Loan Agreement
(Land Bank Financial Intermediation Project)

between

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

And

LAND AND AGRICULTURAL DEVELOPMENT BANK OF SOUTH AFRICA

Dated 10 April, 2017
LOAN AGREEMENT

AGREEMENT dated [Date], 2017, between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank") and LAND AND AGRICULTURAL DEVELOPMENT BANK OF SOUTH AFRICA ("Borrower"). The Borrower and the Bank hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — LOAN

2.01. The Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, the amount of ninety-three million Dollars ($93,000,000), as such amount may be converted from time to time through a Currency Conversion in accordance with the provisions of Section 2.08 of this Agreement ("Loan"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section III of Schedule 2 to this Agreement.

2.03. The Front-end Fee payable by the Borrower shall be equal to one quarter of one percent (0.25%) of the Loan amount. The Borrower shall pay the Front-end Fee not later than sixty days after the Effective Date.

2.04. The Commitment Charge payable by the Borrower shall be equal to one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.

2.05. The interest payable by the Borrower for each Interest Period shall be at a rate equal to the Reference Rate for the Loan Currency plus the Variable Spread provided, however, that the interest payable shall in no event be less than zero percent (0%) per annum; and provided furthermore that, upon a Conversion of all or any portion of the principal amount of the Loan, the interest payable by the Borrower during the Conversion Period on such amount shall be determined in accordance with the relevant provisions of Article IV of the General Conditions. Notwithstanding the foregoing, if any amount of the Withdrawn Loan Balance remains unpaid when due and such non-payment continues for a period of thirty
days, then the interest payable by the Borrower shall instead be calculated as provided in Section 3.02 (e) of the General Conditions.

2.06. (a) The Payment Dates are April 1 and October 1 in each year.

(b) Notwithstanding paragraph (a) of this Section 2.06, if the Borrower requests pursuant to the terms of Section 2.09 below a Conversion of the Loan Currency into South African Rand (ZAR), upon the Bank's execution of such Conversion, the Borrower shall pay interest on the converted Withdrawn Loan Balance on each January 1, April 1, July 1 and October 1. Notices with respect to interest due on such converted amounts may be given by the Bank to the Borrower via electronic means as provided in Section 10.01 of the General Conditions; such notices will be sent to the Borrower at such electronic mail address as the Borrower shall have designated by notice to the Bank for purposes of receiving such information.

2.07. The principal amount of the Loan shall be repaid in accordance with the amortization schedule set forth in Schedule 3 to this Agreement.

2.08. (a) The Borrower may at any time request any of the following Conversions of the terms of the Loan in order to facilitate prudent debt management: (i) a change of the Loan Currency of all or any portion of the principal amount of the Loan, withdrawn or unwithdrawn, to an Approved Currency; (ii) a change of the interest rate basis applicable to: (A) all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate to a Fixed Rate, or vice versa; or (B) all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate based on a Reference Rate and the Variable Spread to a Variable Rate based on a Fixed Reference Rate and the Variable Spread, or vice versa; or (C) all of the principal amount of the Loan withdrawn and outstanding from a Variable Rate based on a Variable Spread to a Variable Rate based on a Fixed Spread; and (iii) the setting of limits on the Variable Rate or the Reference Rate applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding by the establishment of an Interest Rate Cap or Interest Rate Collar on the Variable Rate or the Reference Rate.

(b) Any conversion requested pursuant to paragraph (a) of this Section that is accepted by the Bank shall be considered a “Conversion”, as defined in the General Conditions, and shall be effected in accordance with the provisions of Article IV of the General Conditions and of the Conversion Guidelines.
2.09. Without limitation upon the provisions of Section 2.08 (a) of this Agreement and unless otherwise notified by the Borrower to the Bank in accordance with the provisions of the Conversion Guidelines, any amount withdrawn from the Loan Account shall be converted from Dollars to South African Rand (ZAR) for the longest maturity available for the Conversion of such amount with effect from the Conversion Date. Each such Conversion shall be effected on such terms and conditions as may be separately agreed by the Bank and the Borrower.

