as to include any proceedings, suits or actions for the bankruptcy, liquidation, administration, receivership, emergency regulations, suspension of payments, arrangement or relief of debtors, or the appointment of a bankruptcy trustee, administrator, administrative receiver, liquidator, trustee or similar official, and any equivalent or analogous proceedings under the law of the jurisdiction pursuant to which the person is organised, established or incorporated or in any jurisdiction in which such person carries on business.

2. **GUARANTEE AND INDEMNITY**

- 2.1. The Guarantor hereby:

- 2.1.1. unconditionally and irrevocably guarantees to each holder of a New Note (the **New Noteholders**) the due and punctual payment of all sums from time to time payable by the Guaranteed Issuer in respect of such New Note (the **New Guaranteed Obligations**), for so long as such New Notes are outstanding, as and when the same become due and payable, as its own primary obligations and not as co-debtor (*medeschuldenaar*), as a surety (*borgtocht*) or a contract of joint and several liability (*hoofdelijkheidsverklaring*), and accordingly undertakes to pay to such New Noteholder forthwith upon demand of such New Noteholder and in the manner and currency prescribed by such New Note for payments by the Guaranteed Issuer in respect of the New Notes any and every sum or sums which the Guaranteed Issuer is at any time liable to pay in respect of such New Note and which the Guaranteed Issuer has failed to pay; and
- 2.1.2. undertakes to each New Noteholder that, if any sum referred to in Clause 2.1.1 is not recoverable from the Guaranteed Issuer thereunder for any reason whatsoever (including, without limitation, by reason of any New Note or any provision thereof being or becoming

void, unenforceable or otherwise invalid under any applicable law), then, (notwithstanding that the same may have been known to such New Noteholder) the Guarantor will, as a sole, original and independent obligor, forthwith upon demand by such New Noteholder, pay such sum by way of a full indemnity in the manner and currency as is provided for in the New Notes and indemnify each New Noteholder against all losses, claims, costs, charges and expenses to which it may be subject or which it may incur under or in respect of the New Notes or this Guarantee. This indemnity constitutes a separate, abstract, additional and independent obligation from the other obligations under this Guarantee and shall give rise to a separate and independent cause of action,

- 2.2. The Guaranteed Issuer shall be deemed to have discharged its obligations to pay holders of Beneficial Interests at such time as all amounts due and payable have been placed at the disposal of the CSD or its nominee, in which case the Guarantor is also discharged of such obligations.
- 2.3. This Guarantee is a guarantee for the benefit of each New Noteholder from time to time. Upon transfer of any such New Note, a New Noteholder thereof shall no longer have any rights hereunder with respect to such New Note. The rights under this Guarantee with respect to a New Note are not separately transferable from such New Note. It is specifically intended by the parties hereto that the rights under this Guarantee with respect to any New Note shall be transferred by operation of law under Article 6:251 of the Dutch Civil Code (**DCC**) to a subsequent New Noteholder of that New Note.
- 2.4. To the extent that any payment in respect of any settlement or discharge (**Payment**) between the Guaranteed Issuer and the Noteholders (or any individual Noteholder) may be avoided or reduced by the Guaranteed Issuer (or any other person on the Guaranteed Issuer's behalf) by virtue of any applicable provisions or enactments relating to bankruptcy, insolvency or liquidation, the Noteholders shall each be entitled to recover the amount by which such Payment is so avoided or reduced from such Guarantor subsequently as if such settlement or discharge had not occurred.

3. **TAXES AND WITHHOLDINGS**

- 3.1. All payments in respect of the New Notes under this Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by the Netherlands and/or the Republic of South Africa or any political subdivision or any authority thereof or therein having power to tax (**Taxes**). If the Guarantor or any agent thereof is required by law or regulation to make any withholding or deduction for or on account of Taxes, the Guarantor shall, to the extent permitted by applicable law or regulation, pay such additional amounts as will result in the receipt by the New Noteholders of such amounts as would have been received by them if no such withholding or deduction had been required, except that no such additional amounts shall be payable to a New Noteholder if and to the extent:
 - 3.1.1. such New Noteholder had been able to avoid or reduce such withholding or deduction by completing any procedural formalities but has failed to do so; or
 - 3.1.2. such Taxes had not been imposed but for such New Noteholder having some connection with the Netherlands or the Republic of South Africa other than the mere holding of and payment in respect of the relevant New Note; or
 - 3.1.3. such Taxes had not been so imposed but for the presentation by the holder of such New Note for payment on a date more than 15 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later; or
 - 3.1.4. such Taxes arise in connection with the US Foreign Account Tax Compliance Act and/or in connection with any treaties, legislation, regulations, intergovernmental agreements and/or agreements with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction facilitating the implementation thereof.

4. **PRESERVATION OF RIGHTS**

- 4.1. The obligations of the Guarantor hereunder shall be deemed to be undertaken as principal obligor and not merely as surety (*borgtocht*) or a contract of joint and several liability and as such constitute its independent, abstract and primary obligations.

- 4.2. The obligations of the Guarantor hereunder shall be continuing obligations notwithstanding any settlement of account or other matter or thing whatsoever and, in particular but without limitation, shall not be considered satisfied by any intermediate payment or satisfaction of all or any of the Guaranteed Issuer's obligations under or in respect of any New Note and shall continue in full force and effect until the earlier of the date on which either (i) all sums due from the Guaranteed Issuer in respect of each New Note have been paid, and (ii) all obligations of the Guaranteed Issuer thereunder or in respect thereof have been satisfied in full.
- 4.3. Neither the obligations expressed to be assumed by the Guarantor herein nor the rights, powers and remedies conferred upon the New Noteholders by this Guarantee or by law shall be discharged, impaired or otherwise affected by:
- 4.3.1. the bankruptcy, winding-up, liquidation or dissolution of the Guaranteed Issuer or any change in the Guaranteed Issuer's status, function, control or ownership; or
- 4.3.2. any of the obligations of the Guaranteed Issuer under any of the New Notes being or becoming illegal, invalid or unenforceable; or
- 4.3.3. time or other indulgence being granted or agreed to be granted to the Guaranteed Issuer in respect of its obligations under or in respect of the New Notes; or
- 4.3.4. any amendment to, or any variation, waiver or release of, any obligation of the Guaranteed Issuer under any of the New Notes or any security or other guarantee or indemnity in respect thereof; or
- 4.3.5. any other act, event or omission which, but for this sub-clause, might operate to discharge, impair or otherwise affect the obligations expressed to be assumed by the Guarantor herein or any of the rights, powers or remedies conferred upon the New Noteholders or any of them by the Guarantee or by law.
- 4.4. No New Noteholder shall be obliged before exercising any of the rights, powers or remedies conferred upon it by this Guarantee or by law:
- 4.4.1. to make any demand of the Guaranteed Issuer, other than the presentation of the relevant New Note; or
- 4.4.2. to take any action or obtain judgment in any court against the Guaranteed Issuer; or
- 4.4.3. to make or file any claim or proof in a winding-up or dissolution of the Guaranteed Issuer,
- 4.5. The Guarantor agrees that, so long as any sums are or may be owed by the Guaranteed Issuer in respect of the New Notes or the Guaranteed Issuer is under any actual or contingent obligation thereunder, the Guarantor shall not exercise any right which the Guarantor may at any time have by reason of performance by the Guarantor of its obligations hereunder:
- 4.5.1. to be indemnified by the Guaranteed Issuer, and/or
- 4.5.2. to claim any contribution from any other guarantor of the Guaranteed Issuer's obligations under or in respect of the New Notes; and/or
- 4.5.3. to take the benefit (in whole or in part) of any security enjoyed in connection with the New Notes by any New Noteholder; and/or
- 4.5.4. to be subrogated to the rights of any New Noteholder against the Guaranteed Issuer in respect of amounts paid by the Guarantor under this Guarantee.
- 4.6. The Guarantor undertakes that its obligations hereunder will at all times rank at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

5. DEPOSIT OF GUARANTEE

This Guarantee shall be deposited with and held by the Paying Agent until the date on which all the obligations of the Guaranteed Issuer and the Guarantor under or in respect of the New Notes have been discharged in full. The Guarantor hereby acknowledges the right of every New Noteholder to a copy of this Guarantee.

6. **STAMP DUTIES**

The Guarantor shall pay all stamp, registration and other taxes and duties (including any interest and penalties thereon or in connection therewith) which may be payable in the Netherlands and/or the Republic of South Africa on or in connection with the execution and performance of this Guarantee, and shall indemnify each New Noteholder against any claim, demand, action, liability, damages, costs, loss or expenses (including, without limitation, legal fees and any applicable value added tax) which it may incur as a result or arising out of or in relation to any failure to pay or delay in paying any of the same.

7. **BENEFIT OF GUARANTEE**

- 7.1. This Guarantee is given to the New Noteholders with the consequence that the New Noteholders acquire the right to directly demand from the Guarantor the performance of the obligations assumed in this Guarantee. The Paying Agent does not assume any agency, trustee, fiduciary or any similar obligations on behalf of the New Noteholders.
- 7.2. It is hereby irrevocably agreed and stipulated, for nil consideration ("*om niet*" in the sense of the article referred to), by way of third party stipulation ("*derdenbeding*") in the meaning of Article 6:253 DCC, for the benefit of each New Noteholder (whether present or future) that, to the extent that any such New Noteholder should not become entitled to the rights under this Guarantee with respect to any New Note (whether by operation of Article 6:251 DCC as referred to in Clause 2.3 hereof or otherwise), such New Noteholder shall become a beneficiary of the rights under (and accordingly a party to) this Guarantee as set forth in Article 6:253 DCC upon having become a New Noteholder of such New Notes, Receipts or Coupons (unless such New Noteholder has rejected such stipulation without delay upon having become aware of it).

8. **PAYMENTS**

- 8.1. All payments under this Guarantee shall be made mutatis mutandis in accordance with Condition 10 (*Payments*) of the Terms and Conditions.
- 8.2. Payment to the Paying Agent of any sum demanded by a New Noteholder under this Guarantee shall:
- 8.2.1. be made by the Guarantor to the Paying Agent not later than 5 (five) Business Days after receipt of a demand in accordance with the provisions of Clause 2;
- 8.2.2. discharge the Guarantor of its applicable obligation to New Noteholders under this Guarantee; and
- 8.2.3. pro tanto discharge the Guaranteed Issuer of its corresponding obligations to New Noteholders under the New Notes.

9. **PARTIAL INVALIDITY**

If at any time any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provisions under the laws of any other jurisdiction shall in any way be affected or impaired thereby.

10. **NOTICES**

- 10.1. All notices and other communications hereunder shall be made in writing (by letter or fax) and shall be sent to the Guarantor at:

World Trade Centre Amsterdam
Tower H, Level 10,
Zuidplein 90,
1077 XV Amsterdam
The Netherlands
Tel: +31 20 502 5310
Fax: +31 20 502 5329
Attention: Chief Executive Officer

or to such other address or fax number or for the attention of such other person or department as the Guarantor has notified to the New Noteholders.

- 10.2. Any communication from any party to any other under this Guarantee shall be effective upon receipt by the addressee, provided that any such notice or other communication which would otherwise take effect after 16:00 (Johannesburg time) on any particular day shall not take effect until 10:00 (Johannesburg time) on the immediately succeeding business day in the place of the addressee.

11. LAW AND JURISDICTION

- 11.1. This Guarantee, and any non-contractual obligations arising out of or in relation to this Guarantee, is governed by, and shall be construed in accordance with the laws of the Netherlands.
- 11.2. The Guarantor agrees for the benefit of the New Noteholders that the district court (*Rechtbank*) in Amsterdam, the Netherlands, shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with this Guarantee including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with this Guarantee, (respectively, Proceedings and Disputes) and, for such purposes, irrevocably submits to the jurisdiction of such courts.
- 11.3. The Guarantor irrevocably waives any objection which it might now or hereafter have to the abovementioned court being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that such court is not a convenient or appropriate forum.

For and on behalf of

TOYOTA MOTOR FINANCE (NETHERLANDS) B.V.

