



Application Form and Product Term Sheet



Out of the Ordinary®

 **Investec**
Wealth & Investment



Application Form and Product Term Sheet

Product name	EURO STOXX 50 Digital Plus ("Digital Plus"/"ESP")
JSE code	ESPIBC
Issuer	Investec Bank Ltd ("IBL"/"Investec")
Minimum investment	R 500,000 (with additional amounts of R10,000)
Offer Closing date	14 February 2014
Trade date	20 February 2014 Initial Index Level is set as the closing level of the Index on this date
Maturity date	26 September 2017 Final Index Level is set as the closing level of the Index on this date
Listing date	Trade Date +10 business days
Allocation date	Listing date +7 business days
Term of investment	3.6 years
Settlement date	Maturity Date + 10 business days
Index	EURO STOXX 50® Index; Bloomberg code: SX5E
Underlying basket	A basket of units in an exchange traded fund listed on the JSE which tracks the Index, selected by IBL, with a market value equal to the Initial Investment, on the Trade Date.
Reference entity	Investec plc ("INP")



EURO STOXX 50 Digital Plus

The terms outlined below are intended to represent the payoff profile of the Digital Plus

The value delivered will be calculated as follows:	<p>If the Final Index Level is greater than the Initial Index Level (provided that no Credit Event has taken place);</p> <p>The Settlement Amount = Initial Investment x (Digital Return + Investment Growth) x CCF</p> <p>OR</p> <p>If the Final Index Level is less than or equal to the Initial Index Level and provided that the Barrier Level has not been breached:</p> <p>Settlement Amount = Initial Investment x Principal Protection x CCF</p> <p>Where: Initial Investment is the Rand amount you invested in the Digital Plus on the Trade Date adjusted as per the EUR/ZAR exchange rate as determined by the CCF.</p>
Principal Protection: Barrier Level not breached	If the Final Index Level is equal to or below 100% of the Initial Index Level, then the Principal Protection in Euro will be 100%, provided the Barrier Level has not been breached.
Principal Protection: Barrier Level has been breached	If the Final Index Level is equal to or below 100% of the Initial Index Level and the Barrier Level has been breached , the investor is exposed to the full downside of the Index from the Initial Index Level.
Barrier Level	60% of the Initial Index Level.
Digital Return	Investec will target a Digital Return of 30% in Euro, however due to the volatile nature of the underlying indices, we reserve the right not to proceed on Trade Date should the level of the Digital Return offered be below 25%.
Investment Growth	Investment Growth in Euro = ((Final Index Level-130% x Initial Index Level)/ Initial Index Level).
Initial Index Level	The closing level of the Index on Trade Date as published by Bloomberg.
CCF	The currency conversion factor, being the ZAR/EUR exchange rate ruling at that time. E.g. where R13.5 equates to one Euro the CCF is 13.5.
Final Index Level	Final Index Level is set as the closing level of the Index on the Maturity Date.

Early Redemptions	<p>Early Redemptions are made by selling the Digital Plus on the JSE and will be subject to the JSE settlement system. IBL will be a market maker for the Digital Plus at the prevailing mark to market rate of the instrument, less a 1% spread.</p> <p>The price of the Digital Plus is subject to various factors including volatility, prevailing interest rates, exchange rates and market levels and investors should be aware that the Principal Protection, if any, is only at maturity.</p> <p>Please note that the JSE price may not reflect the price at which Investec is prepared to trade.</p>
Fees	A distribution fee of 1% per annum (including VAT) for the first 3 years will be paid to Investec Wealth & Investment, a division of Investec Securities Pty Ltd (“IWI”). These fees are priced into the ESP, with 100% allocation of funds into the investment.
Charges	All listing and administration fees have been priced into the ESP and there are no additional charges when investing.
Pre-Investment Interest	Funds placed into IWI stock broking accounts will receive the current rate available from IWI.
Consequences of occurrence of a Credit Event	<p>If a Credit Event occurs in respect of INP, the ESP will terminate on the Maturity Date and the investor will receive the following Settlement Amount:</p> <p>The market value of the Digital Plus on the business day immediately prior to the date of the Credit Event multiplied by the CE Factor (“Reduced Return Amount”) plus CE Interest.</p>
CE Factor	The recovery price (expressed as a percentage) of unsubordinated bond or loan obligations of INP determined by IBL, as calculation agent, based on tradable quotations obtained in the market.
CE Interest	If a Credit Event occurs prior to the Maturity Date, the investor will receive interest (at the overnight SAFEX rate) in respect of the Reduced Return Amount, from the date upon which the occurrence of the Credit Event is duly confirmed, to the date upon which the Settlement Amount is paid to the investor.
Credit Events	Bankruptcy, Failure to Pay, Obligation Default, Repudiation/Moratorium and Restructuring.