ARTICLE III — PROJECT

3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall carry out the Project in accordance with the provisions of Article V of the General Conditions.

3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Borrower and the Bank shall otherwise agree, the Borrower shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE BANK

4.01. The Additional Event of Suspension consists of the following, namely, that the Land Bank Legislation (and/or other related legislation) have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Borrower to perform any of its obligations arising under or entered into pursuant to this Agreement, or to achieve the objective of the Project.

4.02. The Additional Event of Acceleration consists of the following, namely, that the event specified in Section 4.01 of this Agreement occurs and is continuing for a period of 60 days after notice of the event has been given by the Bank to the Borrower.

ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Additional Condition of Effectiveness consists of the following, namely, that the Guarantee Agreement has been executed and delivered and all conditions precedent to its effectiveness (other than the effectiveness of this Agreement), have been fulfilled.

5.02. The Effectiveness Deadline is the date one hundred and twenty (120) days after the date of this Agreement.
ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Borrower’s Representative is its Chief Financial Officer.

6.02. The Borrower’s Address is:

Land and Agricultural Development Bank of South Africa
Block D, Eco Glades 2 Office Park
420 Witch-Hazel Avenue
Eco Park
Centurion
Gauteng
Republic of South Africa

Facsimile:

27-86-618-0633

6.03. The Bank’s Address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Telex: Facsimile:

248423(MCI) or 64145(MCI) 1-202-477-6391
AGREED at Centurion, 10 April 2017, as of the day and year first above written.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

[Signature]

Authorized Representative

Name: P. Novamba Um

Title: Country Director

LAND AND AGRICULTURAL DEVELOPMENT BANK OF SOUTH AFRICA

By

[Signature]

Authorized Representative

Name: B. van Looy

Title: Chief Financial Officer

acting in concurrence with

By

[Signature]

Authorized Representative

Name: J. Methemby

Title: Executive Manager Legal
SCHEDULE 1

Project Description

The objective of the Project is to sustainably scale up the Borrower’s financing, specifically to benefit emerging farmers.

The Project consists of the following component:

Part 1. **Line of Credit for Agricultural Financing**

Provision of a revolving line of credit (Line of Credit), in particular for:

1. Refocusing the Borrower’s operations on wholesale lending, including, provision of wholesale finance to Commercial and Emerging Farmers, and leveraging the network of financial intermediaries (Participating Financial Intermediaries or PFIs) to improve the ability of eligible Agriculture Enterprises, Commercial and Emerging farmers, communal property associations and other eligible borrowers supported under the corporate banking (CB), and commercial development banking (CDB) business lines.

2. Integrating emerging farmers into established value chains, including: (a) scaling up direct lending to eligible Emerging Farmers and Agriculture Enterprises for integrated value chain finance; and (b) identifying high-potential value chain projects and securing buy-in from large agricultural corporates or technical partners.
SCHEDULE 2
Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Borrower shall carry out the Project with due diligence and efficiency and in conformity with appropriate administrative, financial, technical, engineering, environmental and social standards and practices, and in accordance with the Environmental and Social Management System (ESMS), the Environmental and Social Operations Manual (ESOM), and the Project Operations Manual, and shall provide, promptly as needed, the funds, facilities, services and other resources required for the Project.

2. The Borrower shall appoint and thereafter maintain at all times during the implementation of the Project, the Chief Financial Officer and a team consisting of its staff to facilitate overall coordination and monitoring of progress in the Project implementation.

3. Monitoring and Management of Environmental and Social Safeguards

   The Borrower shall, at all times during the implementation of the Project, maintain a team, acceptable to the Bank, consisting of its staff under the Chief Financial Officer with responsibility for the monitoring and management of environmental and social safeguards aspects of the Project, including, without limitation, consultation, dissemination of information, reporting and communication.