Name:
Capacity:
Who warrants his/her authority hereto

Name:
Capacity:
Who warrants his/her authority hereto

TOYOTA FINANCIAL SERVICES (SOUTH AFRICA) LIMITED

Capitalised terms used in this section headed "Toyota Financial Services (South Africa) Limited" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

1 Incorporation and Jurisdiction

Toyota Financial Services (South Africa) Limited (the **Issuer**) is a public company registered and incorporated on 2 November 1982. The Issuer commenced business as "*Toyota Financial Services (South Africa) (Proprietary) Limited*" on 2 May 2000 and subsequently converted into a public company with the promulgation of the New Companies Act, 2008.

2 Business Objectives

The main business of the Issuer is to provide financial services to authorised and approved Toyota South Africa dealers (**Toyota Dealers**) and their customers, including retail financing and lease programmes for new Toyota, Lexus and Hino vehicles and any used vehicles sold through the Toyota Dealer network.

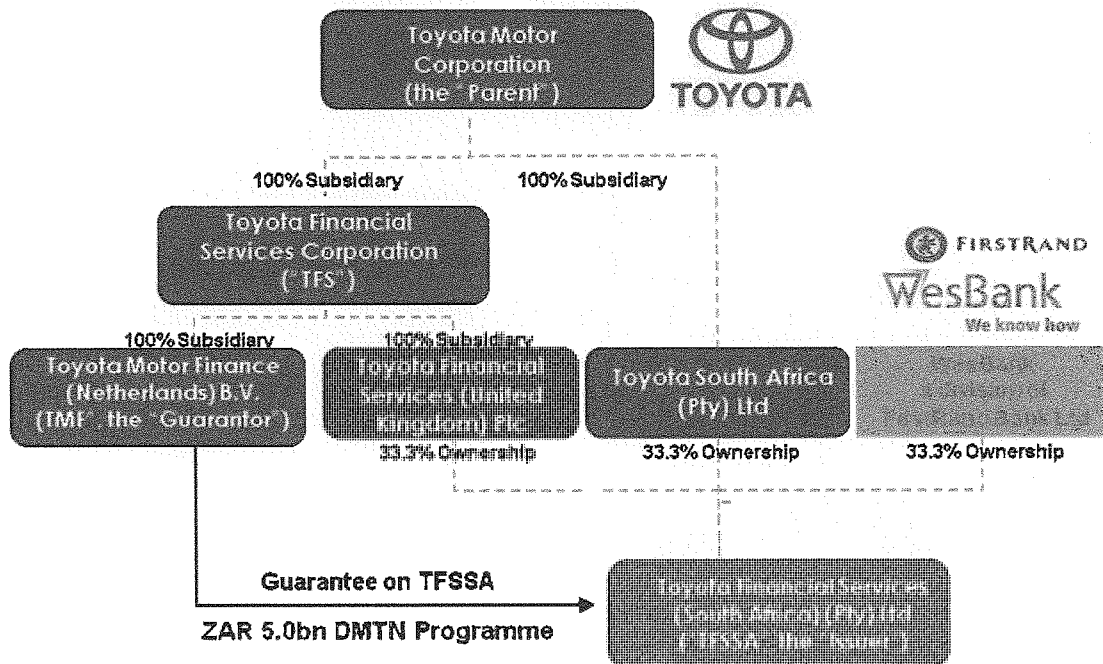
3 Business Operations

- 3.1 The Issuer provides wholesale finance in the form of floorplan facilities, and retail finance under instalment sale, lease and rental agreements. Dealer Term Loans finance, is also provided to Toyota Dealers to upgrade their properties to meet the new retail concept requirements as required by Toyota South Africa.
- 3.2 As at the Programme Date, the Issuer, which has 206 employees, outsources its back office business operations to WesBank, a division of FirstRand Bank Limited, under an operational management service agreement. To ensure that the Issuer operates in South Africa, utilising the Toyota global best practices, there is active involvement from the Toyota Financial Services Europe Africa Region in the operations and reporting of the business of the Issuer.

4 Ownership Structure

The ownership structure and shareholding of the Issuer as at the Programme Date is represented by the following diagram:

Group structure – Toyota Financial Services SA



5 Capital and Shareholding

- 5.1 The Issuer is governed by a debt to equity ratio of 11.5:1 which it is not allowed to exceed in terms of the shareholders agreement dated 17 April 2000 amongst Toyota Financial Services (United Kingdom) Plc, Toyota South Africa (Proprietary) Limited and WesBank, a division of FirstRand Bank Limited (**Shareholders Agreement**). These shareholders ensure that the gearing ratio is adhered to, in terms of the Shareholders Agreement.
- 5.2 As at the date of this Programme Memorandum, the Issuer utilised local and foreign banks as the suppliers of financing.
- 5.3 All borrowings have been granted on the strength and structure of the local operations.

6 Management

6.1 *Management Team*

Current members of the management team are:

J Brink	Chief Executive Officer
S Sugimori (Japanese)	Director and Senior Executive Coordinator
T Manaka	General Manager: Corporate Affairs
K Pillay	General Manager: Finance & Treasury
D Leach	General Manager: Sales & Marketing

6.2 *The Board of Directors*

The Board of Directors consists of three representatives from each shareholder. Current members of the Board of Directors are:

Representing Toyota Financial Services (United Kingdom) Plc:

E Hirano (Japanese)	TFS Corporation
J Brink	Toyota Financial Services (South Africa) (Proprietary) Limited
S Sugimori (Japanese)	TFS Corporation (Senior Executive Coordinator)

Representing Toyota South Africa (Proprietary) Limited:

M G Burger	Toyota South Africa (Proprietary) Limited (Senior Vice-President, Finance and Administration)
H Muramoto (Japanese)	Toyota South Africa (Proprietary) Limited (Executive Vice-President & Executive Coordinator)
Dr J J van Zyl	Toyota South Africa (Proprietary) Limited (President and Chief Executive Officer)

Representing FirstRand Investment Holdings Limited:

C de Kock	WesBank Head of Sales
B Riley	WesBank Chief Executive Officer
C Zhungu	WesBank Motor General Manager

7 Corporate Governance

The Board of Directors believes that strong corporate governance is essential for the achievement of sustainable value for all stakeholders, accordingly, the Issuer is committed to entrenching the highest levels of corporate governance and continues to make significant progress in implementing structures, policies and procedures all aimed at strengthening governance within the organisation.

TFSSA adheres to the principles of Corporate Governance as enshrined in King III. The Issuer is currently not fully compliant to the extent of the appointment of independent non-executive directors as proposed in King III. The Board has thus made the recommendations to the Parent in respect of the principles of the appointing independent non-executive directors.

The company secretary of the Issuer is Mr B Unser. The business address of the company secretary is Fourth Floor, 4 Merchant Place, corner Fredman Drive and Rivonia Road, Sandton, 2196.

8 Annual General Meeting

An annual general meeting is held within nine months after expiration of the financial year and no more than 15 months shall elapse between the date of one annual general meeting and that of the next meeting.

9 Risk Management

Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme

The Issuer may be exposed to certain risks and uncertainties that could have a material adverse impact on the Issuer's financial condition and operating results:

9.1 *Credit Risk*

Credit risk is the risk of loss arising from a failure of a customer or dealer to meet the terms of any contract with the Issuer or otherwise failing to perform as agreed.

9.2 *Liquidity Risk*

Liquidity risk is the risk arising from the inability to meet obligations when they are due. The Issuer's liquidity strategy is to maintain the capacity to fund assets and repay liabilities in a timely and cost-effective manner under adverse market conditions.

9.3 *Market Risk*

Market risk is the risk that changes in market interest rates or prices which will negatively affect the Issuer's income and capital. Policies governing market risk exposure are established and periodically reviewed by the Issuer's senior management as conditions warrant. The Issuer uses derivative instruments, along with other tools and strategies, to manage its market risk. The Issuer has established procedures to ensure that its risk management, including its use of derivatives, is in accordance with its policy framework.

9.4 *Operational Risk*

Operational risk is the risk of loss resulting from, among other factors, inadequate or failed processes, systems or internal controls, theft, fraud, or natural disaster. Operational risk can occur in many forms including, but not limited to, errors, business interruptions, failures of control, inappropriate behaviour of or misconduct by the Issuer's employees or those contracted to perform services for the Issuer, and vendors that do not perform in accordance with their contractual agreements. These events can potentially result in financial losses or other damages to the Issuer, including damage to the Issuer's reputation.

The Issuer relies on internal and external information and technological systems to manage its operations and is exposed to risk of loss resulting from breaches in the security, or other failures of these systems.

In order to monitor and manage operational risk, the Issuer maintains a framework of internal controls designed to provide a sound and well-controlled operational environment. The Issuer strives to maintain appropriate levels of operational risk relative to its business strategies, competitive and regulatory environment and markets in which it operates. Notwithstanding these control measures, the Issuer remains exposed to operational risk. However, while the

Issuer's approach to operational risk management is intended to mitigate such losses, management can provide no assurance that these problems will not have a material effect on the Issuer's operations.

In the case of TMF, the operations for TMF are supplied by a service provider (Toyota Financial Services UK Plc) (**TFSUK**). TFSUK has in place a Disaster Recovery Plan which includes the treasury services supplied to TMF. The plan provides that no significant disruption is expected to the treasury services supplied to TMF in the event of an incident which, without such a plan in place, could interrupt the operations of TMF.

9.5 *Regulatory Risk*

Regulatory risk is the risk arising from the failure to comply with applicable regulatory requirements and the risk of liability and other costs imposed under various laws and regulations, including changes in legislation and new regulatory requirements.

9.6 *Counterparty Credit Risk*

Counterparty credit risk is the risk that a counterparty may fail to perform on its contractual obligations in a derivatives contract.

9.7 *Residual Value Risk*

Residual value risk is the risk that the estimated residual value at lease origination will not be recoverable at the end of the lease term. When the market value of a leased vehicle at contract maturity is less than its contractual residual value, there is a higher probability that the vehicle will be returned to the Issuer. A higher rate of vehicle returns exposes the Issuer to greater risk of loss at the end of the lease term.

9.8 *Credit Support*

TMFNL's credit ratings depend, in part, on the existence of the credit support arrangements between TMFNL and TFS and the Parent discussed in "*Relationship of TMFNL with TFS and the Parent*". The credit support arrangements may be amended, provided that such amendment does not have any adverse effects upon any holder of any Notes outstanding at the time of such amendment, and does not require the acceptance of the rating agencies. Without the benefit of the credit support arrangements, TMFNL would expect that its credit ratings would be substantially less than its current credit ratings. A lower credit rating leads to significantly constrained access, or no access, to the domestic or international capital markets, substantially higher borrowing costs and potentially an inability to raise the volume of funding necessary for it to operate its business. However, TMFNL believes that its current credit support arrangements will continue to be available.

TOYOTA MOTOR FINANCE (NETHERLANDS) B.V.

Capitalised terms used in this section headed "Toyota Motor Finance (Netherlands) B.V." shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

1 History and Business

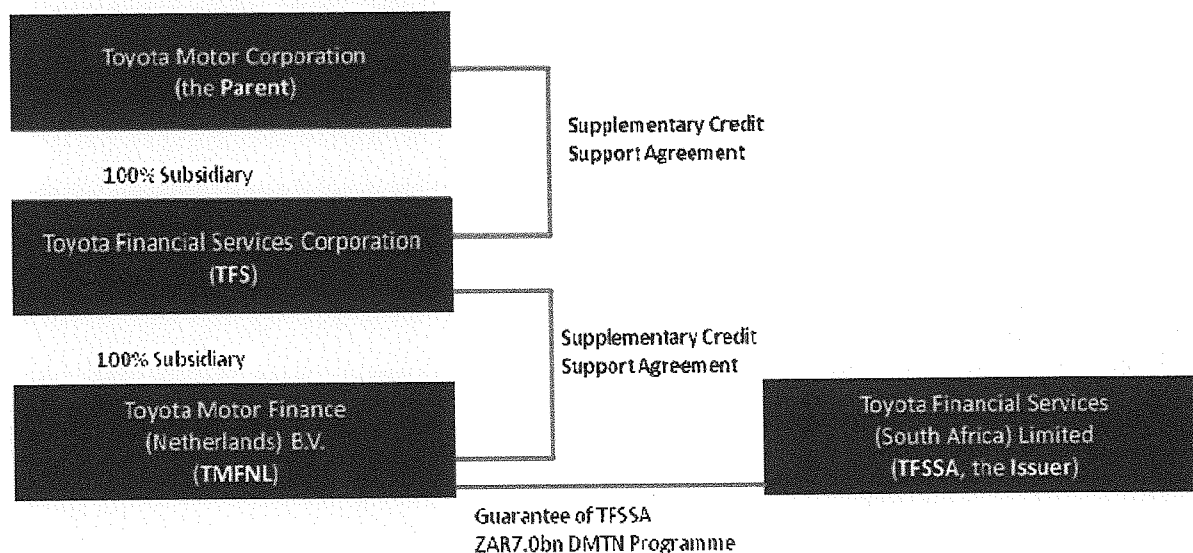
- 1.1 TMFNL was incorporated as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of the Netherlands on 3 August 1987 and registered in the Trade Register of the Amsterdam Chamber of Commerce under number 33194984. TMFNL is a Wholly Owned Subsidiary of Toyota Financial Services Corporation (TFS) which is a Wholly Owned Subsidiary of the Parent and its registered office is at World Trade Center Amsterdam, Tower H, Level 10, Zuidplein 90, 1077 XV Amsterdam, the Netherlands with telephone number + 31 20 502 5310.
- 1.2 TMFNL and TFS have entered into a Supplementary Credit Support Agreement. (See section entitled "*Relationship of TMFNL with TFS and the Parent*" below).
- 1.3 The principal activity of TMFNL is to act as a group finance company for some of the Parent's consolidated subsidiaries. TMFNL raises funds by issuing bonds and notes in the international capital markets and from other sources and on-lends to other Toyota companies. TMFNL also issues guarantees for debt issuances of certain other Toyota companies. In addition, TMFNL generates income from other investments and deposits incidental to its primary funding activities. As a group finance company, TMFNL is dependent on the performance of the subsidiaries and affiliates of the Parent and TFS to which it grants loans.