EURO STOXX 50 Digital Plus

This Application Form and Product Term sheet is a summary only and is not intended to set out the definitive terms of the investment. Terms used, but not otherwise defined herein shall have meanings given to such in the relevant Pricing Supplement. The full terms and conditions of the Digital Plus will be set out in the Pricing Supplement and will be made available on the Investec website at www.investec.com/Growth or from IWI within 10 business days of the Trade Date.

Prior to making any investment decision, investors should seek professional advice and read the applicable Pricing Supplement and Warrant and Note Programme. The Digital Plus is listed on the JSE under the Investec Warrant and Note Programme as approved by the JSE. Details of this programme as well as the Pricing Supplement relating to the Digital Plus are available on the Investec website at www.investec.com/Growth or from your IWI investment manager.

IBL will target a Digital Return level of 30%, however due to the volatile nature of the underlying indices, we reserve the right not to proceed on Trade Date should the level of the digital be lower than 25%.

While IBL does provide a daily price for the ESP, the nature of the ESP is such that any principal protection is only available at maturity and provided that there has not been a Credit Event by INP. During the life of the ESP, the value could be lower than the stated protection level irrespective of the Index level at the time.

The return received is dependent on the EURO STOXX 50 Index and past performance of any investment is not a guide to future returns,

IBL gives no warranty as the performance or profitability of these investments.

IBL further gives no warranty as to whether or not a Credit Event could occur in relation to INP and the investor is advised to evaluate the credit worthiness of INP, and the suitability and appropriateness of this investment, based on the investor's own judgement and upon advice from such tax, accounting, regulatory, legal and financial advisers as the investor deems necessary. At maturity, if the market value of the Underlying Basket is greater than the payoff profile of the Digital Plus, a sufficient number of exchange traded fund units will be sold on behalf of the investor, at IBL's discretion, in order to pay the premium, with the balance of the Underlying Basket being delivered into the investor's stock broking account. However, if the market value of the Underlying Basket is worth less than the payoff profile of the Digital Plus, the Underlying Basket will be sold for an amount equal to the payoff profile and the proceeds will be settled via the JSE.

For as long as an investor is the holder of a Digital Plus, the investor will be the owner of the constituents of the Underlying Basket. The tax consequences for investors, who elect to sell the Digital Plus before a period of 3 years has elapsed, will be dependent upon the individual circumstances of such investors and any profit realised from the sale may be subject to Income Tax. It is incumbent upon potential investors to seek independent professional legal, tax and accounting advice so as to consider the investment in the light of the investor's particular circumstances. No responsibility is accepted by Investec for the treatment of any court of law, tax, banking or other authority in any jurisdiction of



the investment and no undertaking, warranty or representation is given with regard to the outcome of any such investment.

Investors will receive a monthly statement from IWI showing the value of their investment, the price of which will be published daily in the press by the JSE.

During the life of the product the value could be lower than the stated protection level. The past performance of any investment is not necessarily a guide to future returns and Investec gives no warranty as to the performance or profitability of these investments.

The investor hereby agrees and acknowledges that Investec Corporate & Institutional Banking, a division of Investec Bank Limited ("ICIB"), is a product supplier as defined by the Financial Advisory and Intermediary Services Act ('FAIS') and as such:

- will not render any investment advice in respect of the ESP. The selection of investments will be made entirely at the investor's discretion;
- shall bear no responsibility for, nor guarantees the performance of the investment, and ICIB will not be liable for any losses the investor may incur as a result of the investor acting on inadequate or insufficient advice.

I/The investor have read the product term sheet and agree to be bound by the terms and conditions thereof and warrant that the particulars supplied are true and correct.

By signing and agreeing to the terms and conditions set out herein, I authorise IWI to debit my account on the Trade Date with the amount

invested as per my application in order to facilitate the purchase of the Digital Plus from Investec.

Investor name _____

Investor signature _____

Advisor name _____

Advisor signature _____

Date _____

Account number _____

Amount invested _____