B. Sub-loan Agreements

1. For purposes of carrying out Part 1.1 of the Project, the Borrower shall enter into agreements with each Participating Financial Intermediary (PFI) under terms and conditions which shall have been approved by the Bank including, inter alia, the terms and conditions set forth in Section I.C of this Schedule (Sub-loan Agreement).

2. For purposes of carrying out Part 1.2 of the Project, the Borrower shall enter into agreements with each Emerging Farmer or Agriculture Enterprise under terms and conditions which shall have been approved by the Bank including, inter alia, the terms and conditions set forth in Section I.C of this Schedule (Sub-loan Agreement).
3. The Borrower shall exercise its rights and carry out its obligations under each Sub-loan Agreement in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan.

4. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate, terminate, waive or fail to enforce any Sub-loan Agreement or any of provision thereof.

C. Terms and Conditions of each Sub-loan Agreement

The Borrower shall, amend or include an addendum in form and substance satisfactory to the Bank, under the Model Form of the Land Bank Revolving Facility Agreement with the terms of the Sub-loan Agreement. Such Sub-loan Agreement shall contain, *inter alia*, the following provisions:

1. The obligations of the Borrower:
   
   (a) to promptly disburse a Sub-Loan from the proceeds of the Loan to: (i) the pertinent PFI for the purposes of providing Sub-financing to an eligible Commercial or Emerging Farmer, or (ii) Emerging Farmer, or Agriculture Enterprise, for the purpose of financing the carrying out of the pertinent Subprojects with due diligence and efficiency;
   
   (b) to make available to the pertinent PFI, Emerging Farmer or Agriculture Enterprise a Sub-loan: (a) denominated and repayable in ZAR; (b) charged interest on the principal amount withdrawn and outstanding from time to time at an interest rate that takes into account the Borrower's cost of funding, operating costs and credit risk margin; and (c) repayable over a period not exceeding twenty (20) years from the date of the Sub-loan Agreement, inclusive of a grace period not exceeding three (3) years, all under terms and conditions acceptable to the Bank;
   
   (c) to ensure that each proposal by a PFI for Sub-financing, or each proposal by an Emerging Farmer or Agriculture Enterprise for direct financing, as the case may be, is evaluated and approved, in accordance with the qualification criteria set forth in the Project Operations Manual;
   
   (d) to take or permit to be taken all actions to enable each PFI to comply with its obligations referred to in Sections I.C.3, I.C.4 and I.C.5 of this Schedule;
   
   (e) to ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines, and the pertinent provisions of this Agreement;
(f) to ensure that the Sub-loan Agreement includes the Audit Right provisions in conformity with the Anti-Corruption Guidelines;

(g) to ensure compliance with the environmental and social safeguards due diligence set forth in the ESOM and the Project Operations Manual, and referred to in Section I.F of this Schedule 2;

(h) to provide in each Sub-loan Agreement a requirement for the eligible PFI to comply with the eligibility criteria set forth in the Project Operations Manual; and

(i) not to assign, amend, terminate, abrogate, repeal, waive or fail to enforce the Sub-loan Agreement or any provision of the Sub-loan Agreement, unless previously agreed by the Bank.

2. The Borrower shall obtain rights adequate to protect its interests and those of the Bank, including the right to:

(a) suspend or terminate the right of the pertinent PFI, or Emerging Farmer, or Agriculture Enterprise to use the proceeds of the Sub-loan, or obtain a refund of all or any part of the amount of the Sub-loan then withdrawn, upon the pertinent PFI's, or Emerging Farmer's, Agricultural Enterprise's failure to perform any of its obligations under the Sub-loan Agreement; and

(b) take remedial actions against any PFI, or any Emerging Farmer, or any Agriculture Enterprise in case that the pertinent PFI, or Emerging Farmer, or Agriculture Enterprise shall have failed to comply with any of its obligations under the Sub-loan Agreement (which actions shall previously be agreed with the Bank), and the provisions of this Agreement.