RELATIONSHIP OF TMFNL WITH TFS AND THE PARENT

Capitalised terms used in this section headed "Relationship of TMFNL with TFS and the Parent" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

1 Guarantee Structure

As at the Programme Date the relationship of the Issuer with TMFNL, TFS and the Parent can be represented gramatically as follows:



2 General

TMFNL is a Wholly Owned Subsidiary of TFS and TFS is a wholly-owned subsidiary of the Parent.

3 Credit Support Agreements

Set out below are extracts from the TFS Supplementary Credit Support Agreement, an English translation of which is available for inspection as stated in **General Information** below.

Note: The addresses of TFS and TMFNL hereinafter are those as of the date of this Programme Memorandum. In the original credit support agreements, they are those as of the date when the respective agreements were entered into.

Extract of the TFS Supplementary Credit Support Agreement:

This Supplemental Credit Support Agreement (the **Agreement**) is made as of August 7, 2000 by and between:

- (1) **TOYOTA FINANCIAL SERVICES CORPORATION**, a Japanese corporation having its principal office at Nagoya Lucent Tower, 6-1, Ushijima-cho, Nishi-ku, Nagoya City, Aichi Prefecture, Japan (**TFS**); and
- (2) **TOYOTA MOTOR FINANCE (NETHERLANDS) B.V.**, a Dutch corporation having its principal office at World Trade Center, Tower H, Zuidplein 90, 1077 XV Amsterdam, the Netherlands (**TMFNL**).

WHEREBY it is agreed as follows:

1. TFS will, directly or indirectly, own all of the outstanding shares of the capital stock of TMFNL and will not directly or indirectly pledge or in any way encumber or otherwise dispose of any such shares of stock so long as TMFNL has outstanding guarantee or credit support obligations (hereafter **Obligations**), unless required to dispose of any or all such shares of stock pursuant to a court decree or order of any governmental authority which, in the opinion of counsel to TFS, may not be successfully challenged.

2. TFS will cause TMFNL and TMFNL's subsidiaries, if any, to have a consolidated tangible net worth, as determined in accordance with generally accepted accounting principles in the Netherlands and as shown on TMFNL's most recent audited annual consolidated balance sheet, of at least EUR100,000 so long as Obligations are outstanding. Tangible net worth means the aggregate amount of issued capital, capital surplus and retained earnings less any intangible assets.
3. If TMFNL at any time determines that it will run short of cash or other liquid assets to meet its payment obligations on any Obligations then or subsequently to mature and that it shall have no unused commitments available under its credit facilities with lenders other than TFS, then TMFNL will promptly notify TFS of the shortfall and TFS will make available to TMFNL, before the due date of such Obligations, funds sufficient to enable it to pay such payment obligations in full as they fall due. TMFNL will use such funds made available to it by TFS solely for the payment of such payment obligations when they fall due.
4. This Agreement is not, and nothing herein contained and nothing done by TFS pursuant hereto shall be deemed to constitute a guarantee, direct or indirect, by TFS of any Obligations.
5. This Agreement may be modified or amended only by the written agreement of TFS and TMFNL unless any holder of Obligations has made a claim against TFS pursuant to clause 7, in which case any modification or amendment shall be subject to the consent of such a holder. No such modification or amendment shall have any adverse effect upon any holder of any Obligations outstanding at the time of such modification or amendment. Either TFS or TMFNL will provide written notice to the other, with a copy to each statistical rating agency that, upon the request of TMFNL or TFS, has issued a rating in respect of TMFNL or any Obligations (hereafter a **Rating Agency**), 30 days prior to such proposed modification or amendment.
6. Either TFS or TMFNL may terminate this Agreement upon 30 days written notice to the other, with a copy to each Rating Agency, subject to the limitation that termination will not take effect until or unless (i) all Obligations issued on or prior to the date of such termination notice have been repaid or (ii) each Rating Agency has confirmed to TMFNL that the debt ratings of all such Obligations will be unaffected by such termination.
7. This Agreement is executed for the benefit of the holders of Obligations and such holders may rely on TFS's observance of the provisions of this Agreement.
8. TFS and TMFNL hereby agree that the holders of Obligations shall have the right to claim directly against TFS to perform any of its obligations under this Agreement. Such claim shall be made in writing with a declaration to the effect that such a holder will have recourse to the rights given under this Agreement. If TFS receives such a claim from any holder of Obligations, TFS shall indemnify, without any further action or formality, such a holder against any loss or damage arising out of or as a result of the failure to perform any of its obligations under this Agreement. The holder of Obligations who made the claim may enforce such indemnity directly against TFS. In relation to any Obligations in respect of which a trustee has been appointed to act for the holders of such Obligations, such trustee may make the above mentioned claim in favour of the holders of Obligations directly against TFS and, where appropriate, it may enforce the indemnity against TFS in favour of such holders. Provided that, if the trustee, having become bound to proceed directly against TFS, fails to do so within a reasonable period thereafter to protect the interests of the holders of such Obligations, and such failure shall be continuing, the holders of such Obligations may take actions available under this clause.
9. The Agreement shall be governed by, and construed in accordance with, the laws of Japan. TFS and TMFNL hereby irrevocably submit to the jurisdiction of the Tokyo District Court over any action or proceeding arising out of this Agreement.

Set out below are extracts from the Parent Supplementary Credit Support Agreement, an English translation of which is available for inspection as stated in **General Information** below.

Note: The addresses of the Parent and TFS hereinafter are those as of the date of this Programme Memorandum. In the original credit support agreements, they are those as of the date when the respective agreements were entered into.

English Translation of the Supplementary Credit Support Agreement:

This Supplementary Credit Support Agreement (the **Agreement**) is made as of July 14, 2000 by and between:

- (1) **TOYOTA MOTOR CORPORATION**, a Japanese corporation having its principal office at 1, Toyota-cho, Toyota City, Aichi Prefecture, Japan (the **TMC**); and
- (2) **TOYOTA FINANCIAL SERVICES CORPORATION**, a Japanese corporation having its principal office at Nagoya Lucent Tower, 6-1, Ushijima-cho, Nishi-ku, Nagoya City, Aichi Prefecture, Japan (**TFS**).

WHEREBY it is agreed as follows:

1. TMC will, directly or indirectly, own all of the outstanding shares of the capital stock of TFS and will not directly or indirectly pledge or in any way encumber or otherwise dispose of any such shares of stock so long as TFS has outstanding credit support obligations (hereafter **Obligations**, which include, except for the purpose of clause 3, guarantee and credit support obligations of Toyota Motor Finance (Netherlands) B.V., a subsidiary of TFS), unless required to dispose of any or all such shares of stock pursuant to a court decree or order of any governmental authority which, in the opinion of counsel to TMC, may not be successfully challenged.
2. TMC will cause TFS and TFS's subsidiaries, if any, to have a consolidated tangible net worth, as determined in accordance with generally accepted accounting principles in Japan and as shown on TFS's most recent audited annual consolidated balance sheet, of at least JPY10,000,000 so long as Obligations are outstanding. Tangible net worth means the aggregate amount of issued capital, capital surplus and retained earnings less any intangible assets.
3. If TFS at any time determines that it will run short of cash or other liquid assets to meet its payment obligations in respect of Obligations or obligations under any guarantee and credit support agreement then or subsequently to mature and that it shall have no unused commitments available under its credit facilities with lenders other than TMC, then TFS will promptly notify TMC of the shortfall and TMC will make available to TFS, before the due date in respect of such payment obligations, funds sufficient to enable it to pay such payment obligations in full as they fall due. TFS will use such funds made available to it by TMC solely for the payment of such payment obligations when they fall due.
4. This Agreement is not, and nothing herein contained and nothing done by TMC pursuant hereto shall be deemed to constitute a guarantee, direct or indirect, by TMC of any Obligations.
5. This Agreement may be modified or amended only by the written agreement of TMC and TFS unless any holder of Obligations has made a claim against TMC pursuant to clause 7, in which case any modification or amendment shall be subject to the consent of such a holder. No such modification or amendment shall have any adverse effect upon any holder of any Obligations outstanding at the time of such modification or amendment. Either TMC or TFS will provide written notice to the other, with a copy to each statistical rating agency that, upon the request of TFS or TMC, has issued a rating in respect of TFS or any Obligations (hereafter a **Rating Agency**), 30 days prior to such proposed modification or amendment.
6. Either TMC or TFS may terminate this Agreement upon 30 days written notice to the other, with a copy to each Rating Agency, subject to the limitation that termination will not take effect until or unless (i) all Obligations incurred on or prior to the date of such termination notice have been repaid or (ii) each Rating Agency has confirmed to TFS that the debt ratings of all such Obligations will be unaffected by such termination.

7. This Agreement is executed for the benefit of the holders of Obligations and such holders may rely on TMC's observance of the provisions of this Agreement.
8. TMC and TFS hereby agree that the holders of Obligations shall have the right to claim directly against TMC to perform any of its obligations under this Agreement. Such claim shall be made in writing with a declaration to the effect that such a holder will have recourse to the rights given under this Agreement. If TMC receives such a claim from any holder of Obligations, TMC shall indemnify, without any further action or formality, such a holder against any loss or damage arising out of or as a result of the failure to perform any of its obligations under this Agreement. The holder of Obligations who made the claim may enforce such indemnity directly against TMC. In relation to any Obligations in respect of which a trustee has been appointed to act for the holders of such Obligations, such trustee may make the above mentioned claim in favour of the holders of Obligations directly against TMC and, where appropriate, it may enforce the indemnity against TMC in favour of such holders. Provided that, if the trustee, having become bound to proceed directly against TMC, fails to do so within a reasonable period thereafter to protect the interests of the holders of such Obligations, and such failure shall be continuing, the holders of such Obligations may take actions available under this clause.
9. This Agreement shall be governed by, and construed in accordance with, the laws of Japan. TMC and TFS hereby irrevocably submit to the jurisdiction of the Tokyo District Court over any action or proceeding arising out of this Agreement.

TOYOTA FINANCIAL SERVICES CORPORATION

Capitalised terms used in this section headed "Toyota Financial Services Corporation" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

1 General Information

TFS, a Wholly Owned Subsidiary of the Parent, was incorporated as a private company with limited liability on July 7, 2000 under the laws of Japan, where it is registered.

TFS is a holding company of all the financial subsidiaries of the Toyota group established by TMC to oversee the management of Toyota's financial companies worldwide. TFS has 51 consolidated subsidiaries and 7 affiliates, most of which are incorporated outside of Japan as of the date of this Programme Memorandum. Financial services and products rendered through the group companies of TFS include automobile loans and leasing, loans to automobile dealers and other businesses such as insurance, credit cards and securities. These operations are conducted in 34 countries and regions.

In connection with the above, the Parent has entered into the Supplementary Credit Support Agreement with TFS and TFS has, in turn, entered into the Supplementary Credit Support Agreement with TMFNL. See "*Relationship of TMFNL with TFS and the Parent*".

TFS's principal executive offices are located in Nagoya Lucent Tower, 6-1, Ushijima-cho, Nishi-ku, Nagoya City, Aichi Prefecture 451-6015 (telephone number +81-52-217-2300).

2 Business Overview

Principal activities

The main business of TFS as a holding company is formulating the plans and strategies of the financial business, management of earnings and risk management of Toyota's finance companies and the promotion of efficient financial business.

TFS has the following principal consolidated subsidiaries and affiliates which conduct business centering on financial services relating to Toyota products.

(Automobile Financial Services)

Country by region	Name	
<i>Americas</i>		
United States	Toyota Motor Credit Corporation	(TMCC)
Canada	Toyota Credit Canada Inc.	(TCCI)
Puerto Rico	Toyota Credit de Puerto Rico Corporation	(TCPR)
Mexico	Toyota Services de Mexico, S.A. de C.V.	(TFSMX)
Brazil	Banco Toyota do Brasil S.A.	(BTB)
Venezuela	Toyota Services de Venezuela, C.A	(TSV)
Argentina	Toyota Compania Financiera de Argentina S.A.	(TCFA)
<i>Europe and Africa</i>		
United Kingdom	Toyota Financial Services (U.K.) Plc	(TFSUK)
Germany	Toyota Kreditbank GmbH	(TKG)
France	Toyota France Financement	(TFSF)
Italy	Toyota Financial Services Italy	(TFSI)
Spain	Toyota Financial Services Espana	(TFSES)
Norway	Toyota Finans Service Norge	(TFSN)

Denmark	Toyota Financial Services Danmark A/S	(TFSDK)
Sweden	Toyota Financial Service Sweden	(TFSSW)
Finland	Toyota Finance Finland Oy	(TFF)
Czech Republic	Toyota Financial Services Czech s.r.o.	(TFSCZ)
Hungary	Toyota Financial Services Hungary Rt	(TFSH)

Country by region	Name	
Poland	Toyota Bank Polska S.A.	(TBP)
Slovakia	Toyota Financial Services Slovakia s.r.o.	(TFSSK)
South Africa	Toyota Financial Services	(TFSSA)
	South Africa (Proprietary) Limited*	
Russia	Toyota Bank Russia ZAO	(TBR)
<i>Asia and Oceania</i>		
Australia	Toyota Finance Australia Limited	(TFA)
Thailand	Toyota Leasing (Thailand) Co., Limited	(TLT)
Malaysia	Toyota Capital Malaysia Sdn. Bhd.	(TCAPM)
New Zealand	Toyota Finance New Zealand Limited	(TFNZ)
Philippines	Toyota Financial Services Philippines Corporation	(TFSPH)
Indonesia	PT Toyota Astra Financial Services*	(TAFS)
China	Toyota Motor Finance (China) Company, Limited	(TMFCN)
South Korea	Toyota Financial Services Korea Co., Limited	(TFSKR)
Taiwan	Hotai Finance Corporation*	(HFC)
	Hotai Leasing Corporation*	(HLC)
Vietnam	Toyota Financial Services Vietnam Company Limited	(TFSVN)
India	Toyota Financial Services India Ltd.	(TFSIN)
Japan	Toyota Finance Corporation	(TFC)
<i>(Other Financial Services)</i>		
Netherlands	Toyota Motor Finance (Netherlands) B.V.	(TMFNL)
United States	Toyota Financial Services Americas Corporation	(TFSA)
	Toyota Finance Savings Bank	(TFSB)
	Toyota Financial Services Securities	(TFSS USA)
	USA Corporation	

* Affiliated company

Principal markets

TFS, through its subsidiaries and affiliates, conducts business in Japan, North America, Europe, Asia and other areas. The main competitors are commercial banks and other financial institutions.

3 Board of Directors and Corporate Auditors

As at the date of this Programme Memorandum, TFS's Board of Directors consists of the following persons:

<i>Directors</i>	<i>Position</i>
Yoshimasa Ishii ¹	(President and Representative Director)
Eiji Hirano ¹	(Executive Vice President)
Hiroshi Adachi ¹	(Executive Vice President)
Akio Toyoda ²	(President and Representative Director of the Parent)
Yukitoshi Funo ²	(Executive Vice President of the Parent)
Satoshi Ozawa ²	(Executive Vice President of the Parent)
Masamoto Maekawa ²	(Executive Vice President of the Parent)
Takahiko Ijichi ²	(Director of the Parent)
Takuo Sasaki ²	(Managing Officer of the Parent)
George E. Borst ³	(President of Toyota Motor Credit Corporation)
Yasuhisa Fujita ¹	(President of Toyota Finance Corporation)

The business addresses of the Directors of TFS are as follows:

1. Nagoya Lucent Tower, 6-1, Ushijima-cho, Nishi-ku, Nagoya City, Aichi Prefecture 451-6015, Japan.
2. 1, Toyota cho, Toyota City, Aichi Prefecture 451-8571, Japan.
3. 19001 South Western Avenue, Torrance, California 90509, United States.

INVESTOR CONSIDERATIONS

Capitalised terms used in this section headed "Investor Considerations" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The Issuer believes that the factors outlined below may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are also described below. The value of the Notes could decline due to any of these risks, and investors may lose some or all of their investment.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it, or which it may not currently be able to anticipate. Accordingly, the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive.

Prospective investors should also read the detailed information set out elsewhere in this Programme Memorandum to reach their own views prior to making any investment decision.

References below to the "Terms and Conditions", in relation to Notes, shall mean the "Terms and Conditions of the Notes" set out set out under the section of this Programme Memorandum headed "Terms and Conditions of the Notes".

Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme

Risks Relating to the Notes

The Notes may not be a suitable investment for all investors

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Programme Memorandum or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such an investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

There is no active trading market for the Notes

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. There is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes.

The Notes may be redeemed prior to maturity

Unless in the case of any particular Tranche of Notes the Applicable Pricing Supplement specifies otherwise, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the government of South Africa or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Conditions.

In addition, if in the case of any particular Tranche of Notes the Applicable Pricing Supplement specifies that the Notes are redeemable at the Issuer's option in certain other circumstances, the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

Because uncertificated Notes are held by or on behalf of the CSD, investors will have to rely on their procedures for transfer, payment and communication with the Issuer

Notes issued under the Programme which are listed on the Interest Rate Market of the JSE or such other or additional Financial Exchange and/or held in the CSD may, subject to Applicable Laws and the Applicable Procedures, be issued in uncertificated form. Unlisted Notes may also be held and immobilised in the CSD in uncertificated form. Notes held in the CSD will be issued, cleared and settled in accordance with the Applicable Procedures through the electronic settlement system of the CSD. Except in the limited circumstances described in the Terms and Conditions, investors will not be entitled to receive Individual Certificates. The CSD will maintain records of the Beneficial Interests in Notes and/or issued in uncertificated form, which are held in the CSD (whether such Notes are listed or unlisted). Investors will be able to trade their Beneficial Interests only through the CSD and in accordance with the Applicable Procedures.

Payments of principal and/or interest in respect of uncertificated Notes will be made to the CSD's Nominee or the Participants and the Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the CSD's Nominee or the Participants for distribution to their account holders. A holder of a Beneficial Interest in uncertificated Notes, whether listed or unlisted, must rely on the procedures of the CSD to receive payments under the relevant Notes. Each investor shown in the records of the CSD and/or the Participants, as the case may be, shall look solely to the CSD or the Participant, as the case may be, for his share of each payment so made by the Issuer to the registered holder of such uncertificated Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, such Beneficial Interests.

Holders of Beneficial Interests in uncertificated Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the CSD to appoint appropriate proxies.

Recourse to the BESA Guarantee Fund Trust

The holders of Notes that are not listed on the Interest Rate Market of the JSE will have no recourse against the BESA Guarantee Fund Trust. Claims against the BESA Guarantee Fund Trust may only be made in respect of the trading of Notes listed on the Interest Rate Market of the JSE and in accordance with the rules of the BESA Guarantee Fund Trust. Unlisted notes are not regulated by the JSE.

Credit Rating

Tranches of Notes issued under the Programme, the Issuer and/or the Programme, as the case may be, may be rated or unrated. A Rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning Rating Agency. Any adverse change in an applicable credit rating could adversely affect the trading price for the Notes issued under the Programme.

Risks related to the structure of the particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

Notes subject to optional redemption by the Issuer

An optional redemption feature is likely to limit the market value of the Notes. During any period when the Issuer may elect to redeem the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the Interest Rate on the Notes. At those times, an investor generally would not be able to re-invest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Index-Linked and Dual Currency Notes

The Issuer may issue Notes the terms of which provide for interest or principal payable in respect of such Note to be determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a **Relevant Factor**) or with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- the market price of such Notes may be volatile;
- no interest may be payable on such Notes;
- payments of principal or interest on such Notes may occur at a different time or in a different currency than expected;
- the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero;
- a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable is likely to be magnified; and
- the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

Partly-paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Modification and waivers and substitution

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Variable Rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate may at any time be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Change of law

The Notes are governed by, and will be construed in accordance with, South African law in effect as at the Programme Date. No assurance can be given as to the impact of any possible judicial decision or change to South African law or administrative practice in either such jurisdiction after the Programme Date.

Notes where denominations involve integral multiples: Individual Certificates

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive an Individual Certificate in respect of such holding and would need to purchase a Principal Amount of Notes such that its holding amounts to a minimum Specified Denomination.

If Individual Certificates are issued, holders should be aware that Individual Certificates which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Risks Relating to the Issuer's Business

Risks affecting the business of the Issuer are set out in paragraph 9 (*Risk Management*) of the section, headed "*Toyota Financial Services (South Africa) Limited*" of this Programme Memorandum.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

Capitalised terms used in this section headed "Settlement, Clearing and Transfer of Notes" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

Notes listed on the Interest Rate Market of the JSE and/or held in the CSD

Each Tranche of Notes which is listed on the Interest Rate Market of the JSE in uncertificated form will be held in the CSD. A Tranche of unlisted Notes may also be held in the CSD.

Clearing systems

Each Tranche of Notes listed on the Interest Rate Market of the JSE will be issued, cleared and settled in accordance with the Applicable Procedures for the time being of the JSE and the CSD through the electronic settlement system of the CSD. Such Notes will be cleared by Participants who will follow the electronic settlement procedures prescribed by the JSE and the CSD.

The CSD has, as the operator of an electronic clearing system, been appointed by the JSE to match, clear and facilitate the settlement of transactions concluded on the JSE. Subject as aforesaid each Tranche of Notes which is listed on the Interest Rate Market of the JSE will be issued, cleared and transferred in accordance with the Applicable Procedures and the Terms and Conditions, and will be settled through Participants who will comply with the electronic settlement procedures prescribed by the JSE and the CSD. The Notes may be accepted for clearance through any additional clearing system as may be agreed between the JSE, the Issuer and the Dealer(s).

Participants

The CSD maintains accounts only for Participants. As at the Programme Date, the Participants which are approved by the JSE, in terms of the listing requirements of the JSE, as Settlement Agents to perform electronic settlement of funds and scrip are Absa Bank Limited, Citibank N.A., South Africa Branch, FirstRand Bank Limited, Nedbank Limited, The Standard Bank of South Africa Limited and the South African Reserve Bank. Euroclear, as operator of the Euroclear System, and Clearstream will settle off-shore transfers in the Notes through their Participants.

Settlement and clearing

Participants will be responsible for the settlement of scrip and payment transfers through the CSD, the JSE and the South African Reserve Bank.

While a Tranche of Notes is held in the CSD, the CSD's Nominee, a Wholly Owned Subsidiary of the CSD approved by the Registrar of Securities Services in terms of the Financial Markets Act, and any reference to "CSD's Nominee" shall, whenever the context permits, be deemed to include any successor nominee operating in terms of the Financial Markets Act, will be named in the Register as the sole Noteholder of the Notes in that Tranche. All amounts to be paid and all rights to be exercised in respect of Notes held in the CSD will be paid to and may be exercised only by the CSD's Nominee for the holders of Beneficial Interests in such Notes.