3. Each Sub-loan Agreement with a PFI shall contain the following obligations of the pertinent PFI:

(a) to share the credit risk with the Borrower on all Sub-financing to Commercial and Emerging Farmers, including: (i) the obligation to assume full credit risk for any Sub-financing under CB & CDB; and (ii) the obligation to assume under REM sub-line: 50% of the loss for the first 5 percent of any non-performing Sub-financing, 70% of the loss for 5 to 10 percent of any non-performing Sub-financing, and 100% of the loss for above 10 percent of any non-performing Sub-financing, all in accordance with the guidelines established by the Borrower from time to time;
For the purpose of this provision the term, "non-performing Sub-financing" means a sub-loan that is not repaid, and which the pertinent PFI has removed from its balance sheet.

(b) to comply with the environmental and social safeguards due diligence set forth in the ESOM and the Project Operations Manual, and referred to in Section I.F of this Schedule 2;

c) to incorporate in all Sub-financing Agreements the obligation of the respective borrowers (Commercial and Emerging Farmers) to comply with environmental and social safeguards due diligence set forth in the ESOM and the Project Operations Manual;

(d) to service the repayment of the Sub-loan in accordance with an agreed repayment and under terms and conditions approved by the Bank, and which terms shall specifically be set forth in the pertinent Sub-loan Agreement;

e) to ensure that the pertinent Subproject is carried out in accordance with the provisions of this Agreement, the Sub-loan Agreement, the ESOM, and the Project Operations Manual;

(f) to comply with the following obligations: (i) to maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Bank, both in a manner adequate to reflect the operations, resources and expenditures related to the Project; and (ii) at the Borrower’s and/or the Bank’s request, have such financial statements audited by independent auditors acceptable to the Borrower and the Bank, and promptly furnish the statements so audited to the Borrower;

(g) to comply with the provisions of the Anti-Corruption Guidelines in connection with the Project;

(h) not to assign, amend, terminate, abrogate, repeal, waive or fail to enforce the Sub-loan Agreement or any provision of the Sub-loan Agreement, unless previously agreed by the Borrower and the Bank; and

(i) to take or permit to be taken all actions to enable the Borrower to comply with the obligations referred to in this Agreement.

4. With respect to each Sub-financing, the Borrower shall pursuant to the pertinent Sub-financing Agreement require each PFI to ensure the following:
(a) each Subproject Proposal is prepared, based on the identified priorities set forth in the Project Operations Manual;

(b) each Subproject Proposal is evaluated and approved, in accordance with the established criteria set forth in the Project Operations Manual; and

(c) each PFI shall make the Sub-financing under a lending agreement (Sub-financing Agreement) with the respective Commercial and Emerging Farmer on terms and conditions approved by the Bank, which shall include the following:

(i) The Sub-financing shall be: (A) denominated and repayable in ZAR, (B) charged interest on the principal amount withdrawn and outstanding from time to time at the rate, agreed with the Borrower, and (C) repayable over a period agreed with the Borrower, in accordance with an agreed repayment schedule.

(ii) The pertinent PFI shall obtain rights adequate to protect its interests and those of the Bank and the Borrower, including the right to suspend or terminate the right of the Commercial and Emerging Farmer to use the proceeds of the Sub-financing, or obtain a refund of all or any part of the amount of the Sub-financing then withdrawn, upon the Commercial and Emerging Farmer's failure to perform any of its obligations under the Sub-financing Agreement.

(iii) The pertinent PFI shall require the Commercial and Emerging Farmer to carry out the pertinent Subproject in a manner acceptable to the Bank, and operate and maintain said Subproject, with due diligence and efficiency, and in conformity with appropriate administrative, technical, financial, economic, environmental and social standards and practices.