In relation to each Person shown in the records of the CSD or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular Nominal Amount of Notes, a certificate or other document issued by the CSD or the relevant Participant, as the case may be, as to the Nominal Amount of such Notes standing to the account of such Person shall be *prima facie* proof of such Beneficial Interest. The CSD's Nominee (as the registered Noteholder of such Notes named in the Register) will be treated by the Issuer, the Paying Agent, the Transfer Agent and the relevant Participant as the holder of that aggregate Nominal Amount of such Notes for all purposes.

Payments of all amounts in respect of a Tranche of Notes which is listed on the Interest Rate Market of the JSE and/or held in uncertificated form will be made to the CSD's Nominee, as the registered Noteholder of such Notes, which in turn will transfer such funds, via the Participants, to the holders of Beneficial Interests. Each of the Persons reflected in the records of the CSD or the relevant Participant, as the case may be, as the holders of Beneficial Interests in Notes shall look solely to the CSD or the relevant Participant, as the case may be, for such Person's share of each payment so made by (or on behalf of) the Issuer to, or for the order of, the CSD's Nominee, as the registered Noteholder of such Notes.

Payments of all amounts in respect of a Tranche of Notes which is listed on the Interest Rate Market of the JSE and/or held in uncertificated form will be recorded by the CSD's Nominee, as the registered Noteholder of such Notes, distinguishing between interest and principal, and such record of payments by the CSD's Nominee, as the registered Noteholder of such Notes, shall be *prima facie* proof of such payments.

Transfers and exchanges

Subject to Applicable Laws, title to Beneficial Interest held by clients of Participants indirectly through such Participants will be freely transferable and will pass on transfer thereof by electronic book entry in the securities accounts maintained by such Participants for such clients. Subject to Applicable Law, title to Beneficial Interests held by Participants directly through the CSD will be freely transferable and will pass on transfer thereof by electronic book entry in the central securities accounts maintained by the CSD for such Participants. Beneficial Interests may be transferred only in accordance with the Applicable Procedures.

Beneficial Interests may be exchanged for Notes represented by Individual Certificates in accordance with Condition 15.2 (*Transfer of Notes represented by Individual Certificates*).

Records of payments, trust and voting

Neither the Issuer nor the Paying Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Beneficial Interests, or for maintaining, supervising or reviewing any records relating to Beneficial Interests. Neither the Issuer nor the Paying Agent nor the Transfer Agent will be bound to record any trust in the Register or to take notice of or to accede to the execution of any trust (express, implied or constructive) to which any Note may be subject. Holders of Beneficial Interests vote in accordance with the Applicable Procedures.

BESA Guarantee Fund Trust

The holders of Notes that are not listed on the Interest Rate Market of the JSE will have no recourse against the JSE or the BESA Guarantee Fund Trust. Claims against the BESA Guarantee Fund Trust may only be made in respect of the trading of the Notes listed on the Interest Rate Market of the JSE and in accordance with the rules of the BESA Guarantee Fund Trust.

Notes listed on any Financial Exchange other than (or in addition to) the Interest Rate Market of the JSE

Each Tranche of Notes which is listed on any Financial Exchange other than (or in addition to) the Interest Rate Market of the JSE will be issued, cleared and settled in accordance with the rules and settlement procedures for the time being of that Financial Exchange. The settlement and redemption procedures for a Tranche of Notes which is listed on any Financial Exchange (other than or in addition to the JSE) will be specified in the Applicable Pricing Supplement.

SUBSCRIPTION AND SALE

Capitalised terms used in this section headed "Subscription and Sale" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The Dealers have in terms of the amended and restated programme agreement dated 23 August 2013, as may be amended, supplemented or restated from time to time (the **Programme Agreement**), agreed with the Issuer a basis upon which each Dealer may from time to time agree to subscribe for Notes or procure the subscription of the Notes.

Selling restrictions

South Africa

Each Dealer has (or will have) represented, warranted and agreed that it (i) will not offer Notes for subscription, (ii) will not solicit any offers for subscription for or sale of the Notes, and (iii) will itself not sell or offer the Notes in South Africa in contravention of the Companies Act, Banks Act, Exchange Control Regulations and/or any other applicable laws and regulations of South Africa in force from time to time.

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that it will not make an "offer to the public" (as such expression is defined in the Companies Act, and which expression includes any section of the public) of Notes (whether for subscription, purchase or sale) in South Africa. This Programme Memorandum does not, nor is it intended to, constitute a prospectus prepared and registered under the Companies Act.

Offers not deemed to be offers to the public

Offers for subscription for, or sale of, South African Notes are not deemed to be offers to the public if:

- (a) made to certain investors contemplated in section 96(1)(a) of the Companies Act; or
- (b) the total contemplated acquisition cost of Notes, for any single addressee acting as principal, is equal to or greater than ZAR1,000,000, or such higher amount as may be promulgated by notice in the Government Gazette of South Africa pursuant to section 96(2)(a) of the Companies Act.

Information made available in this Programme Memorandum should not be considered as "advice" as defined in the Financial Advisory and Intermediary Services Act, 2002.

United States

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that:

- (a) the Notes in that Tranche have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons except in certain transactions exempt from the registration requirements of the Securities Act;
- (b) it has not offered, sold or delivered any Notes in that Tranche and will not offer, sell or deliver any Notes in that Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 (forty) Days after completion of the distribution, as determined and certified by the Dealer or, in the case of an issue of such Notes on a syndicated basis, the relevant Lead Manager, of all Notes of the Series of which that Tranche of Notes is a part, within the United States or to, or for the account or benefit of, U.S. Persons;

- (c) it will send to each dealer to which it sells any Notes in that Tranche during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of such Notes within the United States or to, or for the account or benefit of, U.S. Persons; and
- (d) it, its Affiliates and any Persons acting on its or any of its Affiliates behalf have not engaged and will not engage in any directed selling efforts in the United States (as defined in Regulation S under the Securities Act) with respect to the Notes in that Tranche and it, its Affiliates and any Persons acting on its or any of its Affiliates' behalf have complied and will comply with the offering restrictions requirements of Regulation S.

Until 40 (forty) Days after the commencement of the offering of a Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the Securities Act.

European Economic Area

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that, in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a **Relevant Member State**), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of any of such Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of any of such Notes to the public in that Relevant Member State:

- (a) if the applicable final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a **Public Offer**), following the date of publication of a prospectus in relation to those Notes which has been approved by the competent authority in that Relevant Member State in accordance with the Prospectus Directive or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the applicable final terms contemplating such Public Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or such final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Public Offer; or
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive; or
- (c) at any time to fewer than 100 or, if the relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (d) above shall require 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.

For the purposes of this provision, the expression an "*offer of Notes to the public*" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and 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 each Relevant Member State and the expression "*2010 PD Amending Directive*" means Directive 2010/73/EU.

The Netherlands

Prior to the issue of any Tranche of Notes under the Programme, each Dealer has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that it will not make an offer of Notes to the public in the Netherlands in reliance on Article 3(2) of the Prospectus Directive that unless the relevant Final Terms specify that Article 5:20(5) Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (the **DFSA**) is not applicable, it will not make an offer of Notes to the public in the Netherlands in reliance on Article 3(2) of the Prospectus Directive unless (i) such offer is made exclusively to persons or entities which are qualified investors as defined in the DFSA or (ii) standard exemption wording is disclosed as required by Article 5:20(5) of the DFSA, provided that no such offer of Notes shall require 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.

United Kingdom

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that:

- (a) in relation to any of the Notes in that Tranche which have a maturity of less than one year, (i) it is a Person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any of such Notes other than to Persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of such Notes would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act, 2000 (the **FSMA**) by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any of the Notes in that Tranche under circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any of the Notes in that Tranche in, from or otherwise involving the United Kingdom.

General

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to agree that:

- (a) it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in each jurisdiction in which it purchases, subscribes or procures the subscription for, offers or sells Notes in that Tranche or has in its possession or distributes the Programme Memorandum and will obtain any consent, approval or permission required by it for the purchase, subscription, offer or sale by it of Notes in that Tranche under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, subscription, offers or sales; and
- (b) it will comply with such other or additional restrictions as the Issuer and such Dealer agree and as are set out in the Applicable Pricing Supplement.

Neither the Issuer nor any of the Dealers represent that Notes may at any time lawfully be subscribed for or sold in compliance with any applicable registration or other requirements in any jurisdiction or pursuant to any exemption available thereunder nor assumes any responsibility for facilitating such subscription or sale.

TAXATION

Capitalised terms used in this section headed "Taxation" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The comments below are intended as a general guide to the relevant tax laws of South Africa as at the Programme Date. The contents of this section headed "Taxation" do not constitute tax advice and do not purport to describe all of the considerations that may be relevant to a prospective subscriber for or purchaser of any Notes. Prospective subscribers for or purchasers of any Notes should consult their professional advisers in this regard.

South Africa

The following is a summary of the material South African income tax consequences of the acquisition, ownership and disposition of the Notes by South African tax residents who are beneficial owners of the Notes. This summary deals only with initial purchasers of the Notes that hold the Notes as capital assets for South African tax purposes. The summary does not cover all aspects of South African income tax that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of the Notes by particular investors and does not address any taxes other than South African income tax imposed under the Income Tax Act, 1962 (the **Income Tax Act**).

Securities Transfer Tax

The issue, transfer and redemption of the Notes will not attract securities transfer tax under the Securities Transfer Tax Act, 2007 (the **STT Act**) because the Notes do not constitute "*securities*" as defined in the STT Act. Any future transfer duties and/or taxes that may be introduced in respect of (or applicable to) the transfer of Notes will be for the account of holders of the Notes.

Value-Added Tax

No value-added tax (**VAT**) is payable on the issue or transfer of the Notes. The issue, sale or transfer of the Notes constitute "*financial services*" as defined in section 2 of the Value-Added Tax Act, 1991 (the **VAT Act**). In terms of section 2 of the VAT Act, the issue, allotment, drawing, acceptance, endorsement or transfer of ownership of a debt security as well as the buying and selling of derivatives constitute a financial service, which is exempt from VAT in terms of section 12(a) of the VAT Act. The Notes constitute "*debt securities*" as defined in section 2(2)(iii) of the VAT Act.

However, commissions, fees or similar charges raised for the facilitation of the issue, allotment, drawing, acceptance, endorsement or transfer of ownership of Notes that constitute "*debt securities*" will be subject to VAT at the standard rate (currently 14 percent.), except where the recipient is a non-resident as contemplated below.

Services (including exempt financial services) rendered to non-residents who are not in South Africa when the services are rendered, are subject to VAT at the zero rate in terms of section 11(2)(l) of the VAT Act.

Income Tax

Under current taxation law effective in South Africa, a "*resident*" (as defined in section 1 of the Income Tax Act) is subject to income tax on his/her world-wide income. Accordingly, all holders of Notes who are residents of South Africa will generally be liable to pay income tax, subject to available deductions, allowances and exemptions, on any income (including income in the form of interest) earned in respect of the Notes.

Non residents of South Africa are subject to income tax on all income derived from a South African source (subject to applicable double taxation treaties). Under current law, interest income is derived from a South African source if it is incurred by a South African tax resident (unless it is attributable to a foreign permanent establishment of that resident) or if it is derived from the utilisation or application in South Africa by any Person of funds or credit obtained in terms of any form of "*interest-bearing arrangement*". The Notes will constitute an "*interest-bearing arrangement*". The Issuer is tax resident in South Africa as at the date of the Programme, accordingly, the interest earned by a Noteholder will be from a South African source and subject to South African income tax unless such interest income is exempt from South African income tax under section 10(1)(h) of the Income Tax Act (see below).

Under section 10(1)(h) of the Income Tax Act (which is effective for all amounts of interest that accrue or is paid on or after 1 July 2013), any amount of interest which is received or accrued (during any year of assessment) by or to any Person that is not a resident of South Africa is exempt from income tax, unless that Person:

- (a) is a natural person who was physically present in South Africa for a period exceeding 183 days in aggregate during the twelve-month period preceding the date on which the interest is received or accrued by or to that person; or
- (b) at any time during that year carried on business through a permanent establishment in South Africa.