(iv) The pertinent PFI shall require the Commercial and Emerging Farmer to take or permit to be taken all actions to enable the Borrower and the PFI to comply with their respective obligations referred to in this Agreement, and/or in the Sub-loan Agreement.

(v) The pertinent PFI shall obtain the right to take remedial actions against the respective Commercial and Emerging Farmer in case it shall have failed to comply with any of its obligations under the Sub-financing Agreement (which actions shall previously be agreed with the Bank).
5. The Borrower shall require each PFI to exercise its rights under each Sub-financing Agreement in such manner as to protect the interests of the Borrower, the Bank and the PFI and to accomplish the purposes of the Loan. Except as the Borrower and the Bank shall otherwise agree, the pertinent PFI shall not assign, amend, abrogate or waive any Sub-financing Agreement or any of its provisions.

D. Project Operations Manual

1. The Borrower shall carry out the Project, and cause the Project to be carried out, in accordance with the provisions of a manual satisfactory to the Bank (the Project Operations Manual). Said manual shall include, inter alia: (i) the ESOM; (ii) institutional arrangements for the management of the Project; (iii) internal control systems, financial management and accounting procedures annexes; (iv) detailed arrangements for the overall carrying out of the Project (including, inter alia, procurement as well as environmental and social risks management mechanisms and procedures) to be followed during Project implementation; (v) a detailed communication plan as well as social accountability tools proposed to be utilized for Project purposes; and (vi) the guidelines and indicators for Project monitoring and evaluation.

2. Except as the Bank may otherwise agree to in writing, the Borrower shall not abrogate, amend, repeal, suspend, waive or otherwise fail to enforce the Project Operations Manual or any provision thereof, without the prior written agreement of the Bank; provided, however, that in case of any conflict between the arrangements and procedures set out in the Project Operations Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail.

E. Anti-Corruption

The Borrower shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

F. Performance Standards for Private Sector Activities

1. The Borrower shall carry out the Project, and cause the Project to be carried out, in accordance with the ESMS, and the ESOM, in form and substance satisfactory to the Bank.

2. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive either the ESMS, or the ESOM or any of their respective provisions.

3. Without limitation upon its other reporting obligations under this Agreement, the Borrower shall collect, compile and submit to the Bank, each calendar year (or at such other frequency as may be agreed with the Bank), consolidated reports on the
status of compliance with the ESMS and the ESOM, and the status of the implementation of said ESMS ("Environmental and Social Performance Report"), giving details of: (a) measures taken by the respective PFIs and Commercial and Agricultural Farmers in furtherance of the ESMS and the ESOM, including, development and operation of their respective environment and social management systems; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the said measures; and (c) remedial measures taken or required to be taken to address such conditions.

Section II. Project Monitoring Reporting and Evaluation

A. Project Reports

1. The Borrower shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 of the General Conditions and on the basis of the indicators acceptable to the Bank. Each Project Report shall cover the period of six (6) calendar months, and shall be furnished to the Bank not later than forty-five (45) days after the end of the period covered by such report.

B. Financial Management, Financial Reports and Audits

1. The Borrower shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 5.09 of the General Conditions.

2. The Borrower shall prepare and furnish to the Bank not later than forty-five (45) days after the end of each six (6) calendar months, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Bank.

3. The Borrower shall have its Financial Statements audited in accordance with the provisions of Section 5.09(b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one Fiscal Year of the Borrower. The audited Financial Statements for each such period shall be furnished to the Bank not later than six (6) months after the end of such period.

Section III. Withdrawal of Loan Proceeds

A. General

1. The Borrower may withdraw the proceeds of the Loan in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Bank shall specify by notice to the Borrower (including the "World Bank Disbursement Guidelines for Projects", dated May 2006, as revised
from time to time by the Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Loan ("Category"), the allocation of the amounts of the Loan to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category.

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Line of Credit under the Project</td>
<td>93,000,000</td>
<td>100% of the amount disbursed under Sub-loans and Sub-Financing</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>93,000,000</td>
<td></td>
</tr>
</tbody>
</table>

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:

   (a) from the Loan Account until the Bank has received payment in full of the Front-end Fee; or

   (b) prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed eighteen million six hundred thousand ($18,600,000) may be made for payments made prior to this date but on or after April 1, 2016, for Eligible Expenditures under Category (1).

2. The Closing Date is April 1, 2022.
SCHEDULE 3

Amortization Schedule

1. Subject to the provisions of paragraph 2 of this Schedule, the Borrower shall repay each Disbursed Amount in semi-annual installments payable on each April 1 and October 1, the first installment to be payable on the 9th Payment Date following the Maturity Fixing Date for the Disbursed Amount and the last installment to be payable on the 50th Payment Date following the Maturity Fixing Date for the Disbursed Amount. The following table sets forth the percentage of the Disbursed Amount payable on each Principal Payment Date.

<table>
<thead>
<tr>
<th>Principal Payment Date (each April and October 1st on the 9th Interest Payment Date following the Maturity Fixing Date for the Disbursed Amount)</th>
<th>Installment Share (Expressed as a Percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9th Payment Date</td>
<td>1.73</td>
</tr>
<tr>
<td>10th Payment Date</td>
<td>1.76</td>
</tr>
<tr>
<td>11th Payment Date</td>
<td>1.78</td>
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<tr>
<td>12th Payment Date</td>
<td>1.81</td>
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<tr>
<td>13th Payment Date</td>
<td>1.84</td>
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<td>14th Payment Date</td>
<td>1.86</td>
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<td>15th Payment Date</td>
<td>1.89</td>
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<td>16th Payment Date</td>
<td>1.92</td>
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<tr>
<td>17th Payment Date</td>
<td>1.95</td>
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<tr>
<td>18th Payment Date</td>
<td>1.98</td>
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<td>19th Payment Date</td>
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<td>20th Payment Date</td>
<td>2.04</td>
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<tr>
<td>21st Payment Date</td>
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<td>2.1</td>
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<tr>
<td>23rd Payment Date</td>
<td>2.13</td>
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<td>24th Payment Date</td>
<td>2.16</td>
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<tr>
<td>25th Payment Date</td>
<td>2.20</td>
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<tr>
<td>26th Payment Date</td>
<td>2.23</td>
</tr>
<tr>
<td>Principal Payment Date (each April and October 1st on the 9th Interest Payment Date following the Maturity Fixing Date for the Disbursed Amount)</td>
<td>Installment Share (Expressed as a Percentage)</td>
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<td>---</td>
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<tr>
<td>27th Payment Date</td>
<td>2.26</td>
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<tr>
<td>28th Payment Date</td>
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<td>29th Payment Date</td>
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<td>34th Payment Date</td>
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<td>50th Payment Date</td>
<td>2.94</td>
</tr>
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<td></td>
<td>100</td>
</tr>
</tbody>
</table>
2. If any one or more installments of principal of the Disbursed Amount would, pursuant to the provisions of paragraph 1 of this Schedule, be payable after [April 1, 2047], the Borrower shall also pay on such date the aggregate amount of all such installments.

3. The Bank shall notify the Loan Parties of the amortization schedule for each Disbursed Amount promptly after the Maturity Fixing Date for the Disbursed Amount.

4. Notwithstanding the provisions of paragraphs 1 through 3 of this Schedule, in the event of a Currency Conversion of all or any portion of a Disbursed Amount to an Approved Currency, the amount so converted in the Approved Currency that is repayable on any Principal Payment Date occurring during the Conversion Period, shall be determined by the Bank by multiplying such amount in its currency of denomination immediately prior to the Conversion by either: (i) the exchange rate that reflects the amounts of principal in the Approved Currency payable by the Bank under the Currency Hedge Transaction relating to the Conversion; or (ii) if the Bank so determines in accordance with the Conversion Guidelines, the exchange rate component of the Screen Rate.