In terms of the draft Taxation Laws Amendment Bill, 2013 (the **TLAB 2013**), the implementation of the above amendments to section 10(1)(h) will be delayed until 1 January 2015. It is proposed that section 10(1)(h)(b) be amended to provide that the exemption will not apply where the debt from which the interest arose is effectively connected to a permanent establishment in South Africa if a tax reference number, as defined in the Tax Administration Act, has been allocated to that person. If the TLAB 2013 becomes law, until 1 January 2015, under section 10(1)(h), interest which accrues or is paid to a non-resident will be exempt from South African tax unless that person:

- (a) is a natural person who was physically present in South Africa for a period exceeding 183 days in aggregate during that year; or
- (b) at any time during that year carried on a business through a permanent establishment in South Africa.

If a Noteholder does not qualify for the exemption under section 10(1)(h) of the Income Tax Act, an exemption from or reduction of any South African tax liability may be available under an applicable double taxation agreement. Furthermore, certain entities may be exempt from income tax. Investors are advised to consult their own professional advisers as to whether the interest income earned on the Notes will be exempt under section 10(1)(h) of the Income Tax Act or under an applicable double taxation agreement.

In terms of section 24J of the Income Tax Act, broadly speaking, any discount or premium to the principal amount of a Note is treated as part of the interest income on the Note. Interest income which accrues (or is deemed to accrue) to a Noteholder is deemed, in accordance with section 24J of the Income Tax Act, to accrue on a day-to-day basis until that Noteholder disposes of the Note or until maturity unless an election has been made by the Noteholder (if the Noteholder is entitled under section 24J(9) of the Income Tax Act to make such election) to treat its Notes as trading stock on a mark-to-market basis. This day-to-day basis accrual is determined by calculating the yield to maturity (as defined in section 24J of the Income Tax Act) and applying this rate to the capital involved for the relevant tax period. The premium or discount is treated as interest for the purposes of the exemption under section 10(1)(h) of the Income Tax Act. With effect from 1 January 2014, the section 24J(9) election is no longer available and with effect from that date, section 24JB will deal with the fair value taxation of financial instruments for certain types of taxpayers.

Capital Gains Tax

The disposal of Notes by residents of South Africa are subject to the capital gains tax provisions contained in the Eighth Schedule of the Income Tax Act. Any discount or premium on acquisition which has already been treated as interest for income tax purposes, under section 24J of the Income Tax Act will not be taken into account when determining any capital gain or loss. Under section 24J(4A) of the Income Tax Act a loss on disposal will, to the extent that it has previously been included in taxable income (as interest), be allowed as a deduction from the taxable income of the holder when it is incurred and accordingly will not give rise to a capital loss.

Capital gains tax under the Eighth Schedule to the Income Tax Act will not be levied in relation to Notes disposed of by a Person who is not a resident of South Africa unless the Notes disposed of are attributable to a permanent establishment of that Person in South Africa.

Purchasers are advised to consult their own professional advisers as to whether a disposal of Notes will result in a liability to capital gains tax.

Withholding Tax

Under current taxation law in South Africa, all payments made under the Notes to resident and non-resident Noteholders will generally be made free of withholding or deduction for or on account of any taxes, duties, assessments or governmental charges in South Africa.

The withholding tax on interest was introduced into the Income Tax Act by the Taxation Laws Amendment Act, 2010 and the Taxation Laws Amendment Act, 2012 in terms of which the introduction of the withholding tax on interest will come into effect on 1 July 2013 and will be applicable in respect of interest that accrues, or interest that is paid or that becomes due and payable on or after 1 July 2013. The South African Minister of Finance subsequently indicated in the 2013 Budget Speech that the date of effectiveness of the withholding tax provisions will be deferred until 1 March 2014, however this deferral has not yet been passed or promulgated into law and will only take effect when this has occurred. Nevertheless, under the TLAB 2013, it is proposed that the implementation of the interest withholding tax will be 1 January 2015 and will apply to interest received or accrued on or after that date. It is proposed that the withholding tax will be imposed at the rate of 15 per cent. of the amount of any interest that is paid by any Person to or for the benefit of any foreign Person to the extent that such amount of interest is from a South African source in terms of the Income Tax Act. For the purposes of the withholding tax, a “foreign Person” is defined as any Person that is not a resident. Accordingly, to the extent that any interest is paid to Noteholders who are South African tax residents, the withholding tax will not apply.

In terms of the proposed legislation, South African sourced interest that is paid to a foreign Person in respect of any listed debt will be exempt from the withholding tax on interest. In terms of the legislation, a “listed debt” is a debt that is listed on a recognised exchange as defined in the Income Tax Act. Also exempt from the withholding tax on interest is any amount of interest from a South African source paid to a foreign Person if firstly, such foreign Person is a natural Person who was physically present in South Africa for a period exceeding 183 days in aggregate during the twelve month period preceding the date on which the interest is paid or secondly, to a foreign Person who at any time during the twelve month period preceding the date on which the interest is paid carried on business in South Africa through a permanent establishment. Under the TLAB 2013, it is proposed that the second exemption will apply if the debt claim in respect of which that interest is paid is effectively connected to a permanent establishment of that person in South Africa and that person is registered as a taxpayer in terms of Chapter 3 of the Tax Administration Act.

Documentary requirements exist in order to rely on the latter exemption.

Definition of Interest

The references to “interest” above mean “interest” as understood in South African tax law. The statements above do not take account of any different definitions of “interest” or “principal” which may prevail under any other law or which may be created by the Terms and Conditions or any related documentation.

The Netherlands

This is a general summary and the tax consequences as described here may not apply to a holder of Notes. Any potential investor should consult his own tax adviser for more information about the tax consequences of acquiring, owning and disposing of Notes in his particular circumstances.

This taxation summary solely addresses the principal Dutch tax consequences of the acquisition, the ownership and disposition of Notes issued by the Issuer and the performance by TMFNL of its obligations under the Guarantee after the date hereof held by a holder of Notes who is not a resident of the Netherlands. It does not consider every aspect of taxation that may be relevant to a particular holder of Notes under special circumstances or who is subject to special treatment under applicable law. Where in this summary English terms and expressions are used to refer to Dutch concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Dutch concepts under Dutch tax law.

This summary is based on the tax laws of the Netherlands as they are in force and in effect on the date of this Information Memorandum. The laws upon which this summary is based are subject to change, potentially with retroactive effect. A change to such laws may invalidate the contents of this summary, which will not be updated to reflect any such change. This summary assumes that each transaction with respect to Notes is at arm's length.

Withholding Tax

All payments under the Notes or under the Guarantee may be made free of withholding or deduction of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

Taxes on Income and Capital Gains

A holder of Notes will not be subject to any Netherlands taxes on income or capital gains in respect of Notes, including such tax on any payment under Notes or under the Guarantee or in respect of any gain realised on the disposal, deemed disposal or exchange of Notes, provided that:

- (i) such holder is neither a resident nor deemed to be a resident of the Netherlands, nor, if he is an individual, has elected to be taxed as a resident of the Netherlands;
- (ii) such holder does not have an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise, as the case may be, Notes are attributable;
- (iii) if such holder is an individual, neither such holder nor any of his spouse, his partner, a person deemed to be his partner, or other persons sharing such person's house or household, or certain other of such persons' relatives (including foster children), whether directly and/or indirectly as (deemed) settlor, grantor or similar originator (the **Settlor**), or upon the death of the Settlor, his beneficiaries (the **Beneficiaries**) in proportion to their entitlement to the estate of the Settlor of a trust, foundation or similar arrangement (the **Separated Private Assets**), (a) indirectly has control of the proceeds of Notes in the Netherlands, nor (b) has a substantial interest in TMF and/or any other entity that legally or *de facto*, directly or indirectly, has control of the proceeds of Notes in the Netherlands. For purposes of this clause (iii), a substantial interest is generally not present if a holder does not hold, alone or together with his spouse, his partner, a person deemed to be his partner, or other persons sharing such person's house or household, or certain other of such person's relatives (including foster children), whether directly or indirectly, (a) the ownership of, certain other rights, such as usufruct, over, or rights to acquire (whether or not already issued), shares representing 5 per cent. or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of a company; (b) the ownership of, or certain other rights, such as usufruct, over profit participating certificates (*winstbewijzen*), or membership rights in a co-operative association, that relate to 5 per cent. or more of the annual profit of a company or co-operative association or to 5 per cent. or more of the liquidation proceeds of a company or co-operative association; or (c) membership rights representing 5 per cent. or more of the voting rights in a co-operative association's general meeting;
- (iv) if such holder is a company, such holder does not have a substantial interest in TMF or if such holder does have such a substantial interest, it can be allocated to the holder's business assets. For purpose of this clause (iv), a substantial interest is generally not present if a holder does not hold, whether directly or indirectly, (a) the ownership of, certain other rights, such as usufruct, over, or rights to acquire (whether or not already issued) shares representing 5 per cent. or more of the total issued and outstanding capital (or of the issued and outstanding capital of any class of shares) of a company; or (b) the ownership of, or certain other rights, such as usufruct, over profit participating certificates (*winstbewijzen*) that relate to 5 per cent. or more of the annual profit of a company or to 5 per cent. or more of the liquidation proceeds of a company; and
- (v) if such holder is an individual, such income or capital gain does not form a "benefit from miscellaneous activities" in the Netherlands (*resultaat uit overige werkzaamheden*) which, for instance, would be the case if the activities in the Netherlands with respect to the Notes exceed "normal active asset management" (*normaal, actief vermogensbeheer*).

A holder of Notes will not be subject to taxation in the Netherlands by reason only of the execution, delivery and/or enforcement of the documents relating to an issue of Notes (including the Guarantee) or the performance by TMF of its obligations thereunder.

Gift, Estate and Inheritance Taxes

No gift, estate or inheritance taxes will arise in the Netherlands with respect to an acquisition of Notes by way of a gift by, or on the death of, a holder of Notes who is neither resident nor deemed to be resident in the Netherlands for Netherlands gift, estate or inheritance tax purposes, unless in the case of a gift of Notes by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands.

For gift, estate and inheritance tax purposes, (i) a gift by a third party such as a trustee, foundation or similar entity or arrangement, will be construed as a gift by the Settlor, and (ii) upon the death of the Settlor, as a rule, his Beneficiaries, will be deemed to have inherited directly from the Settlor. Subsequently, the Beneficiaries will be deemed the Settlor of the Separated Private Assets for purposes of the Netherlands gift, estate and inheritance tax in case of subsequent gifts or inheritances.

Turnover Tax

No Netherlands turnover tax will arise in respect of any payment in consideration for the issue of Notes with respect to any cash settlements of Notes or with respect to the delivery of the Notes.

Other Taxes and Duties

No Netherlands registration tax, capital tax, custom duty, transfer tax, stamp duty or any other similar documentary tax or duty, other than court fees, will be payable in the Netherlands in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including the enforcement of any foreign judgment in the Courts of the Netherlands) of the documents relating to the issue of Notes (including the Guarantee) or the performance by TMF of its obligations thereunder

SOUTH AFRICAN EXCHANGE CONTROL

Capitalised terms used in this section headed "South African Exchange Control" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The information below is intended as a general guide to the position under the Exchange Control Regulations as at the Programme Date. The Exchange Control Regulations are subject to change at any time without notice. The contents of this section headed "South African Exchange Control" do not constitute exchange control advice and do not purport to describe all of the considerations that may be relevant to a prospective subscriber for or purchaser of any Notes. Prospective subscribers for or purchasers of any Notes should consult their professional advisers in this regard.

For purposes of this section, **Common Monetary Area** means South Africa, Lesotho, Namibia, and Swaziland.

Non-South African resident Noteholders and emigrants from the Common Monetary Area

Dealings in the Notes and the performance by the Issuer of its obligations under the Notes and the Applicable Terms and Conditions may be subject to the Exchange Control Regulations.

Blocked Rands

Blocked Rands may be used for the subscription for or purchase of Notes. Any amounts payable by the Issuer in respect of the Notes subscribed for or purchased with Blocked Rands may not, in terms of the Exchange Control Regulations, be remitted out of South Africa or paid into any non-South African bank account.

Emigrants from the Common Monetary Area

Any Individual Certificates issued to Noteholders who are emigrants from the Common Monetary Area will be endorsed "*emigrant*". Such restrictively endorsed Individual Certificates shall be deposited with an authorised foreign exchange dealer controlling such emigrant's blocked assets.

In the event that a Beneficial Interest in Notes is held by an emigrant from the Common Monetary Area through the CSD, the securities account maintained for such emigrant by the relevant Participant will be designated as an "*emigrant*" account.