5. If the Withdrawn Loan Balance is denominated in more than one Loan Currency, the provisions of this Schedule shall apply separately to the amount denominated in each Loan Currency.
APPENDIX

Section I. Definitions


2. “Audit Right” means the provisions referred to in Section I.C.1(f) of Schedule 2 to this Agreement.

3. “Agriculture Enterprise” means an agricultural business that is eligible to receive a Sub-financing to finance a Subproject.

4. “CB” and “CDB” mean the pertinent corporate banking, and commercial development banking lines of the Borrower’s lending business, respectively.

5. “Commercial Farmer” means an agricultural corporate that is eligible to receive a Sub-financing to finance a Subproject.

6. “Category” means a category set forth in the table in Section III of Schedule 2 to this Agreement.

7. “Emerging Farmer” means a historically disadvantaged farmer that is eligible to receive a Sub-financing to finance a Subproject.

8. “Environmental and Social Management System” or “ESMS” means the Borrower’s environmental and social management systems acceptable to the Bank, described in the document titled “Land Bank Environmental and Social Management System” dated February 23, 2015, and approved by the Borrower’s board on May 26, 2015, as the same may be amended from time to time with the agreement of the Bank.

9. “Environmental and Social Operations Manual” means the Borrower’s manual dated December 13, 2016, said manual, satisfactory to the Bank, and setting forth environmental and social guidelines to be followed in the implementation of the Project in monitoring social and environmental standards under Subprojects, as the same may be amended from time to time with the agreement of the Bank.

10. “Environmental and Social Performance Report” means Borrower’s report referred to in Section I.F.3 of Schedule 2 to this Agreement.

11. “Fiscal Year” means the Borrower’s fiscal year commencing April 1 and ending March 31 of the following year.
12. "General Conditions" means the "International Bank for Reconstruction and Development General Conditions for Loans", dated March 12, 2012, with the modifications set forth in Section II of this Appendix.

13. "Guarantor" means the Republic of South Africa, pursuant to the Guarantee Agreement.

14. "Guarantee Agreement" means the guarantee agreement of even date herewith, between the Bank and the Guarantor, in respect of the Loan, as such guarantee agreement may be amended from time to time, and such term includes all appendices, schedules and agreements supplemental to the Guarantee Agreement.

15. "Land and Agricultural Development Bank of South Africa" or "Land Bank" means the agricultural development bank established and operating pursuant to the Land and Agricultural Development Bank Act, 15 of 2002 of the laws of the Guarantor.


17. "Line of Credit" means a revolving facility managed and operated by the Borrower to provide financing out of the proceeds of the Loan to respective PFIs, Emerging Farmers and Agriculture Enterprises for financing Subprojects.

18. "Participating Financial Intermediary" or "PFI" means an approved financial institution, cooperative or other banking society, which is registered as a financial institution, cooperative or society pursuant to the laws of the Guarantor, and approved to participate through the Line of Credit as a financier of Commercial and Emerging Farmers initiated Subprojects.

19. "Model Form of the Land Bank revolving Facility Agreement" means a standard form agreement adopted by the Borrower as a basis for a lending agreement between the Borrower and a PFI or other borrower in connection with a Line of Credit.

20. "Project Operations Manual" means the manual, satisfactory to the Bank, and referred to in Section I.D.1 of Schedule 2 to this Agreement, as the same may be amended from time to time with agreement of the Bank.

22. "South African Rand" or "ZAR" means the Rand, the lawful currency of the Guarantor.

23. "Sub-financing" means a sub-financing to be made by a PFI to a Commercial and Emerging Farmer pursuant to a Sub-financing Agreement.

24. "Sub-financing Agreement" means any agreement to be executed between a PFI and a Commercial and Emerging Farmer pursuant to which such Commercial and Emerging Farmer shall obtain a sub-financing to carry out a Subproject, as such sub-financing agreement may be amended from time to time, with the agreement of the Bank and the Borrower, and such term includes all appendices, schedules and agreements supplemental to the Sub-financing Agreement.