Any payments of interest and/or principal due to a Noteholder who is an emigrant from the Common Monetary Area will be deposited into such emigrant Noteholder's Blocked Rand account, as maintained by an authorised foreign exchange dealer. The amounts are not freely transferable from the Common Monetary Area and may only be dealt with in terms of the Exchange Control Regulations.

Non-residents of the Common Monetary Area

Any Individual Certificates issued to Noteholders who are not resident in the Common Monetary Area will be endorsed "*non-resident*". In the event that a Beneficial Interest in Notes is held by a non-resident of the Common Monetary Area through the CSD, the securities account maintained for such Noteholder by the relevant Participant will be designated as a "*non-resident*" account.

It will be incumbent on any such non-resident Noteholder to instruct the non-resident's nominated or authorised dealer in foreign exchange as to how any funds due to such non-resident in respect of Notes are to be dealt with. Such funds may, in terms of the Exchange Control Regulations, be remitted abroad only if the relevant Notes are acquired with foreign currency introduced into South Africa and provided that the relevant Individual Certificate has been endorsed "*non-resident*" or the relevant securities account has been designated as a "*non-resident*" account, as the case may be.

The Issuer is established and resident in South Africa and as such is not required to obtain exchange control approval.

GENERAL INFORMATION

Capitalised terms used in this section headed "General Information" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

Authorisation

All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer under the laws of South Africa as at the Programme Date have been given for the establishment of the Programme and the issue of Notes and for the Issuer to undertake and perform its obligations under the Programme Memorandum and the Notes.

Listing

The Programme Memorandum was approved by the JSE on 23 August 2013. Notes to be issued under the Programme will be listed on the Interest Rate Market of the JSE or any other Financial Exchange. Unlisted Notes may also be issued under the Programme Memorandum.

Documents Available

So long as the Notes are capable of being issued under the Programme, copies of the documents incorporated under the section headed "*Documents Incorporated by Reference*" will, when published, be available at the registered office of the Issuer as set out at the end of this Programme Memorandum. This Programme Memorandum, together with any supplement and/or amendment thereto, and the Applicable Pricing Supplements for listed Notes will also be available on the Issuer's website at <http://www.toyota.co.za/finance>. In addition, this Programme Memorandum, together with any supplement and/or amendment thereto, and the Applicable Pricing Supplements relating to any issue of listed Notes will be filed with the JSE which will publish such documents on its website at <http://www.jse.co.za>.

Material Change

As at the Programme Date, and after due and careful inquiry, there has been no material change in the financial or trading position of the Issuer and TMFNL since the date of the Issuer's and TMFNL's latest audited financial statements. As at the Programme Date, there has been no involvement by Deloitte & Touche in making the aforementioned statement.

Litigation

Save as disclosed herein, neither the Issuer, TMFNL nor any of its respective Subsidiaries is or has been involved in any legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had a significant effect on the financial position of the Issuer, TMFNL or its consolidated Subsidiaries.

Auditors

Deloitte & Touche has acted as the auditors of the financial statements of the Issuer for the financial years ended 31 March 2011, 2012 and 2013 and, in respect of these years, have issued unqualified audit reports.

ISSUER

TOYOTA FINANCIAL SERVICES (SOUTH AFRICA) LIMITED

(registration number 1982/010082/06)

15 Spartan Crescent
Spartan House
Sandton, 2196
South Africa
P.O.Box 481
Bergvlei, 2012
Contact: Ms K Pillay

GUARANTOR

Toyota Motor Finance (Netherlands) B.V.

(registration number 33194984)

World Trade Center Amsterdam
Tower H, Level 10
Zuidplein 90
1077 XV Amsterdam
The Netherlands
Contact: W. ML Patrick

ARRANGER

FirstRand Bank Limited

(acting through its Rand Merchant division)

(registration number 1929/001225/06)

1 Merchant Place
Cnr Fredman Drive and Rivonia Road
Sandton, 2196
South Africa
P.O. Box 786273
Sandton, 2146
South Africa
Contact: Mr B Martin

DEALERS

Absa Corporate and Investment Bank (a division of Absa Bank Limited)

(registration number 1986/004794/06)

15 Alice Lane
Sandton, 2196
South Africa
Private Bag X10056
Sandton, 2146
South Africa
Contact: Ms P Nana

Deutsche Bank AG, Johannesburg branch

(registration number 1998/003298/10)

Deutsche Bank AG, Corporate Clients, 3
Exchange Square
87 Maude Street
Sandton, 2196
Johannesburg, South Africa
Private Bag X9933
Sandton, 2146
South Africa
Contact: Ms S Gross

Nedbank Limited
(acting through its Nedbank Capital division)
 (registration number 1951/000009/06)
 135 Rivonia Road
 Sandown
 Sandton, 2196
 South Africa
 P.O. Box 1144
 Johannesburg, 2000
 South Africa
 Contact: Mr B Stewart

FirstRand Bank Limited
(acting through its Rand Merchant division)
 (registration number 1929/001225/06)
 1 Merchant Place
 Cnr Fredman Drive and Rivonia Road
 Sandton, 2196
 South Africa
 P.O. Box 786273
 Sandton, 2146
 South Africa
 Contact: Mr B Martin

The Standard Bank of South Africa Limited
(acting through its Corporate and Investment Banking division)
 (registration number: 1962/000738/06)
 5th Floor, Standard Bank Centre
 3 Simmonds Street
 Johannesburg, 2001
 South Africa
 P.O. Box 4425
 Johannesburg, 2000
 South Africa
 Contact: Ms M McDonald

JSE DEBT SPONSOR

FirstRand Bank Limited
(acting through its Rand Merchant division)
 (registration number 1929/001225/06)
 1 Merchant Place
 Cnr Fredman Drive and Rivonia Road
 Sandton, 2196
 South Africa
 P.O. Box 786273
 Sandton, 2146
 South Africa
 Contact: Mr B Martin

TRANSFER AGENT AND CALCULATION AGENT

FirstRand Bank Limited
(acting through its Rand Merchant division)
 (registration number 1929/001225/06)
 1 Merchant Place
 Cnr Fredman Drive and Rivonia Road
 Sandton, 2196
 South Africa
 P.O. Box 786273
 Sandton, 2146
 South Africa
 Contact: Mr B Martin

PAYING AGENT

FirstRand Bank Limited
(acting through its Rand Merchant division)
 (registration number 1929/001225/06)
 Bank City
 3 First Place Mezzanine Floor
 Cnr Simmonds and Jeppe Streets
 Johannesburg, 2001
 South Africa
 P.O. Box 7713
 Johannesburg, 2000
 South Africa
 Contact: Mr B Martin

**LEGAL ADVISERS TO THE ISSUER, ARRANGER AND DEALERS
AS TO SOUTH AFRICAN LAW**

Bowman Gilfillan Inc.
(registration Number: 1998/021409/21)
165 West Street
Sandown
Sandton, 2196
South Africa
P.O. Box 785812
Sandton, 2146
South Africa
Contact: Mr C van Heerden

AUDITORS TO THE ISSUER

Deloitte & Touche
Deloitte & Touche Place
The Woodlands
20 Woodlands Drive
Woodmead
Sandton, 2196
South Africa
Private Bag X 6
Gallo Manor
Johannesburg, 2052
South Africa
Contact: Mr S Sithole



This Guarantee is made on 23 August 2013

BY:

- (1) **TOYOTA MOTOR FINANCE (NETHERLANDS) B.V.** (trade registration number 33194984) a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands, having its principal office at World Trade Center Amsterdam, Tower H, Level 10, Zuidplein 90, 1077 XV Amsterdam, the Netherlands (the **Guarantor**)

IN FAVOUR OF:

- (2) **THE HOLDERS** for the time being and from time to time of the New Notes referred to below.

WHEREAS:

- (A) Pursuant to a guarantee given in favour of the noteholders dated 29 November 2005 (the **2005 Guarantee**), the Guarantor guaranteed the payment by Toyota Financial Services (South Africa) Limited (the **Guaranteed Issuer**) of all sums expressed to be payable in respect of the Notes issued under the Programme.
- (B) The Guaranteed Issuer seeks to update the Programme Memorandum and has accordingly prepared the New Programme Memorandum.
- (C) The Guarantor has agreed that, with effect from the date hereof, the Guarantor shall guarantee the payment by the Guaranteed Issuer of all sums expressed to be payable in respect of the Notes issued under the New Programme Memorandum on or after the date hereof (the **New Notes**), on the terms of this Guarantee.
- (D) The Guarantor shall have no liability in respect of the New Notes under the 2005 Guarantee.
- (E) This does not affect the Guarantor's guarantee of payments by the Guaranteed Issuer of principal and interest in respect of Notes issued under the Programme prior to the date hereof (the **Existing Notes**) which shall continue to have the benefit of the 2005 Guarantee.

THIS GUARANTEE WITNESSES as follows:

1. **INTERPRETATION**

1.1. In this Guarantee:

- 1.1.1. **Beneficial Interest** means the undivided share of a co-owner of the New Notes as provided in section 37 of the Financial Markets Act;
- 1.1.2. **Paying Agent** means FirstRand Bank Limited, acting through its Rand Merchant Bank Division or, in relation to any Tranche of Notes, such other person specified in the Applicable Pricing Supplement as the Paying Agent;
- 1.1.3. **New Programme Memorandum** means the updated programme memorandum in respect of the Programme dated 23 August 2013;
- 1.1.4. **Notes** means secured or unsecured Notes issued or to be issued by the Guaranteed Issuer under the Programme, pursuant to the New Programme Memorandum;
- 1.1.5. **Noteholders** (and each a **Noteholder**) means the holders of the Registered Notes (as recorded in the Register) registered in the name of, and held by Strate Limited, or its nominee, each holder of a Beneficial Interest (in which regard any certificate or other document issued by a Participant, as to the nominal amount of such Beneficial Interest in Notes standing to the account of any person shall be *prima facie* proof of such Beneficial Interest), shall be treated by the Guarantor as the Noteholder of such nominal amount of such Notes (represented by such Beneficial Interest) for all purposes under this Guarantee;
- 1.1.6. **Participants** means depositary institutions accepted by Strate Limited as participants in terms of the Financial Markets Act;

- 1.1.7. **person** means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;
- 1.1.8. **Programme** means the Domestic Medium Term Note Programme established pursuant to a programme memorandum dated 30 November 2005 under which the Guaranteed Issuer may, from time to time, issue Notes; and
- 1.1.9. **Programme Memorandum** means the programme memorandum of 30 November 2005 in respect of the Programme, as supplemented from time to time,

Defined terms which do not contain their own definition herein, shall bear the same meaning herein as given in the section headed "*Terms and Conditions of the Notes*" in the New Programme Memorandum.

- 1.2. Any reference in this Guarantee to a Clause is, unless otherwise stated, to a clause hereof.
- 1.3. Any reference in this Guarantee to a statute, any provision thereof or to any statutory instrument, order or regulation made thereunder shall be construed as a reference to such statute, provision, statutory instrument, order or regulation as the same may have been, or may from time to time be, amended, consolidated, extended or re-enacted (whether before or after the date of this Guarantee).
- 1.4. Headings and sub-headings are for ease of reference only and shall not affect the construction of this Guarantee.
- 1.5. Any reference in this Guarantee to the CSD shall, wherever the context so permits, be deemed to include reference to its successor or any additional or alternative depository approved by the Guaranteed Issuer and the Guarantor.
- 1.6. Words used in this Guarantee denoting the masculine gender shall include the feminine gender also, words denoting persons only shall include companies, corporations and partnerships and words importing the singular number shall include the plural and in each case *vice versa*.
- 1.7. References to any document or agreement are to be construed as references to such document or agreement as is in force for the time being and as amended, varied, supplemented, substituted or novated from time to time.
- 1.8. A reference to the "winding-up" or "dissolution" of a person shall be construed so as to include any equivalent or analogous proceedings under the law of any jurisdiction in which any person is established, organised or incorporated or any jurisdiction in which such person carries on business.
- 1.9. A reference to "bankruptcy proceedings" shall be construed so as to include any proceedings, suits or actions for the bankruptcy, liquidation, administration, receivership, emergency regulations, suspension of payments, arrangement or relief of debtors, or the appointment of a bankruptcy trustee, administrator, administrative receiver, liquidator, trustee or similar official, and any equivalent or analogous proceedings under the law of the jurisdiction pursuant to which the person is organised, established or incorporated or in any jurisdiction in which such person carries on business.