25. "Sub-loan Agreement" means any of the agreements to be executed between the Borrower and a PFI, or an Emerging Farmer, or an Agriculture Enterprise, pursuant to which such PFI shall obtain a revolving line of credit, or such Emerging Farmer or such Agriculture Enterprise shall obtain direct financing, in each case to finance a Subproject, as such sub-loan agreement may be amended from time to time, with the agreement of the Bank, and such term includes all appendices, schedules and agreements supplemental to the Sub-loan Agreement.

26. "Sub-loan" means a sub-loan to be made by the Borrower to a PFI pursuant to the Sub-loan Agreement.

27. "Subproject" means any agricultural investment initiated by a Commercial and Emerging Farmer and financed through a PFI pursuant to the financing available to such PFI under the Project.

28. "Subproject Proposal" a proposal made by Commercial and Emerging Farmer to a PFI for a Sub-financing.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. In the Table of Contents, the references to Sections, Section names and Section numbers are modified to reflect the modifications set forth in the paragraphs below.

2. Section 3.01. (Front-end Fee) is modified to read as follows:

   "Section 3.01. Front-end Fee; Commitment Charge

   (a) The Borrower shall pay the Bank a front-end fee on the Loan amount at the rate specified in the Loan Agreement (the "Front-end Fee")."
(b) The Borrower shall pay the Bank a commitment charge on the Unwithdrawn Loan Balance at the rate specified in the Loan Agreement (the "Commitment Charge"). The Commitment Charge shall accrue from a date sixty days after the date of the Loan Agreement to the respective dates on which amounts are withdrawn by the Borrower from the Loan Account or cancelled. The Commitment Charge shall be payable semi-annually in arrears on each Payment Date."

3. In the Appendix, Definitions, all relevant references to Section numbers and paragraphs are modified, as necessary, to reflect the modification set forth in paragraph 2 above.

4. The Appendix is modified by inserting a new paragraph 19 with the following definition of "Commitment Charge", and renumbering the subsequent paragraphs accordingly:

"19. "Commitment Charge" means the commitment charge specified in the Loan Agreement for the purpose of Section 3.01(b)."

5. Renumbered paragraph 21 (originally paragraph 20) of the Appendix ("Conversion Date") is modified to read as follows:

"21. "Conversion Date" means, for a Conversion, the Execution Date or such other date as the Bank shall determine on which the Conversion enters into effect, as further specified in the Conversion Guidelines; provided that if the Loan Agreement provides for automatic Conversions into the Approved Currency upon withdrawal of amounts of the Loan, the Conversion Date shall be the date of withdrawal from the Loan Account of the amount in respect of which the Conversion has been requested."

6. In the renumbered paragraph 49 (originally paragraph 48) of the Appendix, the definition of "Front-end Fee" is modified by replacing the reference to Section 3.01 with Section 3.01 (a).

7. In the renumbered paragraph 68 (originally paragraph 67) of the Appendix, the definition of the term "Loan Payment" is modified to read as follows:

"68. "Loan Payment" means any amount payable by the Loan Parties to the Bank pursuant to the Legal Agreements or these General Conditions, including (but not limited to) any amount of the Withdrawn Loan Balance, interest, the Front-end Fee, the Commitment Charge, interest at the Default Interest Rate (if any), any prepayment premium, any transaction fee for a Conversion or early termination of a Conversion, the Variable Spread Fixing Charge (if any), any premium payable upon the establishment of an Interest Rate Cap or Interest Rate Collar, and any Unwinding Amount payable by the Borrower."
8. In the renumbered paragraph 73 (originally paragraph 72) of the Appendix, the definition of “Payment Date” is modified by deleting the word “is” and inserting the words “and Commitment Charge are” after the word “interest”.