2. GUARANTEE AND INDEMNITY

2.1. The Guarantor hereby:

- 2.1.1. unconditionally and irrevocably guarantees to each holder of a New Note (the **New Noteholders**) the due and punctual payment of all sums from time to time payable by the Guaranteed Issuer in respect of such New Note (the **New Guaranteed Obligations**), for so long as such New Notes are outstanding, as and when the same become due and payable, as its own primary obligations and not as co-debtor (*medeschuldenaar*), as a surety (*borgtocht*) or a contract of joint and several liability (*hoofdelijkheidsverklaring*), and accordingly undertakes to pay to such New Noteholder forthwith upon demand of such New Noteholder and in the manner and currency prescribed by such New Note for payments by the Guaranteed Issuer in respect of the New Notes any and every sum or sums which the Guaranteed Issuer is at any time liable to pay in respect of such New Note and

which the Guaranteed Issuer has failed to pay; and

- 2.1.2. undertakes to each New Noteholder that, if any sum referred to in Clause 2.1.1 is not recoverable from the Guaranteed Issuer thereunder for any reason whatsoever (including, without limitation, by reason of any New Note or any provision thereof being or becoming void, unenforceable or otherwise invalid under any applicable law), then, (notwithstanding that the same may have been known to such New Noteholder) the Guarantor will, as a sole, original and independent obligor, forthwith upon demand by such New Noteholder, pay such sum by way of a full indemnity in the manner and currency as is provided for in the New Notes and indemnify each New Noteholder against all losses, claims, costs, charges and expenses to which it may be subject or which it may incur under or in respect of the New Notes or this Guarantee. This indemnity constitutes a separate, abstract, additional and independent obligation from the other obligations under this Guarantee and shall give rise to a separate and independent cause of action.
- 2.2. The Guaranteed Issuer shall be deemed to have discharged its obligations to pay holders of Beneficial Interests at such time as all amounts payable have been placed at the disposal of the CSD or its nominee, in which case the Guarantor is also discharged of such obligations.
- 2.3. This Guarantee is a guarantee for the benefit of each New Noteholder from time to time. Upon transfer of any such New Note, a New Noteholder thereof shall no longer have any rights hereunder with respect to such New Note. The rights under this Guarantee with respect to a New Note are not separately transferable from such New Note. It is specifically intended by the parties hereto that the rights under this Guarantee with respect to any New Note shall be transferred by operation of law under Article 6:251 of the Dutch Civil Code (DCC) to a subsequent New Noteholder of that New Note.
- 2.4. To the extent that any payment in respect of any settlement or discharge (**Payment**) between the Guaranteed Issuer and the Noteholders (or any individual Noteholder) may be avoided or reduced by the Guaranteed Issuer (or any other person on the Guaranteed Issuer's behalf) by virtue of any applicable provisions or enactments relating to bankruptcy, insolvency or liquidation, the Noteholders shall each be entitled to recover the amount by which such Payment is so avoided or reduced from such Guarantor subsequently as if such settlement or discharge had not occurred.

3. TAXES AND WITHHOLDINGS

- 3.1. All payments in respect of the New Notes under this Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by The Netherlands and/or the Republic of South Africa or any political subdivision or any authority thereof or therein having power to tax ("**Taxes**"). If the Guarantor or any agent thereof is required by law or regulation to make any withholding or deduction for or on account of Taxes, the Guarantor shall, to the extent permitted by applicable law or regulation, pay such additional amounts as will result in the receipt by the New Noteholders of such amounts as would have been received by them if no such withholding or deduction had been required, except that no such additional amounts shall be payable to a New Noteholder if and to the extent:
 - 3.1.1. such New Noteholder had been able to avoid or reduce such withholding or deduction by completing any procedural formalities but has failed to do so; or
 - 3.1.2. such Taxes had not been imposed but for such New Noteholder having some connection with The Netherlands or the Republic of South Africa other than the mere holding of and payment in respect of the relevant New Note; or
 - 3.1.3. such Taxes had not been so imposed but for the presentation by the holder of such New Note for payment on a date more than 15 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later; or
 - 3.1.4. such Taxes arise in connection with the US Foreign Account Tax Compliance Act and/or in connection with any treaties, legislation, regulations, intergovernmental agreements and/or agreements with the US Internal Revenue Service, the US government or any

governmental or taxation authority in any other jurisdiction facilitating the implementation thereof.

4. **PRESERVATION OF RIGHTS**

- 4.1. The obligations of the Guarantor hereunder shall be deemed to be undertaken as principal obligor and not merely as surety (*borgtocht*) or a contract of joint and several liability and as such constitute its independent, abstract and primary obligations.
- 4.2. The obligations of the Guarantor hereunder shall be continuing obligations notwithstanding any settlement of account or other matter or thing whatsoever and, in particular but without limitation, shall not be considered satisfied by any intermediate payment or satisfaction of all or any of the Guaranteed Issuer's obligations under or in respect of any New Note and shall continue in full force and effect until the earlier of the date on which either (i) all sums due from the Guaranteed Issuer in respect of each New Note have been paid, and (ii) all obligations of the Guaranteed Issuer thereunder or in respect thereof have been satisfied in full.
- 4.3. Neither the obligations expressed to be assumed by the Guarantor herein nor the rights, powers and remedies conferred upon the New Noteholders by this Guarantee or by law shall be discharged, impaired or otherwise affected by:
 - 4.3.1. the bankruptcy, winding-up, liquidation or dissolution of the Guaranteed Issuer or any change in the Guaranteed Issuer's status, function, control or ownership; or
 - 4.3.2. any of the obligations of the Guaranteed Issuer under any of the New Notes being or becoming illegal, invalid or unenforceable; or
 - 4.3.3. time or other indulgence being granted or agreed to be granted to the Guaranteed Issuer in respect of its obligations under or in respect of the New Notes; or
 - 4.3.4. any amendment to, or any variation, waiver or release of, any obligation of the Guaranteed Issuer under any of the New Notes or any security or other guarantee or indemnity in respect thereof; or
 - 4.3.5. any other act, event or omission which, but for this sub-clause, might operate to discharge, impair or otherwise affect the obligations expressed to be assumed by the Guarantor herein or any of the rights, powers or remedies conferred upon the New Noteholders or any of them by the Guarantee or by law.
- 4.4. No New Noteholder shall be obliged before exercising any of the rights, powers or remedies conferred upon it by this Guarantee or by law:
 - 4.4.1. to make any demand of the Guaranteed Issuer, other than the presentation of the relevant New Note; or
 - 4.4.2. to take any action or obtain judgment in any court against the Guaranteed Issuer; or
 - 4.4.3. to make or file any claim or proof in a winding-up or dissolution of the Guaranteed Issuer,
- 4.5. The Guarantor agrees that, so long as any sums are or may be owed by the Guaranteed Issuer in respect of the New Notes or the Guaranteed Issuer is under any actual or contingent obligation thereunder, the Guarantor shall not exercise any right which the Guarantor may at any time have by reason of performance by the Guarantor of its obligations hereunder:
 - 4.5.1. to be indemnified by the Guaranteed Issuer, and/or
 - 4.5.2. to claim any contribution from any other guarantor of the Guaranteed Issuer's obligations under or in respect of the New Notes; and/or
 - 4.5.3. to take the benefit (in whole or in part) of any security enjoyed in connection with the New Notes by any New Noteholder; and/or
 - 4.5.4. to be subrogated to the rights of any New Noteholder against the Guaranteed Issuer in respect of amounts paid by the Guarantor under this Guarantee.
- 4.6. The Guarantor undertakes that its obligations hereunder will at all times rank at least *pari passu*

with all other present and future unsecured and unsubordinated obligations of the Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

5. DEPOSIT OF GUARANTEE

This Guarantee shall be deposited with and held by the Paying Agent until the date on which all the obligations of the Guaranteed Issuer and the Guarantor under or in respect of the New Notes have been discharged in full. The Guarantor hereby acknowledges the right of every New Noteholder to a copy of this Guarantee.

6. STAMP DUTIES

The Guarantor shall pay all stamp, registration and other taxes and duties (including any interest and penalties thereon or in connection therewith) which may be payable in The Netherlands and/or the Republic of South Africa on or in connection with the execution and performance of this Guarantee, and shall indemnify each New Noteholder against any claim, demand, action, liability, damages, costs, loss or expenses (including, without limitation, legal fees and any applicable value added tax) which it may incur as a result or arising out of or in relation to any failure to pay or delay in paying any of the same.

7. BENEFIT OF GUARANTEE

7.1. This Guarantee is given to the New Noteholders with the consequence that the New Noteholders acquire the right to directly demand from the Guarantor the performance of the obligations assumed in this Guarantee. The Paying Agent does not assume any agency, trustee, fiduciary or any similar obligations on behalf of the New Noteholders.

7.2. It is hereby irrevocably agreed and stipulated, for nil consideration ("*om niet*" in the sense of the article referred to), by way of third party stipulation ("*derdenbeding*") in the meaning of Article 6:253 DCC, for the benefit of each New Noteholder (whether present or future) that, to the extent that any such New Noteholder should not become entitled to the rights under this Guarantee with respect to any New Note (whether by operation of Article 6:251 DCC as referred to in Clause 2.3 hereof or otherwise), such New Noteholder shall become a beneficiary of the rights under (and accordingly a party to) this Guarantee as set forth in Article 6:253 DCC upon having become a New Noteholder of such New Notes, Receipts or Coupons (unless such New Noteholder has rejected such stipulation without delay upon having become aware of it).

8. PAYMENTS

8.1. All payments under this Guarantee shall be made *mutatis mutandis* in accordance with Condition 10 (*Payments*) of the Terms and Conditions.

8.2. Payment to the Paying Agent of any sum demanded by a New Noteholder under this Guarantee shall:

8.2.1. be made by the Guarantor to the Paying Agent not later than 5 (five) Business Days after receipt of a demand in accordance with the provisions of Clause 2;

8.2.2. discharge the Guarantor of its applicable obligation to New Noteholders under this Guarantee; and

8.2.3. *pro tanto* discharge the Guaranteed Issuer of its corresponding obligations to New Noteholders under the New Notes.

9. PARTIAL INVALIDITY

If at any time any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provisions under the laws of any other jurisdiction shall in any way be affected or impaired thereby.

10. NOTICES

10.1. All notices and other communications hereunder shall be made in writing (by letter or fax) and shall be sent to the Guarantor at:

World Trade Centre Amsterdam
Tower H, Level 10,
Zuidplein 90,
1077 XV Amsterdam
The Netherlands
Tel: +31 20 502 5310
Fax: +31 20 502 5329
Attention: Chief Executive Officer

or to such other address or fax number or for the attention of such other person or department as the Guarantor has notified to the New Noteholders.

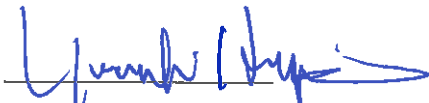
- 10.2. Any communication from any party to any other under this Guarantee shall be effective upon receipt by the addressee, provided that any such notice or other communication which would otherwise take effect after 16:00 (Johannesburg time) on any particular day shall not take effect until 10:00 (Johannesburg time) on the immediately succeeding business day in the place of the addressee.

11. LAW AND JURISDICTION

- 11.1. This Guarantee, and any non-contractual obligations arising out of or in relation to this Guarantee, is governed by, and shall be construed in accordance with the laws of The Netherlands.
- 11.2. The Guarantor agrees for the benefit of the New Noteholders that the district court (*Rechtbank*) in Amsterdam, The Netherlands, shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with this Guarantee including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with this Guarantee, (respectively, **Proceedings** and **Disputes**) and, for such purposes, irrevocably submits to the jurisdiction of such courts.
- 11.3. The Guarantor irrevocably waives any objection which it might now or hereafter have to the abovementioned court being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that such court is not a convenient or appropriate forum.

For and on behalf of

TOYOTA MOTOR FINANCE (NETHERLANDS) B.V.


Name: **YORIYUKI HIRAYAMA**
Capacity: **CHIEF EXECUTIVE**
Who warrants his/her authority hereto:


Name: **W.G. KILPATRICK**
Capacity: **CHIEF FINANCIAL OFFICER**
Who warrants his/her authority hereto: